



House of Commons
CANADA

Standing Committee on Aboriginal Affairs and Northern Development

AANO • NUMBER 004 • 2nd SESSION • 39th PARLIAMENT

EVIDENCE

Thursday, November 29, 2007

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Chair

Mr. Barry Devolin

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• (1015)

[English]

The Chair (Mr. Barry Devolin (Haliburton—Kawartha Lakes—Brock, CPC)): Good morning, everybody, and welcome to our meeting.

In particular, welcome, Mr. Minister.

There are a couple of really quick housekeeping items before we start.

Last week some of you asked me if in the wintertime we couldn't hold our meetings a little further south. We have managed that. I hope you're enjoying 131 Queen Street.

It is an interesting debate, though. Would you rather drink coffee out of a plastic can up in the West Block or would you rather have Starbucks three blocks away? I'm going to go with Starbucks and three blocks away.

Anyway, good morning. On the questioning rounds for the committee members, we're going to get a presentation from the minister, and then I can appreciate that many of you are going to want to have an opportunity to ask the minister questions. We will do our normal cycle, which is seven minutes, but I would like to keep it to seven minutes. So what I'll do is when there's a minute left, I'll just say "one minute", and we don't need to stop the conversation, but that gives both the questioner and whoever is answering the question a warning that we're into the last minute. That way, hopefully, we can get as many turns as possible.

There is one other quick reminder. For those of you who have amendments to Bill C-21, please get them to the clerk as soon as possible so that we can have those prepared for Tuesday's meeting.

At this point, I would like to call for vote 1a under Indian Affairs and Northern Development. To begin this process, I'd like to ask our special guest today, Minister Chuck Strahl, to make a presentation.

Hon. Chuck Strahl (Minister of Indian Affairs and Northern Development): Thank you, Mr. Chairman. I must say, you folks are a pretty punctual bunch.

I am pleased to be here, obviously, to have this opportunity to appear before the committee to discuss not only the supplementary estimates but the government's larger view and the challenges facing aboriginal people and the initiatives we are undertaking to address those challenges.

[Translation]

Although this is my first appearance as minister before this committee, I have been a member of various committees for many years. I am very conscious of the important role that committees play in the parliamentary process and I appreciate the work that you are doing.

[English]

My remarks today reference the supplementary estimates of the department. My predecessor, the Hon. Jim Prentice, appeared before you several months ago to discuss the main estimates for the current fiscal year. We're now in the next phase of the budgetary cycle.

As you may recall, this government's inaugural budget in 2006 adopted a new strategy to address aboriginal issues, targeted investments to resolve quality of life issues. This commitment was reaffirmed in Budget 2007.

This government's larger aboriginal agenda was articulated by the Prime Minister in an address in Halifax earlier this month. I was pleased to be in attendance. It focused on five areas: economic development; education; empowering first nations and protecting the vulnerable; land claims; and reconciliation governance and self-government.

To effect a real change in these areas, our approach is to build a record of results through concrete, tangible actions undertaken with willing and able partners.

The supplementary estimates helped us to achieve these results. In total, these estimates commit, through Indian and Northern Affairs Canada, \$209 million in additional investments that aim to improve the lives of aboriginal people and northerners. Another \$25 million is committed through Indian Residential Schools Resolution Canada.

Mr. Chairman, since my appointment as minister, I have crossed the country, meeting with provincial and territorial ministers, aboriginal leaders, and private sector stakeholders, and I have visited northern communities and first nations reserves.

[Translation]

I am proud to note that, with our partners, this government is making real progress—and that aboriginal people and northerners are beginning to reap the benefits.

[English]

Let me address the reconciliation first. One of my first actions as minister was to meet with the national chief of the Assembly of First Nations and a group of former residential school students in Winnipeg.

I realize that addressing the legacy of Indian residential schools is personally wrenching for many of these folks, and it is extremely complex, but it is the right thing to do, and we will do it right.

Let me be perfectly clear on the point that contrary to a recent and incorrect media report, the full \$1.9 billion in support of the common experience payment for the settlement agreement is available for former Indian residential school students. The \$1.9 billion in funding is managed through a trust account, minus the advance payments of \$82.6 million that have already been made to 10,326 former students, which this government provided in advance of the implementation of the agreement to former students who were 65 or older on May 30, 2005.

This government is also moving to fulfill its lawful obligation to first nations through a significant retooling of the specific claims resolution process. On Tuesday, I had the honour of introducing Bill C-30, the Specific Claims Tribunal Act in the House. This progressive legislation will establish an independent tribunal to make binding decisions on specific claims that have been rejected for negotiation, or when negotiations have failed. It is the critical element in the implementation of the broader specific claims action plan announced by Prime Minister Harper on June 12.

This government recognizes the importance to first nations of the timely resolution of both comprehensive and specific claims. For instance, the single biggest amount in the supplementary estimates involves nearly \$31 million to support implementation of the Nunavik Inuit Land Claims Agreement. Bill C-11, the bill to enact the agreement, is now before the Senate.

In addition to this legislation, we are working in partnership with Inuit and Quebec leaders in other areas of interest. In August I met with Inuit and provincial, federal, and local government leaders at a conference in Kujuuq, with a view to opening new horizons in the development of Nunavik. We agreed to set up a tripartite working group to ensure that the spirit of working in partnership established at that meeting continues to guide the future development of Nunavik.

I am also pleased to highlight that we are making great strides in the treaty land entitlement settlements. When I met with the Assembly of Manitoba Chiefs in August, I was pleased to note that more than twice the amount of land in that province was converted last year than converted since the TLE agreements were signed in the 1990s. The addition of these lands will help foster stronger first nations economies and bring economic benefits to surrounding areas as well.

The funding provided by these supplementary estimates will assist my department in delivering on another of our priorities: protecting the vulnerable. Earlier this year, a tripartite agreement was signed in Alberta allowing for the use of a prevention-based service model to deliver child and family services to Alberta first nations. The

supplementary estimates allow \$15.3 million toward the delivery of these services.

Let me also note that just under \$9 million will go toward enhanced spending for shelters for victims of family violence and prevention-related community-based programs.

Economic development is another cornerstone of our prosperity initiatives, so we are working to create a more coherent and practical approach to increasing aboriginal participation in the economy. The National Aboriginal Economic Development Board will be assisting us with implementing this approach. In April our government named new members, and a new chairman, Chief Clarence Louie. They will provide invaluable advice in such areas as investment strategies, business creation, and access to business capital.

Since my appointment as minister, I have had the opportunity to speak with the board, and I met recently with Chief Louie in Vancouver to discuss these and other important issues.

Of course, the north is an extremely important part of my mandate as well. I have made a number of trips north of 60 in the past months, talking to territorial and Inuit leaders about their plans and aspirations. Every time I visit, I am impressed by the immense potential of this region and its people.

Our government is working to achieve real progress in the north in four priority areas: strengthening arctic sovereignty, promoting social and economic development, protecting our environmental heritage, and improving and developing northern governance. The actions we take in support of these priorities will benefit not only northerners, but all Canadians. We are establishing a Canadian Forces training centre in Resolute Bay, and a deep-water docking and refueling facility in Nanisivik provides some of the infrastructure needed to exercise sovereignty.

● (1020)

We have also taken other significant action. For example, further investments in the International Polar Year are included in these supplementary estimates; we will get the job done on seabed mapping; and a world-class arctic research station will yield the knowledge we need to make sound decisions on environmental, social, and economic policies.

The final point I would like to raise concerns the food mail program, in support of which the supplementary estimates call for an investment of \$20 million. I discussed food mail with northern officials when I was in Kuujuaq. I want to emphasize that although there are cost and delivery issues concerning this program—and we are working to address those and make the program more cost-effective—the food mail program should play a vital role in ensuring that people living in northern communities have access to healthy, nutritious food.

Mr. Chairman, I have outlined what I believe were some impressive accomplishments, but this government does not plan to stop here. Our parliamentary agenda is also a full one. For instance, I am looking forward to working with this committee on Bill C-21, currently before you, and on the Specific Claims Tribunal Act, which I have also mentioned.

Also, the B.C. legislature recently passed legislation to implement the Tsawwassen agreement. I will be introducing federal legislation in the near future to bring this agreement into full force and effect.

The investments outlined in the supplementary estimates and the initiatives I have talked about this morning demonstrate this government's determination to address the whole range of aboriginal and northern issues.

[Translation]

Assisted by the addition of \$209 million to my department's total budget from the supplementary estimates, we will help strengthen aboriginal and northern communities in this country, and work with our partners towards a rich and rewarding future for all Canadians.

•(1025)

[English]

I will do my best to answer any questions committee members may have. I am pleased to have officials with me to help if necessary.

The Chair: Thank you, Mr. Minister. It's my understanding that you will be with us for an hour, until a quarter after the hour, after which point your officials will remain to answer more questions from the committee members.

We will proceed with questioning. When we get to the point where the minister has to leave, we'll pause for a moment for him to go, and then we will continue with questioning in the same way.

Before we start, Mr. Minister, could you just quickly introduce the officials you have with you today?

Hon. Chuck Strahl: My deputy minister, Michael Wernick, is here. Neil Yeates is with me as well. Jim Quinn is here to answer all technical, monetary-type questions. And Peter Harrison, who is the residential schools expert and my DM, is here.

The Chair: Thank you very much.

I would like to start the questioning.

Ms. Neville, you have seven minutes.

Hon. Anita Neville (Winnipeg South Centre, Lib.): Thank you very much, Mr. Chair, and welcome, Minister. I'm pleased to see you here today.

I have two lines of questioning that I'm going to ask you about. I'll put the questions out and hope we can get the answers, because we all have many questions.

I can't help noting, though—I'm beginning with a comment—that today is the second anniversary of the Kelowna Accord. One can't help but wonder where we might have been with aboriginal communities had that commitment been honoured.

We have found that the supplementary estimates are disappointing. As we read them, the total authorities for the department

increased very slightly. From last year to this year the departmental authority has increased by 0.25%, which to us is effectively a cut. It fails both to take into consideration that the population is growing by 3% and inflation. In light of the large budget surplus, we find it quite disappointing to be dealing with supplementary estimates that appear to represent a cut in funding.

The two areas I'd like to focus on are two that you mentioned in your remarks. There is the residential schools survivor cheques, which you and I and all of us know is a very controversial subject, and I want to focus on the food mail program, about which we have some considerable concerns.

You made a commitment on September 19 to the 80,000 survivors who were eligible to apply for compensation that the payments would be made within 35 days. We have all heard the stories, we've all seen the press reports, and we've heard that many survivors have not received their compensation. I appreciate your remarks that the money is there, that it is committed, and that it will be honoured. What I want to know is when this money will be out to them. The 35 days is long past. How do you account for the failure in getting those moneys out? What additional resources do you need? Do you know how many of those eligible for the payments—not the elders, on the prepayment—have indeed received them, and how many more are to go?

We're also hearing much about the discrepancies between people who are coming forward with their experience and government records. I want to know what you're doing to address that.

Gong on to the food mail program—and I'm sorry I'm going quickly, but we have lots that we want to raise—a year ago your predecessor said the department would review the food mail program, I think he said “from stem to gudgeon”, and that it would be completed by March 31. A year later, we know that the Canadian International Trade Tribunal ruled last February that the contract has been unfairly awarded, and yet the department has yet to demonstrate any progress.

When will your department get around to delivering a food mail program that really and truly meets the needs of northern residents and creates a level playing field for all airlines, which is a concern? What prevents the government from using the services of Public Works and Government Services to fairly find a new cargo service provider? And why does your government continue to use Canada Post, when it awarded a contract that does not meet the standards of your new government?

Over the past year, the program costs, as you have indicated, have increased 17.5%. How much of the program's cost increase over the past decade is attributable to Nav Canada fees and rising fuel costs, and what other costs have contributed to this increase? We're concerned—we talk about nutrition, we talk about healthy children—and this food program is doing nothing or very little to assist children and families in the north.

I'll stop there. I have many more questions, but I'll stop there.

• (1030)

The Chair: You have about two and a half minutes, Mr. Minister.

Hon. Chuck Strahl: Thank you very much. That was a good list of questions. I'm not going to get to all of them, but obviously we'll get you answers for those after the meetings, or you can ask officials if we don't have time to get to all of them.

On the Kelowna Accord, I would just say in passing that we don't know where we'd be, but I've heard from many people across the country what they expect from the government, and what was not clear in the Kelowna Accord was the to-do list. It was a set of promises made without any detail. They weren't sure what it was going to look like. The approach we've taken is to address practical concerns in a practical way, and we have some success stories to show for that. It's a different approach, but it is a businesslike approach that is going to work. It is working to date.

The cuts in funding aren't really cuts in funding. This is the trouble when you're dealing with estimates in isolation. You always have your main estimates. They never look quite right because you always get your supplementary estimates, but you don't get your supplementary Bs until later. It's never the whole picture in any one set of supplementaries.

Certainly we're spending a record amount of money on aboriginal people. The forecast for 2007-08 totals about \$10.2 billion from all sources. Portions come from Indian and Northern Affairs Canada, but significant amounts of money, understandably and properly, are spent through Health Canada, through HRSDC, which goes to development training, for example, through CMHC for housing initiatives, and so on. Not all the funding comes through our department, for one thing. Second, the supplementary estimates don't show the entire picture.

In total, the overall forecast spending is at \$10.2 billion, which is at record levels. I'm pleased about that. Obviously, it's not just the amount of money on most of these things; it's also how it's—

Hon. Anita Neville: Can I ask if that includes the residential schools agreement?

The Chair: Ms. Neville, the time is up, but we can follow this up on the second round.

Hon. Chuck Strahl: It does include the residential schools.

The Chair: Mr. Lemay.

[*Translation*]

Mr. Marc Lemay (Abitibi—Témiscamingue, BQ): Honourable Minister, I thank you, as well as the persons from your department who are here with you, for coming to meet with us today.

I would be very happy if at the beginning of next year, you could spend two hours with us, not to talk about estimates but to raise issues about the upcoming budget. I would have many questions to put to you and to your officials regarding the next budget. For now, I would like to put one question and then let my colleague Yvon Lévesque, who is involved with the far north and very concerned by the situation of the Cree and Inuit in Nunavik in Quebec, put one or two questions as well.

In the supplementary estimates, I do not see anything that would be meant for improving education among the first nations. Somewhere, I saw a \$1.8 million transfer. In any case, education is going through a tremendous crisis, and I am talking only about the primary and secondary levels. I am not even mentioning the post-secondary level. There is a shortage of funds. I wonder why I do not see any supplementary funds requested for this. The sole objective consists in bringing aboriginal students up to a level comparable to that of white students. In many first nations primary and secondary schools, if not in all of them, there are no computers and there is no library. There is no vocational training at all.

Would there not be some way of transferring funds in order to improve first nations education?

• (1035)

[*English*]

Hon. Chuck Strahl: Thank you.

Obviously education is one of the keys for first nations, as it is for any modern nation. Education is a key component of what we can do to help first nations help themselves. We are spending more money on education this year than ever before.

On the other hand, it's not always just about money; it's also about the management of that money and how it's spent and how it's managed. For example, in British Columbia we have signed a tripartite agreement with first nations and the province, talking about the things you've talked about—everything from a culturally sensitive curriculum development, about mobility of the students within both the first nations and the public school system, teacher professional development, and so on. We've allocated more money in the supplementary estimates to back up the legislation that we enacted last year to make this effective.

Also, we've allocated in the budget around \$31 million for the Nunavik agreement. That's an example of how we can help an aboriginal community that's ready to take control and move ahead with it. We can help as soon as we get that done, passed, and through. That money is available through the supplementaries to make sure they have it in their hands.

We have signed a couple of other agreements in principle with several provinces on, I hope, a similar tripartite type of agreement. In the end, I'm thinking especially for K-to-12 education that the tripartite solution is the right solution. It reflects the modern reality of the mobility of these students who go back and forth from on-reserve, off-reserve, the reality of first nations' desire to control the education, and our desire to help both fund it and work with the province to make sure we have common standards for these children as they work through the system. It is important to us, and I think the tripartite arrangements are the best way to move forward on it.

The Chair: You have about two and a half minutes.

[*Translation*]

Mr. Yvon Lévesque (Abitibi—Baie-James—Nunavik—Eeyou, BQ): Mr. Minister, I thank you, as well as the officials accompanying you, for being here with us.

We hear that \$20 million have been earmarked for the Canadian north, especially Nunavut and Nunavik. I understand that it would only serve to cover the indexation of the assistance. However, we asked for a better service from Canada Post so that the material and the food supplies could be shipped as quickly as possible.

Hon. Chuck Strahl: We will have to give Mr. Lévesque a little more time because my receiver was off.

[*English*]

The Chair: You have an extra 30 seconds.

[*Translation*]

Mr. Yvon Lévesque: Regarding the Food-Mail Program, I thought I heard that the \$20 million would only serve to cover the increase in shipping costs. However, we asked for the previously implemented experimental program to be extended to all communities. In fact, we demonstrated that this program responded to many needs and that it was clearly an improvement. When you came to Nunavik, you were told that the railroad could be a better way of shipping food in a more regular and safe manner.

Moreover, the first negotiations that you held regarding the James Bay and Northern Quebec Agreement included an agreement about housing. There was an error in evaluation, and today, many residences are infested with mould. Some public buildings are also infested. We are getting ready to hand the management over to these people, and I find that \$3 million will not cover the cost of cleaning up.

● (1040)

[*English*]

The Chair: You have 30 seconds.

Hon. Chuck Strahl: I don't have a lot of time, but I'm sure we're going to come back to the second issue as we proceed.

On the food mail program, a lot of the additional costs are for the increase in fuel costs. Of course, there were huge increases during the course of the program year, so much of that money went to pay for that, although there are more people using the program than ever before.

As well, those pilot projects you talked about are part of the review process, and that involves everything from how the food is being delivered to where it's being sourced from, where it can be

flown in from, and so on. So the lessons from those pilot projects are part of the review that's taking place right now, and we hope to have the complete analysis of that as quickly as possible.

The Chair: Thank you, Mr. Minister.

Ms. Crowder, you have seven minutes.

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Thank you, Minister, for coming before the committee. I have a couple of comments on your opening remarks.

First of all, I was quite heartened to see that you were talking about protecting vulnerable populations, so I'm ever hopeful that the government will see fit to make it a priority to address Jordan's principle, once it's passed in the House, and commit to putting first nations children first.

About residential schools, I have just a quick comment. Part of the challenge with the estimates, of course, is that the formatting changes year over year, and it's very difficult to follow the money. That's why sometimes there are misleading stories that come out around estimates.

I, too, want to speak to education, but I'm going to deal with the bricks and mortar part of it. It may just be, again, how you follow the money, but in the analysis the researchers did for us, they said the community infrastructure planned money—and it's on page 2 of the document they prepared for us—the forecast spending for 2006-07, was \$1.3 billion, and in 2007-08 it was \$1.2 billion.

When we talked about the building of schools in a cost-drivers project that we did on access to information, they talked about the fact that capital and facility maintenance expenditures have actually declined, and that at this stage the per capita expenditure on capital has declined from \$1,660 to \$1,225, or a 35% decrease in dollars. They are saying that money is moved around in capital expenditures because of these funding shortfalls, making schools a priority.

Interestingly, there was an estimated five-year incremental capital requirement as part of this document, and the overall shortfall over five years was \$1.6 billion. In this document—this is a department document, by the way—just in the numbers I was able to add up from here, there was a \$202 million shortfall on building schools. Interestingly enough, British Columbia had one of those shortfalls, with a \$20 million shortfall for school construction.

Of course, I think we've all heard heartbreaking stories from reserves. Attawapiskat is a good example, where the school has been contaminated. I have Manto Sipi Cree Nation and Mosakahiken Cree Nation, which are just some of a number of places where schools just aren't being dealt with in a timely way.

I guess my question to you is that with the community infrastructure dollars going down, I didn't see anything in the supplementary estimates to reflect the need for new school construction. So I wonder how you plan on addressing how many schools need to be built or expanded or renovated to meet the government's own stated goals about K to 12 being a priority in education.

Hon. Chuck Strahl: We do an analysis on the school requirements. There are a lot of needs, as you have said, and especially in some of those communities you mentioned.

I was able to go to Kahnawake, for example, for the sod turning on a \$10 million project there. There are some good stories out there. There are some good schools. I was up at Baker Lake recently, for example, and they have a nice new school. So there are schools being built. They are obviously much appreciated. And they're part of the answer, but only part of the answer in the education mix.

The other complicating factor is that—

●(1045)

Ms. Jean Crowder: Minister, do you have an inventory of the requirements that you could provide for us about either new schools on the books that still haven't turned sod or schools on the books that you know need renovation or expansion?

I wonder if we could have those numbers, because the audit of funding of school facilities in October 2006—it was an internal audit—actually indicated that the department didn't have a very good handle on some of the schools. It says:

INAC management should establish an oversight (or quality assurance) function at headquarters to ensure regional offices are adequately monitoring and documenting both the construction of new schools and the maintenance of existing schools.

It might be helpful for the committee to look at that.

Hon. Chuck Strahl: By all means, we'll provide that list to you. We do work on a priority basis.

Complicating it all, of course, is that you think you have a plan for capital expenditure for education, and you think it's kind of rolling out, and then, for example, in Pikangikum and Kiskaciwan, we had two schools burn down this summer.

Ms. Jean Crowder: Do we transfer money from existing school projects to those, then?

Hon. Chuck Strahl: You have to prioritize. You can't just....

Ms. Jean Crowder: With a \$14 billion surplus, weren't you able to find additional money so you didn't have to take away from existing school projects?

Hon. Chuck Strahl: We are again this year spending a record amount of money on education infrastructure.

Ms. Jean Crowder: I guess it's hard to balance when you talk about education being a priority, though. If education is a priority, you actually have to put money into the bricks and mortar so that students can actually access education.

Hon. Chuck Strahl: That's why we're putting in a record amount of money. Putting in a record amount of money indicates it's a priority; so it is a priority.

Again, for education, it's partly about bricks and mortar, but it's only partly about bricks and mortar. There's also the rest of the arrangement. For example, the arrangement we have in British Columbia, which helps with the rest of the answer, if you will, deals with everything from being able to recruit and retain professional and high-quality teachers to making sure we have curriculum development that's compatible with provincial systems so these kids can transfer back and forth.

The Chair: You have one minute left.

Hon. Chuck Strahl: It's also about working hand in hand with first nations, because they want control, understandably, of these schools.

So it's not just done by fiat. Infrastructure is part of it, but it's only part of it, and that's why we have a more holistic approach to how to do this. Every once in a while, as I said, you can have your budget all laid out, and if two or three schools burn down, which happened this summer, for example, that then becomes your number one priority, and you have to just make changes as you go to address that new priority.

The Chair: Thank you.

We'll go to Mr. Bruinooge.

Mr. Rod Bruinooge (Winnipeg South, CPC): Thank you, Mr. Chair, and thank you, Minister Strahl, for coming today.

I just have to say that it's been a real pleasure working with you. Right from the first day you took the job you immediately dove right in to some of the most challenging files our country faces. Of course, as you already mentioned, you came out to Winnipeg to meet with a number of residential school claimants, and of course your appearance in Winnipeg was very much appreciated. I know you've taken a real interest in that part of the file. It's one of the most important things our government has done in relation to aboriginal affairs.

I'll just highlight the fact that when some of those erroneous claims regarding the \$82 million came out, I think it was you who was the first person who was quick to identify that it actually came from a payment that was made in the previous year to the elders. So again, I just want to commend you for being able to understand that file as well as you have right from the get-go.

This week, there was an incredible announcement of an important modification to the way we deal with specific claims. The Specific Claims Tribunal Act, Bill C-30, which you just introduced, is going to make a dramatic difference in the way we deal with specific claims. When I look at supplementary estimates this year, we have a pretty large dollar amount set aside for claim settlements. Perhaps you could take this opportunity to talk about how we deal with claims right now versus how we will once Bill C-30 is brought in.

●(1050)

Hon. Chuck Strahl: Thank you very much.

I would love to address the residential schools issue again in a minute, but I think I'd better use my time on your question, although I think the residential school thing needs to be addressed a little further.

On specific claims, I was very pleased to table that. I was also very pleased that the national chief, Phil Fontaine, and several grand chiefs were able to be there for that. They considered this a historic occasion. They were there for the tabling, even though nothing was said in the House. Their sense was that this was a historic turning of the page, the second one of the year, I would say. It was a privilege to be there with Mr. Fontaine for the residential schools one earlier this year in Winnipeg. This one he claimed was almost equally significant, for a couple of reasons.

If a specific first nations claim has been languishing—for example, if they've been trying for three years and haven't got anywhere or if the Government of Canada has rejected their claim—instead of Canada being the judge, the arbitrator, the people with the money bags and everything else, this tribunal will be set up. It will be at arm's length and it will be funded. There will be \$2.5 billion in this fund over the next 10 years for specific claims settlement.

First nations can go there. They can know that a set of superior court judges will hear their case and render a decision that's binding on the government and on first nations and get these things settled. This is something for which first nations have been asking for 60 years. Mr. Fontaine was very eloquent about this at the press conference that followed. In addition, we—he and I—signed a political agreement that commits the Government of Canada and the Assembly of First Nations to deal with issues outside the specific claims tribunal legislation. These include things like some of the larger claims, what we do with the backlog of claims, making sure we troubleshoot it in case something comes along. But most importantly, I think, is that we actually drafted the legislation working hand in hand with the Assembly of First Nations.

What this means is that over the summer a task force was set up, and the task force, or part of it, met in every region of the country with the Assembly of First Nations. They drafted the bill clause by clause. We worked together on what was needed and what was wanted. We addressed their concerns, and we were able to come up with a piece of legislation that not only addresses a 60-year-old grievance, if you will, but does it in a way that first nations feel they were not only consulted on but were partners in the creation of this legislation.

It is historic, and it will, I'm hoping, put many of these long-standing specific claims behind us—settle many of them quickly—and allow us to move onto other issues, quality of life issues and other things, such as economic development, that first nations and the government want to move to when specific claims are in our rear-view mirror instead of staring us in the face.

Mr. Rod Bruinooge: You mentioned that you wanted to further clarify the Indian residential school issue that came up.

Hon. Chuck Strahl: We can get into numbers and so on. Altogether over half a billion dollars has been paid out in the common experience payments. There's lots of money going out.

I just want to comment, if I could, on the caution that all of us need to take on this type of an issue. I'm still putting out fires because of that day. In fact, I would say that it's done...not irreparable harm because there are lots of good people working on this. When you think of it in terms of trust and the relationship with first nations, and the truth and reconciliation commission that's going

to follow, the effort that's been put into this to try to turn the page on an ugly chapter of Canadian history is immense. I would just urge real caution on everyone's part not to repeat erroneous stories, because it's impossible to pull them back in again, and what's happened around the country right now is a repetition of these stories again and again: the government has stolen the money; the government is not going to treat you fairly; the trust account is in jeopardy.

And the distrust that has already started—I can give you newspaper clippings from my own community. I just think it's very unfortunate when the entire purpose of this was to address a past wrong and to move on to reconciliation. When you're dealing with issues of reconciliation—that's not about public policy, and you can rake me over the coals for public policy—I would urge people not to repeat something that's not true, because the effect of it is to breach trust with people who finally feel they can have some trust with the federal government and with this settlement.

I just want to leave it at that. The numbers and stuff we can go through, but I just urge people to be cautious about that.

• (1055)

The Chair: Thank you, Mr. Minister.

Ms. Keeper, for five minutes.

Ms. Tina Keeper (Churchill, Lib.): Thank you.

Mr. Minister, I'd like to commend you and your government for following through on the former Liberal government's residential school compensation package. Indeed, it has had an enormous impact not just for the survivors and their families in our communities but also for our country. You're right, many things have been said, and our national chief has cautioned Canadians not to speculate about how survivors might be spending their money or how the government might be moving forward. As you said, I think it's very important that we move forward toward a true process of truth and reconciliation.

I'd also like to go back to the Kelowna Accord. I think there were details, and I think that is very disappointing as well for this country. I'd like to add that, because there were 18 months of round tables and all aboriginal communities and leaders were involved with our first ministers' meeting.

Going back to education, the increase in spending in education has not kept up with population growth nor with inflation. You said it's partly about bricks and mortar, but it has to do with other aspects of education.

I'd like to ask a question. Almost 60 first nations schools are locally controlled in Manitoba, and these first nations schools receive far less funding from INAC for their education system than INAC will spend delivering service in the provincial school system. Could you give us some information about why that is so? Why is it that when they are following the provincial curriculum, when they are investing in their students and youth, ensuring that after the whole process of residential schools, where families were torn apart and an attempt was made to eradicate first nations culture...that part of their objective is to ensure that the children in their communities are receiving culturally appropriate education, meeting provincial standards.... Why is it that their systems are so grossly underfunded compared to provincial school systems?

Hon. Chuck Strahl: Thank you for that. Again, just very briefly, to address the Kelowna Accord, it's not ancient history, but it is history. The Kelowna Accord did not address the claims process at all. We've got a \$2.5 billion commitment on specific claims alone that wasn't in the Kelowna Accord. That's very concrete, very measurable. It's a 60-year-old grievance, so we wanted to move ahead on some of those specifics. I realize we're going to disagree on this, so I don't want to belabour it.

I'd like to say a couple of things on education in Manitoba. One is that we have signed and are in the midst of some pilot projects with first nations, several pilot projects in Manitoba, to see how we can work better together with the province and with first nations. I'm hoping it's a precursor to a B.C.-type agreement. I don't want to put anybody in a mould, but I want some agreement with the province to move ahead on that.

Within the last couple of weeks I have met with a couple of the Manitoba ministers, including the Minister of Aboriginal and Northern Affairs, and agreed at that meeting to put together a working group exactly on this type of thing to see how we can work together better. I'm very pleased to work with him. I told him we're keen to do that, and he's very keen.

Ms. Tina Keeper: Is that to move to put more provincial education systems in first nations so that you're moving away from local control? Is that what that shift is?

• (1100)

Hon. Chuck Strahl: Whatever we come up with will be tripartite. It will be a system where first nations are...whatever they're comfortable with.

Ms. Tina Keeper: Obviously, there is—

The Chair: Maybe we can follow up on this in the next round. We're at five minutes.

Mr. Albrecht.

Mr. Harold Albrecht (Kitchener—Conestoga, CPC): Thank you, Mr. Chair, and thank you to the minister and your officials for being here today.

I was really pleased to see, Mr. Minister, that on the second page of your comments today you highlighted the five priorities in terms of moving ahead. Economic development and land claims are certainly two high priorities for this committee. We've discussed them numerous times in the past year. We've heard from first nations

communities that have incredible success stories in terms of economic development.

But we also recognize that often economic development is hampered by a lack of agreement around land claims issues. So I think the bringing together of economic development priorities and Bill C-30, the Specific Claims Tribunal Act, is really a key factor in moving ahead.

I understand that in the supplementary estimates there is approximately \$31 million—you pointed out in your comments here—set aside for the Nunavik land claims agreement. To me it seems that this is a way to move ahead for this entire community, in terms of economic development. But recently it's come to my attention that this bill is in the Senate and it's possibly being held up there. I think that's very unfortunate.

Could you just elaborate on the kind of economic development that could happen and whether or not we could move ahead more quickly on this land claims agreement and get it finalized through the Senate?

Hon. Chuck Strahl: Thank you for that.

I think what you've hit on is that economic development—and this is a truism in any community—is less likely to take place when there's uncertainty. Businesses abhor uncertainty. It doesn't matter whether its first nations aboriginal business or someone else. They need to know the rules. They need to know how to go forward, and they need to know the rules of engagement, so to speak.

One of the advantages of land claims agreements generally is that they do bring some of that certainty to it. That's why we made some real efforts. As recently as last week we announced, for example, some interim land withdrawals up in the Northwest Territories to help move along the Akaitcho agreement. They were concerned about land set aside. We put it with interim land withdrawals. That allows businesses, the Akaitcho, the Deh Cho, and many others to start making plans, knowing where that land is going to be set aside.

On the Nunavik land claims agreement, I realize there's all-party support for this, and it's gone through the House and is into the Senate. Unfortunately, there she sits. The Government of Quebec is on the phone to me regularly about this, asking where this is. Everybody wants to sign off on it. We're eager to sign off on it as a government. The president up there is also keen to sign off on it. We want to move ahead on this.

This is another one of those agreements that was identified when I was in Kuujuaq as one of the key elements in being able to grab control of their own destiny and move ahead on economic development, education, health—a series of important steps that will make quality-of-life issues and economic development better for them.

My understanding is that there's one senator speaking against the bill. There's one person, as far as I know, in either the House or the Senate, who's holding this bill up. Everyone else, of the 400 or so people who are involved in this at the parliamentary level, is in favour of it.

I would just urge that senator to consider what is being held up here, consider that it's.... You know, you can't use the expression that "everyone else in the parade is out of step except me". It just doesn't work. We need to move ahead, and the people in Nunavik deserve for this to go ahead.

Mr. Harold Albrecht: I appreciate that answer.

I guess one of the responsibilities of this committee is to continue to help us move ahead in addressing these issues.

How can I, as a committee member, help to address this issue? Could I write a letter to this senator? Could we identify who it is? How can we move ahead? This is not fair to our first nations communities.

• (1105)

Hon. Chuck Strahl: Well, it's not fair, and it should be addressed. I don't know what the committee wants to do. You're obviously masters of your own destiny, but any influence that people have... writing letters, talking to the senator, trying to exert pressure on him.

He needs to get his points out—that's democracy—so by all means put the points on the record and so on. But if there's one person out of 400...and none of the people who are party to the agreement is opposed to it, then it's time to move ahead. Get your points out, but by all means, let's get on with this and give these people what they deserve.

The Chair: Thanks, Mr. Minister.

[Translation]

Mr. Lemay, you have five minutes.

Mr. Marc Lemay: I will try to be brief.

Mr. Minister, I have a specific question about the residential schools.

Can you make sure that none of the money earmarked in the agreement will ever be diverted to other purposes than what it was originally intended for, namely for helping those who have lived in residential schools? This is a specific question, and I expect a specific answer.

Hon. Chuck Strahl: Absolutely.

[English]

In fact, I would say you can rest assured that all of the \$1.9 billion will be used for the common experience payment. On top of that, the other assurance is that we're working very closely with the Assembly of First Nations and the courts. This is a court-mandated process. Everything that's done, whether it's the forms that are created, the letters of explanation that go out, the way we move forward, is all monitored by the courts. So we're being very careful to make sure that's handled properly.

[Translation]

Mr. Marc Lemay: I hope that the authorities in the department will be able to obtain the documentary by Richard Desjardins that just came out. It is called *Le peuple invisible*. It deals with the Algonkians and what they went through in the Indian residential schools.

I have a question. I do not know whether it is because of you, Mr. Minister, but why were we not ready? Why is it taking so long for these people to receive the cheque to which they are entitled? What is holding things up? What is going on? Why does it take such a long time for them to receive the money to which they are entitled?

[English]

Hon. Chuck Strahl: It must seem like forever to these people, I admit, because many of them have been fighting this fight all their lives. So it's a lifetime for them.

In reality, until September 19, when the results of the vote amongst all the residential school students came in, we weren't able to start anything. That was a result of the court system that had been set up; there needed to be approval by the students, who then voted. The courts had said that unless a certain percentage of them approved the deal, it couldn't go ahead. So until September 19, nothing happened. There were no applications, or only a few, in the system, and so on.

After September 19, we announced that the numbers had been approved or that the court had approved the vote. Then we moved. We had forms ready to go, and we had an arrangement with Service Canada so that first nations could apply at any Service Canada outlet, which would help them fill out the forms, and so on. The forms were ready and people got them in their hands, but it didn't start till September 19 or 20. Then the applications started to come in following that. Until then there was really nothing there, or no applications to work on.

After that, we've been flooded with far more applications than we thought: 77,000 applications have come in already. The numbers exceeded everyone's expectation.

That being said, we've been working overtime, doing everything we can, and so far we have—

[Translation]

Mr. Marc Lemay: Mr. Minister, I invite you to watch *Le peuple invisible*. There are five aboriginal communities in my riding. Most of...

[English]

The Chair: You have one minute left.

[Translation]

Mr. Marc Lemay: Yes, it will be very brief.

Most of them are between 60 and 75 years old.

Here is my question: is there some way of hiring more personnel so that these people can receive their money within the next month or in six weeks at the latest? Their life expectancy is dwindling day by day. That is the problem.

• (1110)

[English]

Hon. Chuck Strahl: Of the elderly former students, over 10,000 of them got an advance payment. Even before the settlement was approved, we sent out cheques to over 10,000 elderly residential school students, who now have an advance cheque of, on average, about \$8,000. They already have that—or at least they had that available to them.

We're also moving just as quickly as we can, but every application that comes in is a unique application. This is not like employment insurance; this is unique. Each one has to be checked against the computer records we have. We have a good computer system to check against those records. So far we've handled how many?

A voice: Thirty thousand.

Hon. Chuck Strahl: We have approved 30,000 so far. You can imagine that they don't all come in on the first day. We have already handled 30,000. We are confident we are going to have the majority of those 77,000 handled before Christmas, but it does take a few weeks to get this done, there's no doubt.

The Chair: Thanks. I wasn't going to interrupt you in the middle of a sentence, but that was a really, really long sentence.

By my watch, we have about five minutes left, so this will be the last round of questioning before the minister leaves.

Mr. Storseth, you have five minutes.

Mr. Brian Storseth (Westlock—St. Paul, CPC): Thank you very much, Mr. Chair.

Mr. Minister, it's a pleasure to have you here. It's a pleasure to have you in front of the committee and to listen to your vision for this department, our first nations communities, and all our aboriginal communities.

I do have to state one thing, though. Listening to my honourable colleagues opposite continually bring up the Kelowna press release has been somewhat disturbing. This is about supplementary estimates. I don't ever recall seeing the Kelowna Accord or the Kelowna press release in the supplementary estimates. The other thing it never addressed was systemic change to the system, which is what our first nations leaders have said they need.

Anyway, Mr. Minister, that is my little rant.

I'd like to talk about something you brought up on education. It has been the silver bullet to get people out of poverty to the next level in society. I believe that if we don't have agreements with the provincial governments, as they are the experts in administering education in our constitutional system, and they are not involved... We have seen the failures of that system in the past.

I'd like you to talk a bit more about your vision for our education system, the tripartite agreements, and also how you see that fanning out across the country.

Hon. Chuck Strahl: Thank you.

Well, there's no doubt in my mind, especially in the K to 12 system, that the tripartite agreement is the way to go.

The strength of first nations control over the education system is that it is culturally sensitive and it addresses local concerns and needs. In the best-case scenario, it can at least involve parents and communities in local school development and so on.

In many ways the weakness of the current system is that it almost follows the old schoolhouse model, the *Little House on the Prairie* model. If you think back to that era, it had a school teacher, or a couple of school teachers. That was the old schoolhouse model, and it was in isolation.

We are well into the 21st century now. We're now faced with what the best type of education for the modern world is. It's not isolation; it's more integration.

If we can find a way that these students who frequently... We all know this. I have 45 bands in my riding, so I've seen this firsthand. They'll spend five or six years at the reserve school, then they move to town. People are mobile, so they move to town. They might spend three or four or five years in town going to a public school. Then they get a job somewhere else and the family moves back to the reserve and they might finish their schooling in three or four years.

The importance of having common standards, and even some common curriculum, with the public system is clear. When a child comes through the system they can say, "When I came out of grade five in that school and went to grade six in another school, there was some continuity. There were always little differences, but we made it work." You make it work, and the kids have confidence when they know they can make that transference.

More importantly, I think, with respect to mobility of teachers is that you don't end up with two silos of teachers, where first nations teachers aren't part of modern training and updates or whatever

• (1115)

The Chair: You have one minute.

Hon. Chuck Strahl: Worse yet, or just as bad, you have a public school system with no sensitivity to the first nations reality. So by working together in a tripartite way, you can address things like special needs education. You can do things like training for teachers. Most importantly, you can make sure that the students don't only have the best training that one school can provide, they have the best training that we can provide as a society.

That, it seems to me, is going to be key to moving forward. At least it's more likely to succeed. There are always problems, but it's more likely to succeed when kids are comfortable moving from place to place, if they also know that when they graduate they can go to a university or a trade school somewhere else knowing they have the bona fide credentials that will take them with confidence into that next level of their training.

Right now, they often come out of a system with remedial training to get them ready for the next step, and that's no good. Kids need to have confidence, or else we all know the deal; kids break that education cycle. You know, at grade 12 they'll take a couple of years off and they don't go back. You need to have it so they're comfortable to keep on moving. And nowadays, we all know that means lifetime learning.

The Chair: Thank you, Mr. Storseth, and thank you, Mr. Minister.

By my watch, it's quarter after eleven. It's my understanding that you need to leave now. Thanks for your time with us this morning and for your answers.

I'd like to break for about a minute to let the minister leave, and then Ms. Crowder will be—

Hon. Chuck Strahl: Mr. Chairman, I would be delighted, of course, to come back on both specific claims. I'm hoping on Tsawwassen as well, and some other legislation that we hope to have.

Obviously, we appreciate the work that's done at this committee and look forward, both on legislation and on other issues, to work closely with you.

The Chair: Thank you,

We'll take a one-minute break—

Hon. Anita Neville: Chair, may I intervene?

I would like very much to ask the minister to come back sooner than later. He's raised a number of issues here this morning, particularly related to education. Many of us have a number of questions we would like to follow up on. I appreciate him taking the hour, but it's quite clear that many of us are quite frustrated and would like an opportunity for further—

The Chair: Well, I'm sure we can work something out.

Perhaps I could respond. The minister has expressed a willingness to come back in the near future on some other business, so we will deal with that.

Hon. Chuck Strahl: I would like to say that you had a long list of questions there, and we'll get answers to those in a written form. By all means, I would recommend a severe grilling of the officials that I'm going to leave behind. I think you should leave no stone unturned.

Voices: Oh, oh!

Hon. Chuck Strahl: Thank you very much.

The Chair: Thank you.

- _____ (Pause) _____
-
- (1120)

The Chair: I would like to reconvene.

I notice, Mr. Quinn, that you leapt into the minister's seat. We'll see 40 minutes from now whether that was a good idea.

We're continuing with our questioning.

Ms. Crowder is next. You have five minutes, and I think you have eight seconds left over from your first round, so we'll add that on.

Ms. Jean Crowder: I'll use my eight seconds to complain that I didn't get a second question to the minister.

I want to continue on education. I'm going to ask my questions and then let you answer.

I want to make sure I was understanding what the minister said. When there is an emergency, like a school building being down, they actually divert funds from existing projects into the emergency? I want to make sure I'm clear about that. Please just give a quick yes or no, because I have another question.

Mr. Michael Wernick (Deputy Minister, Department of Indian Affairs and Northern Development): I wouldn't use the word "divert".

Ms. Jean Crowder: But it is money allocated under the existing capital plan that could have been used for other schools?

Mr. Michael Wernick: What you have is a list system of projects, some of which are in early stages, some are almost ready to tender, and some have actually been tendered.

Ms. Jean Crowder: So you're taking money out of schools that are already on the list.

Mr. Michael Wernick: We reorder the list.

Ms. Jean Crowder: You reorder the list, right. I just want to be clear. I guess I'm surprised that there isn't some sort of an emergency fund. Schools that have been on the list for a number of years could conceivably get bumped because of an emergency. That's just a comment.

I want to go on to the first nations education authority renewal, which I understand is up in 2008. One of my colleagues already pointed out the anomalies in the funding between provincial and federal governments. Today in the *Winnipeg Free Press* there's a story that says one provincial school, which has largely aboriginal students, is funded at \$9,384 per student. The average in Manitoba is \$8,900, and one of the schools under first nations control, the Opaskwayak, is funded at \$6,400. With the band-operating funding formula that's under review, I wonder if there's going to be some effort—and I certainly didn't see any of it in the supplementary estimates—to deal with the anomalies across this country in the funding formulas for band-operated schools.

The second piece of that is post-secondary education. According to the researchers of the report, there's actually been a decrease. They said there are reduced requirements for post-secondary educational advancement of first nations, yet we have FNTI, the First Nations Technical Institute, which in October of this year had its budget slashed by an additional 65%. They clearly have a demand for students. They've had over 2,000 graduates. I wonder why we're seeing that so-called reduced requirement when we've actually got an institute that is delivering service and having its funding reduced.

- (1125)

Mr. Michael Wernick: I'll try a couple of those, but I may have to get back to you on a couple of them.

I'd ask you to indulge me, Mr. Chair, on one answer, because I think it anticipates several questions, and that is on the question of the capital budget.

We have a pot of money for capital. We don't actually run any capital in the sense of owning things like military bases or what not, but we fund first nations to create capital and to do renovations and so on. That one pot has to cover water, waste water, housing, education, and all the community infrastructure needs.

We try to plan and budget it. I don't think we do as great a job as we could, but we keep a whole bunch of waiting lists and priority lists. There are ranking systems that are needs-based to try to put the most urgent at the top of the list and so on.

When things happen, community planning is involved in terms of agreeing on the design of a school, the size, and so on. The ability to get contractors to do the work is increasingly a problem in western Canada. You know how hard it is to get tradespeople in British Columbia, and so on.

We constantly juggle and reorder those lists so that whatever money Parliament gives us, we try to squeeze as much out of it every year as we can. Things will slide back and forth across fiscal years and up and down the provincial lists. I think we should be doing more moving across the country so that we can maximize that.

If there's a fire in a community and the school burns down and kids are going to have nowhere to go, we have to create portables and temporary facilities to make sure the kids are not the innocent bystanders in that kind of problem.

The Chair: You have about 30 second left, Ms. Crowder.

Ms. Jean Crowder: On the operating funding formula?

Mr. Michael Wernick: There's no question that we don't fund every school the same amount per student. I'm not sure we should, because their needs will be different. You know, if you're in the suburbs of Vancouver or if you're in the northeast corner of the province....there is a lot of methodology about comparing apples to apples, oranges to oranges. It is uneven. There is no question it's uneven both within provinces and across the country. Again, it is what it is. That's the money we have, and we try to squeeze as much value out of it as we can.

The Chair: Thank you, Mr. Deputy Minister.

Mr. Storseth, you're next.

Mr. Brian Storseth: Thank you very much, Mr. Chair.

As we only have five minutes, I'm going to have to ask you gentlemen to be as succinct as possible, and I'll try to do the same.

Who among you, gentlemen, would be responsible for the implementation of the land claim agreements? Mr. Wernick?

Hon. Anita Neville: [*Inaudible—Editor*]

Mr. Brian Storseth: That's actually the next question, Ms. Neville.

Is there money in the supplementary estimates for the Inuvialuit remediation and implementation of that agreement?

Mr. Michael Wernick: I don't believe it's in this round. I think it would be in the main estimates.

Mr. Brian Storseth: Is there money for any of the implementation of federal agreements?

Mr. Michael Wernick: The biggest one, I believe, is Nunavik, as the minister mentioned. And there are a couple of—

Mr. Brian Storseth: We heard recently from the Auditor General's report—and perhaps the opposition wasn't too disturbed by this, but I was very disturbed by this—that there is no detailed timeline for the implementation of this agreement in particular.

Is that the same for the agreement that is within these supplementary estimates?

Mr. Michael Wernick: No. There are implementation plans associated with all of the agreements, and in some cases there are detailed implementation chapters in the actual agreement. It would depend on how old it is. James Bay is from the 1970s and doesn't have an implementation chapter. The Nunavik agreement does have an implementation chapter in it.

The bulk of the Inuvialuit agreement has been implemented. The money has been transferred, the land has been transferred, and the corporations and institutions have been created. The Auditor General rightly focused on some pieces of the ongoing relationship between the Government of Canada and the Inuvialuit people.

● (1130)

Mr. Brian Storseth: But this has been 23 years in the making. Should this not have already been successfully completed? The people of the Inuvialuit—

Mr. Michael Wernick: I think there's a difference of opinion about when you are done. I think the auditors tend to develop a mentality that there is some end point, whereas what you've done when you've signed a treaty or an agreement is you've moved to a new relationship with those people. You have a government-to-government relationship with those people, and that's the whole point of reaching a land claim settlement.

Mr. Brian Storseth: So then with the agreements we have within this, as well as that agreement, we now have detailed plans for implementation; we have detailed timelines; and we have some form of measurement so that the individuals in the department who are responsible for this are being held to these timelines?

Mr. Michael Wernick: It would vary from treaty to treaty depending on the issues. We have an implementation group that does nothing but track the existing treaties and the implementation plans that are associated with them.

Mr. Brian Storseth: So is the implementation of these measured within the department, and is the success measured, and therefore are there consequences that come about from those that aren't being successfully implemented?

Mr. Michael Wernick: Yes, of course, and some of the issues will have to do with the resources that go into the structures created by the agreement. Most of these treaties and agreements create water boards, management boards, land management boards, and so on, which become part of the permanent structure of governance in that area. What happens is there are funding arguments about the budgets of those organizations, and from the perspective of the group that signed the claim in the first place, it's unfulfilled implementation of the agreement. But it's also just the ongoing argument about what's an appropriate budget for an institution.

Mr. Brian Storseth: Thank you, Mr. Wernick, but that wasn't my question. My question was, within the department itself, is there a form of measurement? Is there a form of goal-setting, if you want to call it that, that we determine whether or not we are successful with our implementation process, and if not, why not?

The Chair: One minute.

Mr. Michael Wernick: Yes.

Mr. Brian Storseth: Yes, there is?

Mr. Michael Wernick: Yes.

Mr. Brian Storseth: One of the reasons I bring this up is because some of this stuff—I mean, this is all very serious, but the lack of implementation over 23 years.... We need to discover and not recreate the same issues the previous government had. Therefore, I want to ensure that with the agreements that are within these supplementary estimates and the agreements we're moving forward with, we don't run into something 20 years down the road with people asking why this committee, this Parliament, wasn't successful in implementing these things. Do you have any suggestions as to what went wrong within that process and what we can be doing better in moving forward?

Mr. Michael Wernick: I can't comment on the past. What we're trying to do now is pay more attention to milestones and the implementation parts of agreements. We are doing audits; we're doing evaluations. We're trying to make sure there's a 100% audit coverage within the department of all of our activities, and that includes implementation.

The Chair: Thank you. Your time is up.

Ms. Karetak-Lindell, you have five minutes.

Ms. Nancy Karetak-Lindell (Nunavut, Lib.): Thank you.

I'm sorry the minister is not still here. I'm finding it a little difficult to listen to the minister telling us we shouldn't make negative comments so that we don't hurt the people who are involved. I sat in my early days as a member of Parliament while he voted against every land claims agreement piece of legislation that came before us, namely the Nisga'a treaty and the Nunavut land claims implementation legislation, so it's a little difficult for me to take those kinds of comments coming from that particular minister. I want to put these on record, because we have to put them in perspective. Your history always comes back to put you in your place, I think.

I look at the supplementary estimates and notice that there are a lot of transfers. I know the minister said they're spending more money in the Indian Affairs department than any previous government. I'm not going to get into nickel-and-diming this stuff, but what I'm interested in is how much of the supposed increase in actual spending on services is related to transferring of different services from other departments to Indian Affairs.

I made comments before about Aboriginal Business Canada transferring from Industry Canada and about other services managed by different departments moving to Indian Affairs. I remember my comments to the previous minister, that in a way we're almost ghettoizing services in Indian Affairs.

I wonder how much of that money is actually for transferring over to INAC and how much of it is for the salaries of the people who went with the transfer, and not so much as an end result of services going to the people this department serves. That's a little worrisome for me. And how much of that money is really for the International Polar Year, above and beyond the money we use for service delivery, whether for education or land claims or whatever?

I'm worried that the actual dollars they're saying have increased the spending for the Department of Indian Affairs are really money spent on the International Polar Year, or money taken from Industry

Canada for Aboriginal Business Canada, and not so much money for the delivery of services, which I think is what we all want to see.

• (1135)

Mr. Michael Wernick: There are several questions there. I'll try to answer a couple of things.

The whole point of the estimates is to report to Parliament on where the money has flowed—through which votes in which departments. The Minister of Health will be presenting estimates that include over \$2 billion on first nations and Inuit health.

Ms. Nancy Karetak-Lindell: I'm referring to these right here. You have—

Mr. Michael Wernick: It's not unusual that one department would be coordinating an activity and money would come in from another department. We pay into some initiatives and we collect from other initiatives, and those are there.

What you're seeing in the supplementary estimates involves some organizational transfers. When Aboriginal Business Canada came to the department, they brought their budget with them. When the aboriginal representative organizations program came to the department, they brought their budget with them.

The Chair: There's one minute.

Mr. Michael Wernick: The appropriations are what they are. It's \$6.3 billion in the main estimates; here's another—

Ms. Nancy Karetak-Lindell: How much of these factor into the minister saying he's actually spending more money in INAC than any other previous time?

Mr. Michael Wernick: We'll end the year just under \$7 billion, I would think—\$6.7 billion or \$6.8 billion. There will probably be another round of supplementary estimates in the spring.

One of the biggest variables—we've had this exchange before—depends on when some of the settlements kick in. If we reach a land claim settlement or a lawsuit litigation settlement, it may show up this year or it may take till next year to make its way through the process. So, give or take, a couple of hundred million dollars each year will depend on the timing of settlements.

The Chair: Thank you, Deputy.

Mr. Bruinooge.

Mr. Rod Bruinooge: Thank you, Mr. Chair. Perhaps I'll just further comment in relation to Ms. Karetak-Lindell's comments. Regardless of what she said, it is still very appropriate to be mindful of this important phase in the history of the Indian residential school era. I think right now it is a clear moment of reconciliation. So I think the minister's comments are very timely and very important to be mindful of.

My question is going to be in relation to the very important role that the Prime Minister has given the Minister of Indian Affairs, and of course your department as well, which is in relation to the focus we've put in the throne speech in relation to the north.

Of course, being northern myself and knowing a number of the colleagues across the way and how important the north is to many of us here, perhaps you could expand on how we're going to be focusing some of our departmental staff and budgets towards coordinating these efforts in the north.

• (1140)

Mr. Michael Wernick: Thanks, Mr. Bruinooge.

This actually goes to Ms. Karetak-Lindell's question. It is largely a coordinating role, although there are some very specific things that flow from the minister's responsibilities as northern affairs minister and from some services that we actually deliver as a department. Mr. Strahl has been asked to coordinate his colleagues who are working on arctic and northern issues, and I have been asked by the clerk to chair a deputy ministers committee to bring people together so that the efforts are working in harness.

Of course, things like the military facilities would come up through the national defence process. The issues around transportation and shipping through the arctic waters would be largely a Department of Transport thing.

There are a lot of players in arctic research, as you know: the National Research Council, Natural Resources Canada, and so on. The mapping initiative will largely be done, I guess, by people going out in ships and dropping sonar buoys in the water, doing the measurement and so on.

So very little of that will actually flow through this department's spending, but we do have a northern affairs group. Patrick Bourby is the assistant deputy minister, and we have a director general who spends most of her time chasing other departments and trying to keep people on to timelines and to get things to cabinet and Treasury Board, pursuing a strategy that was laid out in the Speech from the Throne.

Mr. Rod Bruinooge: In terms of the budget itself, how many departmental staff would be allocated towards this coordination process? Is there any enhancement being provided, or does that come out of the A-base funding?

Mr. Michael Wernick: I could get back to you on the numbers. We haven't added bodies. We simply refocused the ones that are there now. I have a director general who does nothing but chase northern strategy coordination. So we added a bit of a focal point, but this is not about adding resources so much as focus.

Mr. Rod Bruinooge: Again focusing in the north, as I do have a major interest in this area, and I know it has been brought up already, the next question I would like to go into is the food mail program. It is something I have been lobbied on very diligently by a number of people across Canada.

I know there are many people in the north who rely on the food mail program in order to get fresh goods that many of us in the south take for granted.

Perhaps you could talk about some of the enhancements that are being made in terms of the budget towards this program.

Mr. Michael Wernick: If you've been at this committee for a while, you will have seen the food mail program in supplementary estimates every year. One of the quirks of the program is that its base funding is about half of what it needs, and we have simply had to add money by going to Treasury Board and then getting it approved by Parliament to keep up with the cost.

There are lots of questions on this, and it would be helpful, Mr. Chairman, to come back on food mail and give a more technical briefing on the program. I would be very happy to do that.

There are issues about the cost of fuel, the cost of the food, and the stocks that are going, and also the volume. It is literally how many kilograms have been moved through the program.

Its costs are in an upward trend. I think about five or six years ago we were doing about 11 million kilograms, and we are now up to about 16 million. There are some really tough policy questions about the points of entry, the role of Canada Post, who should be the carrier, what goods you should be subsidizing.

The pilot projects that were referred to suggest a much higher focus on specific kinds of food stocks. What about people who want to order food over the Internet from southern suppliers? Should they be in? Should they be out? There is not a lot of consensus on this in the north, so we are caught between consulting and driving forward.

We accept the responsibility we have to put some proposals in front of the minister that he can take to his colleagues. We are late on the commitment Minister Prentice made, but we hope to have the program renovated. The minister told you there is a role for such a program, and we're trying to make it cost-effective.

The Chair: Thanks. Something the committee can discuss afterwards is whether we would like to take you up on that offer.

[Translation]

Mr. Lévesque, you have five minutes.

Mr. Yvon Lévesque: Thank you, Mr. Chairman.

Gentlemen, I am glad to see you because when you are here, I feel that my average salary is going up. It makes me happy. I have a very brief question for you and I would like you to answer me with a yes or a no.

Has your department studied the impact of Bill C-21?

Mr. Michael Wernick: Not one, to my knowledge, but several legal opinions have been voiced regarding potential challenges.

• (1145)

Mr. Yvon Lévesque: Have we received copies of those notices?

Mr. Michael Wernick: They involve legal advice. Thus, I think not, because we do not usually table notices of legal advice. It is rather difficult, because there are two categories, namely Crown challenges and challenges involving aboriginal governments and institutions. Sometimes, the two get mixed up.

If I understand correctly, the committee will soon be doing a section-by-section review of the bill, and perhaps we could have more details at that time.

Mr. Yvon Lévesque: No, that's all right. We wanted to know whether you had made your own impact study before beginning the section-by-section review.

Mr. Michael Wernick: We have some idea, because we can evaluate the things that are covered by Canadian human rights legislation, to detect our vulnerable points. This kind of question would probably have to do with the amount of funds allocated to our programs, as compared to similar services offered provincially.

Mr. Yvon Lévesque: I would like to raise another very important point. In July, you signed an agreement in principle with the James Bay Cree.

Mr. Michael Wernick: Yes.

Mr. Yvon Lévesque: They held a referendum, and 90% voted in favour of the memorandum.

What measures do you intend to take for implementing this? At the same time, could you also answer the question that I put to the minister regarding cleaning up the residences before implementing the agreement? In fact, we know that there were previous agreements and that you had made certain commitments, especially with regard to decent housing. Someone made a mistake in evaluation, and today, those public community buildings are uninhabitable.

What do you intend to do to correct this situation?

Mr. Michael Wernick: In response to your first question, quickly, we will proceed with implementation, with the approval of the communities. Funds will be allocated for the payments. That, I imagine, will be in the main estimates for the next fiscal year. There will be a bill before this committee in 2008 to amend the Cree-Naskapi [of Quebec] Act. There are several stages to the implementation, and I can provide you with a more detailed plan. The two most important ones are the initial payments and the amendments to the Cree-Naskapi [of Quebec] Act.

As for the other questions, I will have to come back with some clarifications in writing. If I remember correctly, discussions took place between the Canadian Mortgage and Housing Corporation, the CMHC, and the communities regarding priorities. There were some emergency allocations, but I must admit that I do not currently have the details.

Mr. Marc Lemay: I have a question.

[English]

The Chair: You have one minute.

[Translation]

Mr. Marc Lemay: Is anything planned for the Algonquin communities in Kitcisakik, in the La Vérendrye wildlife preserve, and in Winneway, in Témiscamingue, that have made repeated

requests regarding reserve status or, in the case of Kitcisakik, regarding the Wanaki project?

Mr. Michael Wernick: Nothing has been announced to date. The federal government is holding discussions with the central agencies and our colleagues regarding the community's proposal. We hope to have either a positive or a negative decision shortly.

[English]

The Chair: Okay, thank you.

Mr. Albrecht.

Mr. Harold Albrecht: Thank you, Mr. Chair.

Every time we meet with either the minister or the officials I'm impressed again with the complexity of this file. I don't mean to minimize all of the other areas that we're addressing, but the one area that ordinary Canadians are concerned about is the issue of the basic need for clean water supplies in our first nations and Inuit communities. I remember about eight or ten months ago we received a report indicating that dramatic progress had been made in terms of getting a number of our water systems up to standard. I'm interested in knowing if we are continuing to make that kind of progress.

Where are we now in terms of that?

• (1150)

Mr. Michael Wernick: One of the commitments Minister Prentice made, and I'm sure Minister Strahl will continue, is to keep Parliament up to date on progress. I will get back to him on whether we have a formal quarterly update or formal report that we can table with you.

You'll be familiar with the methodology. We use a risk methodology in terms of the systems in communities, to evaluate high, medium, and low risk, and so on. That's not the same as having a boil water advisory. You may have spring runoff and a boil water advisory. I believe the city of Vancouver had one this year. It doesn't mean your system is.... So we're trying to be more precise about the risk methodology.

Through the investments, renovating systems, and especially working on the operators and training of operators and inspection, we brought the number of high-risk systems down, in the last numbers I have, by half. We had about 200; we're now below 100, and that number is sinking fast.

There are issues about wells and cisterns, and so on, which are a little tougher to get at, but we're moving steadily with the resources we have. The strategy that was announced in 2003 will sunset in 2008. We're arguing for continued effort in future years, and hopefully there will be some decisions on that in the spring.

Mr. Harold Albrecht: Thanks.

I think one of the challenges in the past has been finding qualified people to manage these systems, and then I think another issue was retaining them once they had been trained. Are we addressing that? Is it still a big problem, or is it on the decline?

Mr. Michael Wernick: It's a challenge, because all the provinces have moved into strengthening water standards, after Walkerton, Prince Albert, and some of the other systems. So they're all chasing more rigorous inspection and monitoring of water systems. It is very hard to get inspectors and qualified operators.

We have training efforts. We put a lot of money into training people, and they often get a good job offer to go down the road and work for the municipality. So it is a bit of a challenge. We try to use people on circuits where they'll go out and do several first nations in an area on a regular basis.

It is an area where there's far more to it than money. The people issue is about having competent operators, the accountability to the community, the inspections, the monitoring. We're working on that, and we think there are actually some interesting solutions using remote technologies—satellite-based technologies to monitor the quality of the water coming out of the plant and so on—that offer a lot of promise in the future.

Mr. Harold Albrecht: The other point I'd like to come back to is a statement made by the minister, and hopefully you'll be able to help me understand it.

Concerning the aboriginal economic development board, certainly economic development is an area we should be focusing on. Is this a board that has representatives from all across Canada? How large of a board is it? How are these people chosen? I don't need names, just a ballpark figure.

Mr. Michael Wernick: It's about a dozen people. It is across the country. I think every region is represented. There are Inuit and Métis people, as well as first nations people.

The list is on the Internet. I just don't have it at hand.

Mr. Harold Albrecht: I would assume this board would hold round tables with communities that have already achieved some level of economic development success and they're sharing their best practices.

The last part of my question relates to the willingness to adopt best practices of other aboriginal communities. Is there a good buy-in? How does that work in terms of one community being willing to say, "This worked here, and here's how we could adapt this for our community and achieve similar results"?

Mr. Michael Wernick: I think spreading best practices across the country is true for all the areas we work in—education, child and family services, and so on. I guess the only thing I would say is that in my 20 months in this job I have been struck by the enormous interest in economic development among aboriginal leaders and communities. They are the ones who are out there doing the workshops and the conferences. You will remember one in Saskatchewan earlier this year. So they're taking this on, and that's exactly how results are going to happen.

What we're trying to do is create some tools for communities and partnerships with the boom in the resources sector that is going on now.

The Chair: Thanks, Harold. Maybe on the next turn....

Ms. Crowder, it's your third time at bat today.

Ms. Jean Crowder: Thanks, Mr. Chair.

I have two quick comments before I put a question.

I'm pleased to hear people talking about economic development, and here is my pitch for the North American Indigenous Games in 2008 in the Cowichan Valley and the 2010 Olympics in British Columbia. What a great opportunity for aboriginal tourism, so here's my pitch for money for that.

•(1155)

Hon. Anita Neville: And the longhouse.

Ms. Jean Crowder: A quick comment about the conversation around funding anomalies with education. When the minister was here he was talking about an integrated plan that, to me, seems to sound like provincial standards are important, yet we have serious differences. For example, again in the province of Manitoba, where their average funding is \$8,900, the department only supplies \$6,400 to this one particular school. It seems to me it's talking out of both sides of the mouth.

This may be more a political question than a departmental question, because it seems to me that if we're saying provincial standards are what we're trying to achieve, we should fund them at a provincial level. It only makes sense.

My question has to do with page 185 in the estimates under the heading "Explanation of Funds Available (dollars)". In vote 1 it says "...reduced requirements related to the Federal Contaminated Sites Action Plan 2007-2008 funding...", and then there's a reduction in money.

This week there was a story in one of the papers that talked about reserve sites that had unexploded missiles and things from DND. I don't know whether there's coordination between INAC and DND about cleaning up some of those reserve sites, so I wonder if there has been any discussion, particularly since it appears there has been a reduction in contaminated sites. I wonder if you could address that.

The second piece I wonder if you could address is on page 183. Toward the bottom it says, "Funding to contribute to the Aboriginal Peoples Survey conducted by Statistics Canada to provide a snapshot of socio-economic...", and so on.

I have asked this question in the past. When can we see some results from that survey? I wonder if you could update us on that.

Mr. Michael Wernick: It's the first time I've actually been asked a question about a line item in the supplementary estimates for some time, Ms. Crowder.

In reverse order, I'll get back to you on that. That was basically to do a post-census survey. When we do the survey 2006-2011, Statistics Canada goes out and does an in-depth survey in aboriginal communities on those questions. I think some of the first of that work will be flowing early in the new year. I can get you more of a timeline on that from Statistics Canada.

On the contaminated sites, I'll turn to my chief financial officer on that for a decision, but I imagine this is about money moving across years. We have a contaminated sites action plan where we've spent roughly \$100 million in the north and a dozen in the south. For the actual line item, I think I'll have to phone a friend.

Mr. Jim Quinn (Chief Financial Officer, Department of Indian Affairs and Northern Development): On the contaminated sites, some of the work slows down over the year for things of that nature, so what happens is those moneys are used in other areas and are offset so that we reduce—we net out, if you will—the need to come back for a larger amount to Parliament.

Ms. Jean Crowder: The reduced requirements are actually misleading, then. It's really simply a budgetary move.

Mr. Jim Quinn: That's right.

Mr. Michael Wernick: It's a reduced requirement, to ask Parliament for appropriation, because we found another way to keep the cash moving.

Ms. Jean Crowder: Okay.

In relationship to this story that dozens of reserves could contain abandoned military explosives, is that going to be factored in, in some way? This is a new and emerging story, so it wouldn't have been reflected in the supplementary estimates.

Mr. Michael Wernick: The contaminated sites program was conceived around environmental hazards such as mine sites, toxic waste, and all that sort of thing. To the best of my knowledge, it didn't contemplate these kinds of issues. That would be DND, who created the mess, to clean it up. We've certainly noticed the story, too, and will be working on them.

In particular communities, like Ipperwash or Enoch near Alberta, there were firing ranges and so on. They are definitely a problem for the communities and create land management issues, so we'll certainly be working with DND to see what would be involved in remediation.

The Chair: Thank you. That's it.

Before I go back to the government side for what will be the last turn in the third round—we will do that, but then, committee, we can decide afterwards whether we want to progress to a fourth round and continue going until five or ten after, or if we want to proceed on to deal with the votes.

I'm in the hands of the committee on this. But I understand Mr. Albrecht wants to go quickly, and then Mr. Warkentin.

• (1200)

Mr. Harold Albrecht: Yes, I have a 20-second follow-up. In terms of the buy-in on the part of first nations and other aboriginal communities to economic development opportunities, it's been my experience that they're eager to adapt and adopt. I would just encourage us to advance as many opportunities for resourcing them as we can.

Thank you, and I want to turn it over to Mr. Warkentin.

Mr. Chris Warkentin (Peace River, CPC): Thank you, Mr. Chairman, thank you, Mr. Albrecht, and thank you to the witnesses for being here this morning. We do appreciate your comments thus far and your enlightened perspectives.

I just want to branch off in terms of the economic development and best practices and lead it in a bit of a different direction. I know I'm probably wandering away again from the supplementary estimates, and I do apologize and I beg your indulgence.

I was wondering if the department has a best practice when it comes to land development within aboriginal communities or if they have some type of an initiative to promote best practices when it comes to the development of aboriginal lands.

Mr. Michael Wernick: Best practices would be—and correct me if I'm wrong on this, Jim—the nations that have gone through the First Nations Land Management Act and assumed control of land management on their reserves. They've basically left the Indian Act and moved into a regime where they do land management for themselves.

We have about 20 to 25 communities that have done that and another 30 that are very close and are working their way through that process.

Mr. Chris Warkentin: If they haven't moved into that process, and if they haven't signed off, is it the department's responsibility to then oversee the development of the land?

Mr. Michael Wernick: Yes, there are a whole bunch of statutory responsibilities on the minister and on me that basically flow from the Indian Act, and if you haven't moved out of the Indian Act through self-government or through some of these other legislative instruments, then it's the Indian Act regime that applies.

Mr. Chris Warkentin: Okay. I'm new to the committee and I'm just learning, but I do have a number of aboriginal communities in my riding. What my perspective has been, or what I've seen, is that we have one community that is doing an exceptional job of managing their land and building homes in places that make sense, and then we have communities where, after two years of having new construction, families are having to move out of their homes because there's black mould in their homes and they find that they were built on a swamp.

Unfortunately, we had a horrific case where an elderly couple is no longer able to remain in the community because they are now both on respirators. It's really tragic, and this was a brand-new home. There was major money spent to provide them with the new home, and yet two years into it we're finding they're on respirators. It's in the courts right now, but unfortunately the band has basically washed their hands of these folks and said, "You're on your own. You wanted the home there; we complied with your wishes." I'm wondering if there's some mechanism to ensure that this type of activity doesn't continue.

I know in many municipalities people are restricted from building in places that don't make sense, but this family, and many families in some of these communities, are unfortunately facing conditions that aren't as a result of lack of infrastructure dollars but as a lack of planning.

Mr. Michael Wernick: I'm not sure how to tackle that one. I mean, there's a legitimate concern by parliamentarians in value for money for the dollars that flow into the communities through contribution agreements, but it also has to be balanced by the local jurisdiction and accountability for what they do with the money.

There's a really important issue that you've identified, which is this. How do you strengthen capacity at the community level, the ability to do planning, the ability to do financial management, the ability to do land use planning? There are a number of initiatives we could come back to some other time.

We don't want to be in the paternalist role of telling communities how to do things, but we do want to do whatever we can, particularly given the small size of the communities, to strengthen their capacity.

Mr. Chris Warkentin: I do appreciate that, and obviously there's no question that you would have these types of issues brought to your attention, but it's not for a lack of funding sometimes. Sometimes it's a lack of best practices being available to some of these communities, especially if they're new to the development side of things.

I'm not sure what the answer is for that, but I do appreciate your comments, and we'll continue to investigate those different things.

Thank you.

The Chair: Thanks, Mr. Warkentin.

We're going to begin the fourth round. By my watch we have time for two more turns.

Ms. Neville, you're first.

Hon. Anita Neville: Thank you very much, and thank you all for coming. So little time, so many questions, and so much confusion.

Let me just make one quick comment on the residential schools. I really believe it is lamentable that when the agreement said 35 days, the government did not put in place the resources necessary to meet the uptake from the survivors of the residential schools question. We know the development had been done in the communities by the AFN, by other groups preparing the communities for these dollars, and I think the government was ill-prepared to deal with it.

But having said that, I'm going to move on to something else. We've heard a lot of talk about economic development. We all know the importance of education, and others have spoken about that and I'm not going to go there right now, but education is a precursor for economic development. I've been advised that economic development funding within the department was withdrawn and reallocated to the expenditure review. I would welcome some information on that, if that is in fact the case, and how so and why so.

My other question relates to child welfare. We know that almost nine months ago the AFN filed a complaint to the Canadian Human Rights Commission on the discriminatory treatment of first nations child welfare cases. You referenced earlier, and I think the minister referenced earlier, a pilot project that's been undertaken in Alberta. I don't want to take anything away from that, but I would say that the children of Manitoba and the children of New Brunswick and the children across the country are equally as important as the children of Alberta, and I'd like to know how you're moving that forward. I'd like to know how many people are overseeing the first nations child protection program, what are the plans, and how would you compare a provincial child welfare agency with what is happening in terms of first nations children? I'll stop there. I have more questions if I have time.

•(1205)

Mr. Michael Wernick: I want to give Dr. Harrison a chance to talk about the preparations on residential schools.

Mr. Peter Harrison (Senior Associate Deputy Minister of INAC and Deputy Minister of IRSRC, Department of Indian

Affairs and Northern Development): Thank you for the question. Thank you, Deputy.

Mr. Chair, a number of things have happened since I last appeared before this committee on May 29, 2007, and in particular the settlement agreement is now in place. The minister mentioned it came into effect on September 19. This is court ordered and court monitored, which is obviously a very critical part of what is taking place. I'd like to begin, Mr. Chair, given the importance of this and given the fact that it's the largest settlement of a class action suit ever in Canada, to offer to the committee that should you wish technical briefings, because this is enormously complicated from a legal point of view and so on, we would be willing to do that.

In terms of preparations, we spent a lot of time putting together the records—and Madam Neville has raised questions of records—building a computer system from scratch that would do that, and putting in place people to do the research. In terms of numbers, yes, nearly 80,000 people have applied, some of them yesterday, the day before, last week, and so on.

We have now processed just over 30,000 with Indian residential schools. This is for an amount, including the advance payment of nearly \$600 million, which has flowed to individuals. But, Mr. Chair, I'd like to put this in the broader context, because the settlement agreement includes a number of very significant items, including the common experience payment.

If I had together the common experience payment, the advance payment, what we've paid on the litigation, what I've approved for settlements under alternative dispute, legal fees, and the aboriginal healing foundation, we have flowed \$1.079 billion in relation to this settlement.

Thank you.

Hon. Anita Neville: I had other questions: child welfare, the reallocation, and the economic development funding.

Mr. Michael Wernick: The reallocation comes from the expenditure review cuts made in the 2005 budget, and there was some compression on the economic development program. We did take some money out of that budget and now we're in the process of trying to rebuild from here.

The advice from the board that was mentioned by Mr. Albrecht is to focus on access to capital issues, and that's where we're going to start. The small business development is through Aboriginal Business Canada and the people tools, the training, skills partnership stuff are at HRSD. Economic development is people, capital, and know-how everywhere on the planet, and that's the recipe we're going to follow with aboriginal economic development.

•(1210)

The Chair: Thank you, Mr. Deputy.

At this point I want to point out to the committee that we basically have three options for the last five minutes of the meeting. The first would be that Mr. Bruinooge would take the final turn for government, which would be his right. The second is that we could go to actually going through the formality of voting on the different pieces of the supplementary estimates, although that is not necessary. The third option would be that we adjourn five minutes early.

It's my understanding that Mr. Bruinooge doesn't want to trade his time, so if we want to stay, he'll take it. But if the committee would prefer to adjourn at this point...?

Can I have a motion for adjournment?

Ms. Jean Crowder: This is a point of information, or order—I don't know. The minister had committed to responding to the questions that were unanswered, and I wonder if the department is going to make the same commitment of responding in writing to the questions that we didn't get in this round.

Mr. Michael Wernick: If we get them in written form, we'll provide answers, and we're quite happy to come back on any issue that you feel deserves further exploration.

Ms. Jean Crowder: The blues will reflect the questions that weren't answered.

Mr. Michael Wernick: We'll work with the committee clerk to sort out—

The Chair: We'll go through the blues and identify questions that were not answered.

Mr. Lemay.

[Translation]

Mr. Marc Lemay: I thought that I still had a minute to ask a question.

[English]

The Chair: It's Mr. Bruinooge's turn, so if we're going to have more questions, it would be his turn. He's agreed that if the committee doesn't want to sit through that, we can either adjourn or go to the votes now, but he's not prepared to trade that.

Ms. Crowder, really quickly.

Ms. Jean Crowder: I just don't know why we wouldn't vote on the estimates. That's the last piece of business.

The Chair: Ms. Neville.

Hon. Anita Neville: I'd be happy to vote on the estimates, Mr. Chair, but I am wondering if we could take Mr. Wernick up on the offer to do a briefing on the food mail program. What I asked is the tip of the iceberg. He identified many of the issues that are about the food mail program, and an even larger one is the accountability there.

The Chair: I agree, and we've made a note of that and I think it's something the subcommittee can discuss.

Last point, I hope, Mr. Lemay?

[Translation]

Mr. Marc Lemay: I have one last point to raise, but I do not know if the witnesses will have time to answer today.

There is fraud on an annual basis at the department concerning the use of Certificates of Indian Status by people who are not Indians. I would like information on that situation.

[English]

The Chair: Mr. Lemay, excuse me. I think we're done with the questioning rounds, so I'd like to move onto the votes at this point. You can speak to the gentlemen after that.

[Translation]

Mr. Marc Lemay: No, just a moment, Mr. Chairman.

They said earlier that they would provide us with answers in writing. I agree, there is no problem with that, but I would like them to add information on what is happening with respect to the Certificates of Indian Status and the replacement of those certificates, which represents fraud, on an annual basis, costing the department more than \$60 million.

[English]

Mr. Rod Bruinooge: That will be one to maybe answer in writing.

[Translation]

Mr. Marc Lemay: That is what I want, that is what I am saying: I want to have an answer in writing.

[English]

The Chair: That's on the record.

Okay. At this point, then, I'd like to thank the witnesses for their answers today and for being with us.

Now I would like to proceed to actually voting on the estimates.

INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

Department

Vote 1a—Operating expenditures, and (a) expenditures on works, buildings and equipment; and expenditures and recoverable expenditures in respect of services provided and work performed on other than federal property; (b) authority to provide, in respect of Indian and Inuit economic development activities, for the capacity development for Indian and Inuit and the furnishing of materials and equipment; (c) authority to sell electric power to private consumers in remote locations when alternative local sources of supply are not available, in accordance with terms and conditions approved by the Governor in Council; and (d) the payment to each member of the Queen's Privy Council for Canada who is a Minister without Portfolio or a Minister of State who does not preside over a Ministry of State of a salary not to exceed the salary paid to Ministers of State who preside over Ministries of State under the *Salaries Act*, as adjusted pursuant to the *Parliament of Canada Act* and pro rata for any period of less than a year – To authorize the transfer of \$11,881,171 from Industry Vote 1, Appropriation Act No. 2, 2007-2008 for the purposes of this Vote and to provide a further amount of.....\$13,990,992

Vote 10a—The grants listed in the Estimates and contributions – To authorize the transfer of \$37,250,000 from Industry Vote 10, \$7,506,000 from Transport Vote 55, \$1,920,615 from Canadian Heritage Vote 5, and \$488,387 from Health Vote 5, *Appropriation Act No. 2, 2007-2008* for the purposes of this Vote and to provide a further amount of.....\$105,212,430

Vote 15a—Payments to Canada Post Corporation pursuant to an agreement between the Department of Indian Affairs and Northern Development and Canada Post Corporation for the purpose of providing Northern Air Stage Parcel Service.....\$20,000,000

Vote 20a—Office of the Federal Interlocutor for Métis and non-Status Indians – Operating expenditures – To authorize the transfer of \$242,105 from Canadian Heritage Vote 1, *Appropriation Act No. 2, 2007-2008* for the purposes of this Vote.....\$1

Vote 25a—Office of the Federal Interlocutor for Métis and non-Status Indians – Contributions – To authorize the transfer of \$4,934,750 from Canadian Heritage Vote 5, *Appropriation Act No. 2, 2007-2008* for the purposes of this Vote.....\$1

Office of Indian Residential Schools Resolution of Canada

Vote 55a—Operating expenses.....\$589,000

Vote 60a—Contributions.....\$25,000,000

(Votes 1a, 10a, 15a, 20a, 25a, 55a, and 60a agreed to)

The Chair: Would you like the chair to report the votes to the House?

Some hon. members: Agreed.

The Chair: Thank you. I believe our business is done for today. The meeting is adjourned.

Published under the authority of the Speaker of the House of Commons

Publié en conformité de l'autorité du Président de la Chambre des communes

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