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

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**EVIDENCE**

**Thursday, November 28, 2013**

—  
**Chair**

**Mr. Chris Warkentin**



## Standing Committee on Aboriginal Affairs and Northern Development

Thursday, November 28, 2013

• (1105)

[English]

**The Chair (Mr. Chris Warkentin (Peace River, CPC)):** We'll call this meeting to order. This is meeting number six of the Standing Committee on Aboriginal Affairs and Northern Development. Today we have the opportunity to review the supplementary estimates (B) for 2013-14. These votes are specifically 1b, 5b, 10b, 30b, and 35b under Indian Affairs and Northern Development.

Colleagues, today we have the privilege of the minister. He has joined us for the first hour.

Minister Valcourt, thank you for being here.

We have with him officials from the department. We have the Deputy Minister, Michael Wernick. Thank you so much for being here. We also have the chief financial officer, Susan MacGowan. Thank you so much for being here.

Minister, we'll turn it over to you for your opening statement, and then we'll certainly have some questions for you.

Thanks again for being here, and please begin with your opening statement.

[Translation]

**Hon. Bernard Valcourt (Minister of Aboriginal Affairs and Northern Development):** Mr. Chair, thank you very much for your warm welcome. I am pleased to be here today to speak to you about the supplementary estimates (B) for fiscal year 2013-14.

Since 2006, our government has been working with our aboriginal partners to remove barriers that are preventing aboriginal people and northerners from developing stronger, healthier and more self-sufficient communities. And while we've made significant progress, we also know there is more work to be done.

For example, our government recognizes that aboriginal women are disproportionately represented as victims of violent crime. This is simply unacceptable. This is why we continue to take concrete action to address the issue of violence against aboriginal women and why we have invested over \$240 million in the family violence prevention program since 2006.

In economic action plan 2013, our government committed \$24 million over two years for the family violence prevention program, of which \$11.7 million is included in this year's supplementary estimates, allowing the total annual funding to remain at over \$30 million for this year and for 2014-15.

This program enhances the safety and security of some of Canada's most vulnerable—First Nations women and children living on reserve. Since 2006, this program has also supported a total of 41 shelters across the country that have provided shelter services for over 16,500 children and 18,000 women living on reserve as well as offered over—

[English]

**The Chair:** I apologize. We've lost translation. I'm wondering if we could just interject for a moment to see if our technical experts can correct that. Let's try it again.

We'll turn it over to you now, Minister. I think it has now been corrected. Thank you so much. I do apologize.

[Translation]

**Hon. Bernard Valcourt:** Since 2006, this program also supported a total of 41 shelters across the country that have provided shelter services for over 16,500 children and 18,000 women living on reserve as well as offered over 1,800 family violence prevention and awareness activities in aboriginal communities across Canada.

[English]

I also want to take this opportunity, Mr. Chair, to state how pleased I am that we were able to finally pass the Family Homes on Reserves and Matrimonial Interests or Rights Act, which will provide first nations women and children with legal protections and rights on reserve in the event of a marital breakdown or death, protections they have been without for nearly three decades.

These supplementary estimates also contribute to our efforts to reduce barriers to aboriginal people's full participation in the Canadian economy through investments in education, skills training, and the urban aboriginal strategy.

We know that aboriginal youth represent the fastest-growing segment of the population in Canada, and yet, unfortunately, they have one of the lowest graduation rates. That is exactly why our government is currently consulting on a draft legislative proposal for first nations education that would put in place a system that is accountable to students and ensure that first nations students have access, like all Canadians, to good quality education. Our government firmly believes that all first nations students across Canada deserve access to a school system that meets, if not exceeds, provincial and territorial standards, a school system where first nations culture and language takes its rightful place and respects treaty rights.

Attesting to the priority we place on education, in economic action plan 2013 our government invested \$10 million, over two years, for Inspire to provide post-secondary scholarships and bursaries to first nations and Inuit students, \$5 million of which is included in this year's supplementary estimates.

I strongly believe in Canada's youth, both aboriginal and non-aboriginal, and I believe it is important to equip them with the necessary tools they need to take our country's future in their hands and carry it successfully into the future.

Through economic action plan 2013, our government is also investing over \$240 million to reform the income assistance program and connect first nations youth between the ages of 18 and 24 with skills training and jobs. These investments will help to provide personalized supports for first nations youth in receipt of income assistance for skills training that will help them find and keep a job. The funds included in this year's supplementary estimates, just over \$20 million, will be used to initiate the first year of this program.

Finally, the supplementary estimates also include \$12.7 million for the urban aboriginal strategy, which is intended to reduce barriers and create economic opportunities for urban aboriginals to get the training and skills they need to participate fully in the economy.

The majority of these supplementary estimates, however, will go toward the settlement of specific claims: \$450 million of these funds will be provided to supplement the specific claims settlement fund for 2013-14. The remaining \$22 million will be used for the implementation of the specific claims action plan.

• (1110)

As members of this committee know, in 2007 our government took unprecedented action to deal with the backlog of specific claims and reach a negotiated settlement that resolved the outstanding legal obligations of the government, provided a fair deal to taxpayers, and created economic opportunities for first nations communities and surrounding areas. I'm proud to report, Mr. Chair, that 100% of specific claims submitted since 2008 have been responded to within the three-year timeframe set out by the Justice At Last initiative. Furthermore, since 2007 the government has cleared a backlog of 541 claims at the assessment stage, doubling the number of claims in negotiation across the country. That's quite an achievement.

Finally, our government also believes that northerners are best placed to make the important decisions about how to run their economies and how to maximize the use of their resources. That is why I was pleased to be in Yellowknife this past June to sign a historic devolution agreement that will provide the Northwest Territories with greater decision-making power over a range of new responsibilities, which will lead to job growth and long-term prosperity across the territory.

• (1115)

[Translation]

The supplementary estimates support the implementation of the Northwest Territories Devolution Agreement by providing over \$20 million that will allow our government to satisfy obligations in the Northwest Territories Devolution Agreement to make payments to the Government of the Northwest Territories and Northwest Territories aboriginal groups to offset their one-time costs associated

with devolution. This is a critical time for the Northwest Territories and a historic juncture in their political development, and we continue to work toward a target effective date of April 1, 2014, as requested by the Premier of the Government of the Northwest Territories and agreed to by the Prime Minister.

This includes fostering economic development by improving northern regulatory systems, while protecting our environmental heritage and putting more control in the hands of northerners.

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

I'm happy to answer any questions that members of the committee may have pertaining to supplementary estimates (B) 2013-14.

[English]

**The Chair:** Thank you, Minister. We appreciate your taking the time to come and give us some information about supplementary estimates (B).

We also want to thank your staff, through you, Minister, for the briefing they provided to our analysts and, by extension, to our committee through the briefing notes that have been circulated to committee members. Those briefings are helpful. I know we, as a committee, want to thank you for providing them.

We'll begin the rounds of questioning with Mr. Genest-Jourdain for the first seven minutes.

[Translation]

**Mr. Jonathan Genest-Jourdain (Manicouagan, NDP):** Good morning, Mr. Minister.

I have four series of questions to ask you. I will try to be brief, but should we run out of time for your answers, I would like a written response. I'll also submit my questions to you in writing.

In the main estimates, the Specific Claims Tribunal registry provides \$1 million, but in the supplementary estimates (B) that we are looking at, \$2.2 million to support continued activities of the tribunal registry will be transferred to AANDC, while your department is requesting more money for specific claims to resolve outstanding claims. What measures have you taken to provide adequate long-term funding to enable the registry to do its job in the future?

Along the same lines, budget 2013 promised \$54 million over two years to ensure that specific claims are processed quickly. Is that reflected in the supplementary estimates?

**Hon. Bernard Valcourt:** I'll ask the deputy minister, Mr. Wernick, to answer that question in detail.

**Mr. Michael Wernick (Deputy Minister, Department of Indian Affairs and Northern Development):** This is the first example of a program or an activity that was renewed in the budget. In this case, the funding is in the supplementary estimates, (A), (B) or (C). The claims initiative, which the minister described, was to last five years, beginning in 2007. This initiative was to be renewed in the spring budget, including the tribunal's activities.

We can self-fund the activities while waiting for votes to be allocated by Parliament, but the tribunal doesn't have the same resources. So, we granted the resources to the tribunal, and the money comes back to the tribunal in this budget. The tribunal will be adequately funded for the next five years.

• (1120)

**Mr. Jonathan Genest-Jourdain:** Thank you.

When the Specific Claims Tribunal Act was adopted in 2008, your government dedicated \$250 million per year to pay for claims settlement. How much has been used since 2008 to settle the claims? What amount has not been spent in the fiscal years the funding was allocated?

Along the same lines, what is the status of the fund? Why do you need to request more funding to settle the claims? Was \$250 million not enough to resolve the outstanding claims? Does the department know how many claims will be resolved between now and when funding ends in five years?

I'll continue asking questions and will submit them to you in writing. You'll have time to answer afterwards.

**Mr. Michael Wernick:** The answer is simple: it's a matter of cash flow. We estimated the number of claims we hoped to negotiate, but since it's a negotiation process, I can't guarantee to you or the minister which fiscal year they will fall into. The Department of Finance enables us to do what we call reprofiling, which means carrying funds forward from one fiscal year to another. That's exactly what's been done in this budget.

**Mr. Jonathan Genest-Jourdain:** What is the status of the five-year review of the specific claims process? What questions have been raised? Will a report be tabled in Parliament soon?

**Mr. Michael Wernick:** Parliament will begin this review next year, in 2014. The subcommittee will carry out a study on the effectiveness of the tribunal.

**Mr. Jonathan Genest-Jourdain:** Lastly, the supplementary estimates (B) allocate approximately \$60.9 million to four out-of-court settlements. Could you tell us exactly which out-of-court settlements these funds are earmarked for? How will the funds be allocated?

**Mr. Michael Wernick:** I can provide more details in writing. At the moment, I can say that there are four specific cases.

The first case is a settlement between lawyers concerning the Sawridge First Nation and involves funds generated by oil activities.

The second case concerns the Alexander First Nation, near Edmonton, Alberta, and involves the same kind of thing. The third case involves two First Nations in northern Ontario. It has to do with damages caused by a past hydro project. The fourth case concerns 15 individuals in schools in northern Quebec.

**Mr. Jonathan Genest-Jourdain:** How much time do I have left?

[*English*]

**The Chair:** You have two minutes.

[*Translation*]

**Mr. Jonathan Genest-Jourdain:** I will give my time to my colleague.

[*English*]

**The Chair:** Ms. Hughes.

[*Translation*]

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

[*English*]

Minister, budget 2012 committed \$27 million over three years to renew the urban aboriginal strategy.

I'm not going to go into all of those details, but I'm wondering, including in the supplementary estimates, what was the total allocation of the UAS in fiscal year 2012-13, and what is the total allocation for this fiscal year?

**Hon. Bernard Valcourt:** UAS? What is that?

**Mrs. Carol Hughes:** Urban aboriginal strategy.

[*Translation*]

**Mr. Michael Wernick:** It's \$14 million.

[*English*]

**Mrs. Carol Hughes:** By the time you find your answers...if you don't get a chance to respond right away, you could maybe write to the committee.

Can you also let us know if the current allocation is sufficient to meet the needs of a growing urban aboriginal population? And what specific projects are being supported by the funding allocation in these supplementary estimates?

[*Translation*]

**Mr. Michael Wernick:** It's another activity that was renewed in the estimates. I don't have the exact figures, but I think it was close to \$14 million a year. We'll fund about 120 projects this year. I can provide you with a list of projects that have been funded.

**Mrs. Carol Hughes:** Was there a reduction or an increase?

**Mr. Michael Wernick:** No, it was renewed with the same level of funding.

[English]

**Mrs. Carol Hughes:** Is the current allocation sufficient to meet the needs of a growing urban aboriginal population, given that there's no increase?

**Hon. Bernard Valcourt:** Every morning when I get to the Hill I look for the tree where the money grows, and I haven't found it yet. To the question on whether it is sufficient, I guess I will answer by saying that within the current fiscal framework in which we must operate, we are doing as much as the taxpayers can afford.

• (1125)

**Mrs. Carol Hughes:** I would just ask to table the answer to the third question, which was, what specific projects are being supported by the funding allocation in these supplementary estimates? Thank you.

**The Chair:** I think it's been noted.

Thank you.

We'll turn now to Mr. Strahl for the next round of questioning.

**Mr. Mark Strahl (Chilliwack—Fraser Canyon, CPC):** Thank you, Mr. Chair and Minister.

I want to salute, certainly, our translation team who are battling through some difficulties today. They do a great job helping us to do ours. I appreciate that.

One of the things that I've had the pleasure of doing since being appointed parliamentary secretary is meeting some of the folks involved with first nations youth right across the country. I'm thinking specifically of Roberta Jamieson, the president and CEO of Indspire, who is a remarkable woman, a remarkable first nations leader who's doing great work with Indspire. I was pleased to host a dinner with her for this year's Indspire award recipients and was very impressed, especially with the youth winners. The next generation of first nations leadership that is coming up is certainly impressive and they're already inspiring their communities.

I want to ask about Indspire in these estimates. I see in the estimates that our government has invested \$5 million to go to Indspire to pull funds for these bursaries and scholarships. How many bursaries and scholarships will Indspire be able to provide with these additional funds from the government?

**Hon. Bernard Valcourt:** Let me start by saying that, of course, we are committed to helping aboriginal students to access post-secondary education and acquire the skills they need to fully participate in the labour market and in society. Over and above the program that our government provides to first nations and Inuit students, they can also benefit from other funding sources that target aboriginal students. Indspire is an example of an organization providing bursaries.

We are proud to support Indspire, which has a proven record of success, providing scholarships to over 2,200 aboriginal students annually, and raising significant support from a range of corporate donors to help support the students' success.

This \$5 million will be matched by Indspire itself. Indspire awarded \$5.2 million in 2012-13 to support 2,050 bursary and scholarship recipients, for an average of about \$2,500 a year. With

the government's pledge of \$10 million over those two years, Indspire has publicly committed to raise another \$10 million, which will result in about 8,000 students with scholarships and bursaries over two years. That's quite a successful undertaking, I think.

**Mr. Mark Strahl:** I've heard you speak and others speak about the importance of a quality education, a quality post-secondary education, but as well the building block to that post-secondary education, which is a K-to-12 education.

What is your office doing? What is the department doing to ensure there is adequate dialogue and consultation with the government, with first nations and key stakeholders on something like a first nations education act?

**Hon. Bernard Valcourt:** This is an important question because as many people know we currently are in consultation mode with first nations, stakeholders, provinces, interested Canadians, about the challenge that first nations students on reserve face in terms of the education system, which is non-existent right now. The genesis of the current legislative proposal goes back to 2008 in the throne speech of the day. Since that time, in partnership with the first nations, we have had studies, we have consulted, and consultations were officially launched by Minister Duncan in December of last year. We have informed the latest legislative proposal with what we heard from stakeholders, first nations, and this process is ongoing.

What is important to point out is that no decision has been made on the introduction of any bill in regard to this. We will continue consulting with first nations and hopefully come up with the proposal that will find the support required by the challenge that we all face together.

• (1130)

**Mr. Mark Strahl:** Thank you.

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

We'll turn to Ms. Jones now for the next round of questions.

**Ms. Yvonne Jones (Labrador, Lib.):** Thank you, Mr. Chair.

Good morning, Minister, and your officials.

My question is related to the \$2 million that will be reallocated from the contributions to grants through supplementary estimates. It's related to the on-reserve income assistance program and assisted living. In the main estimates, you identified a reduction of \$40.4 million to the income assistance program. It's my understanding that a significant portion of the expected savings were linked to your department's policy shift from reasonable comparability to compliance with provincial rates and standards.

As we all know, this month the Federal Court struck down your policy to tie rates to provincial levels in Atlantic Canada. It found you owed more procedural fairness regarding your lack of consultation with first nations in Atlantic Canada. In fact, a judge said there was never any meaningful consultation about the merits of a strict application of provincial rates and eligibility criteria.

I can only assume from this case in Atlantic Canada that there has been a significant lack of consultation throughout the country. My question today would be, given the Federal Court ruling, will you be pausing the implementation of this policy shift in Atlantic Canada? And will you indeed be pausing the entire policy shift for the country?

**Hon. Bernard Valcourt:** First of all, this is a court decision that was recently rendered, which we are still reviewing. So it would be improper for me to comment on that decision. Let's say that Atlantic Canada is the only part of the country where these allegations have been made. The policy, which is an old policy, an old Treasury Board guideline, is being implemented in the rest of Canada without problem. As regards the Atlantic region, once we have reviewed the decision we will be able to make a decision as to how to proceed from here.

**Ms. Yvonne Jones:** Okay.

The Federal Court judge also noted that it was particularly disturbing that there was no hard data on the number of recipients who would actually lose their entitlement to social assistance, further to a strict application of provincial eligibility criteria. I want to ask this. Has the department undertaken an evaluation of the impacts of the decision to move to a strict mirroring of provincial rates or eligibility criteria for first nations recipients?

**Hon. Bernard Valcourt:** As I just indicated, we are reviewing the decision, so no decision has been made.

**Ms. Yvonne Jones:** I understand the review of the decision. Just prior to the court, would there have been any evaluation of what the impact would be once you made the shift within the department. I guess I'm just looking to see if there was any evaluation process done prior to the court.

• (1135)

**Mr. Michael Wernick:** The policy shift is simply to consistently pay provincial rates according to provincial criteria, as to who's eligible and not eligible, something we've been asked to do in education, child and family services, and many, many other areas. We were actually paying more generously in some Atlantic communities than the province would pay similar people in similar circumstances.

The caseloads in communities are maintained by the first nations and they vary from week to week and month to month. We would have some sense of the potential impact if we were overpaying, but it would vary from month to month, depending on the caseloads. The caseloads are quite high in some communities and quite low in others.

**Ms. Yvonne Jones:** I guess what I found a little bit strange about it is that the court didn't have access to the information, or it would certainly seem that way based on the ruling. The kind of information that I'm looking for, I would image, is available within the

department. I would be happy if you could provide me with it at a later date.

**Mr. Michael Wernick:** To help, Mr. Chair, we have a profile of every single first nations community on our website that is continually updated, and it includes the social assistance caseload numbers.

**Ms. Yvonne Jones:** Okay, I'll certainly have a look at it, but the number that I would be looking for is the number of recipients in total who would be affected and how many of those could potentially lose entitlement benefits if this policy were implemented.

**Mr. Michael Wernick:** You can't really answer that question until you've gone in and done the compliance work, which we are being prevented from doing by the court decision, so it's a bit of a circular question.

**Ms. Yvonne Jones:** Okay.

In terms of the evaluation, let me ask you this. Are there any documents related to the evaluation of the program and what the impacts might be that you could actually table with our committee?

**Mr. Michael Wernick:** I will certainly provide anything that we have.

We have over 80 audits and evaluations posted on our website and we have been looking at income assistance in the past. Off the top of my head, I'm not sure what the most recent reports are, but we'll certainly make them available to the committee.

**Ms. Yvonne Jones:** Okay.

Do I still have time?

On one of the questions that you were looking at with regard to the resolving of land claims, I know you did say that you had been making some progress in terms of the assessment process. Can you give me an idea of the number of claims that would be near completion of negotiations right now, that we could possibly see some settlement on?

**Hon. Bernard Valcourt:** I cannot predict what negotiations can lead to in terms of results. What is important to know is that there are sufficient funds allocated to meet any obligations that will arise out of those settlements. As I indicated, we have many claims that are being negotiated, as we speak, that have doubled since the introduction of Justice At Last, but I am afraid I cannot predict the exact number or round numbers of settlements.

**Ms. Yvonne Jones:** Okay.

Thank you.

**The Chair:** Thank you.

We'll turn now to Mr. Seeback for the next round of questions.

**Mr. Kyle Seeback (Brampton West, CPC):** Thank you, Mr. Chair.

Minister, I know you talked a little bit in your opening remarks about some of the success stories with respect to Justice At Last, the specific claims action plan. I know certainly that when I've looked at some of the material it's really been exceptional how the backlog of, as you mentioned, 541 cases was cleared. I was encouraged to hear you say that since 2008, 100% of claims had been responded to. That to me seems to be an exceptional number.

I want to delve a little bit deeper into that. Do you know how many claims are currently before the tribunal? Is the extra \$452 million earmarked for any specific claims that you think are about to be resolved?

• (1140)

**Hon. Bernard Valcourt:** According to a document the deputy just cited to me, right now we have 90 claims under assessment, 39 at the level of research, 31 the subject of legal opinions being prepared by the Department of Justice, and 20 where the legal opinion has been signed. In negotiation right now, we have 231, so the total in progress is 321.

Also, as I said, concluded through negotiations, we have 385 that have been settled. We have 413 where no lawful obligations were found, 33 that have been resolved through administrative remedy, and 326 files that have been closed, so that we have concluded 1,157 specific claims.

**Mr. Kyle Seeback:** Maybe, Michael, you know this as well. With regard to the number of \$452 million, is that earmarked for some specific claims that you think are about to be resolved? Or is that just an anticipation of what may be resolved in the coming year?

**Mr. Michael Wernick:** One of the features of the reform of 2007 is that the Department of Finance has given us a specific settlement allotment. It can only be used for specific claims settlements and awards from the tribunal—no other purpose—and we can fairly flexibly roll it from year to year so we don't get caught in fiscal year-end sorts of things.

We go through a regular process with the Department of Finance and the Department of Justice in trying to ballpark what we expect to come to negotiation. We're certainly not going to send negotiators out to tables and not have the resources set aside for them.

It's a provision. It's an estimate. We're going to be a little under and a little over in some years. We have some very big settlements come in. We have several in the range of \$100 million to \$300 million, and some of them are \$50,000. No two claims are exactly alike.

**Mr. Kyle Seeback:** Thank you.

**The Chair:** We will now turn to Mr. Bevington for the next round of questions.

**Mr. Dennis Bevington (Western Arctic, NDP):** Thanks, Mr. Chair.

I want to thank the minister for being with us today. I look forward to hearing his answers to my questions. I'm going to talk about devolution, because of course that's a subject that's very dear to most people in the north.

I'm curious about the \$24.8 million that's up for grabs in the supplementary estimates. This is going to be divided between the

Government of Northwest Territories and Northwest Territories aboriginal groups, according to your statement.

First of all, what particular activities are going to be funded under that? I'd like to see that. Is this representative of one-time funding that was described at \$26.5 million in June 2013? Is this what the money represents? Or is this money that's in addition to that particular allocation?

**Hon. Bernard Valcourt:** That refers to the one-time costs being carried by the GNWT and the first nations for implementation of the agreement.

**Mr. Dennis Bevington:** So it speaks to that \$26.5 million?

**Hon. Bernard Valcourt:** Yes.

**Mr. Michael Wernick:** Yes, it's part of the overall agreement that was tabled in Parliament yesterday. It's the run-up costs to the hand-off next April 1.

**Mr. Dennis Bevington:** Is there an anticipation of further one-time-only costs under next year's budget? Would that be safe to say? This is a fairly complicated process, this changing of administration for many of the lands and resource aspects of the Northwest Territories. We all like to see things done as expeditiously as possible, of course, but it may be that these things take a little longer and are a little bit more complicated than first meets the eye.

• (1145)

**Mr. Michael Wernick:** Yes, there is a financial component to the overall devolution agreement that was reached. Perhaps when the devolution bill is in front of you, which won't be too long from now, we can provide further information on the financial aspects of it.

**Mr. Dennis Bevington:** Under federal contaminated sites, you have a very minor amount of money, \$425,000 indicated, but in the Northwest Territories there are many contaminated sites. Some of the progress on those sites has been restrained over the last number of years, especially those on the old uranium mines in the Sahtu region of the Great Bear Lake area.

Is there anything within this process that would give us an indication of a timeline for further work on the contaminated sites that has been retarded over the last while, for the work that needs to be done to complete the work on these sites?

**Hon. Bernard Valcourt:** On the northern contaminated sites program, which is in place and is being executed, we issued over \$325 million in contracts, with approximately 75% of this amount awarded to northern and aboriginal companies. The Giant Mine remediation project, which you know well, has already issued approximately \$130 million in contracts, with approximately 65% of these amounts awarded to northern and aboriginal companies.

This is a responsibility of the government that we take seriously. As I said once before, what is at the heart of all of this is the safety and the security of northerners. Their health and safety is our prime concern. It is the prime consideration as to moving on a particular project or not.

**The Chair:** Thank you.



We'll turn now to Mr. Boughen for the next round of questions.

**Mr. Ray Boughen (Palliser, CPC):** Thank you, Chair.

Let me add my voice of welcome to the panel. Thanks for sharing your day with us this morning.

I will be staying with devolution for a couple of questions here.

Minister, the Government of the Northwest Territories and the Prime Minister made a commitment to the people of the Northwest Territories to target effective dates of April 1, 2014. Can the minister update our committee on the progress being made by the government towards delivering on that promise?

**Hon. Bernard Valcourt:** As you may or may not know, I'm pleased to report that this morning the House adopted the ways and means motion necessary for introducing the devolution legislation in the House. After much consultation with our partners, and the Government of the Northwest Territories, and aboriginal communities, our government is ready to move forward with our commitment to northern control of northern lands and resources.

The devolution agreement, which we signed in June, and its intended regulatory improvement will lead necessarily and definitely to job creation and economic opportunities for northerners. I look forward to bringing legislation to put this agreement into effect as soon as we are ready. We're getting there really rapidly.

**Mr. Ray Boughen:** Thank you.

When we're placing resources in the hands of the Northwest Territories to generate opportunities for Canadians and to enable the Northwest Territories to enjoy greater economic benefits, can the minister point out the important benefits northerners will enjoy, stemming from the government's action toward the devolution of land and resources responsible in the Northwest Territories?

**Hon. Bernard Valcourt:** I think it's fair to say that northerners, first and foremost, will benefit immensely from devolution. Decision-making will be in their hands. The people in the Northwest Territories will decide on the pace and the nature of development of resources in their territory, and this is for the benefit of all their residents, and of course of Canada also.

Devolution will not only provide greater decision-making to the northerners, but it will also guarantee that they receive a net fiscal benefit from resource development through resource revenue-sharing arrangements that have been agreed to in an agreement and that will find expression in the legislation.

In addition, aboriginal parties to the devolution agreement will receive direct financial transfers and a share in resource revenues from public lands, and participate in the government decision-making in collaboration and partnership with the Government of the Northwest Territories.

All of these benefits have been negotiated between our government, the Government of the Northwest Territories, and the aboriginal parties, and are set out in the devolution agreement, which I signed in June.

• (1150)

**Mr. Ray Boughen:** Thank you, Minister.

**The Chair:** Thank you.

We'll turn now to Ms. Hughes, for the next round of questions.

**Mrs. Carol Hughes:** Thank you very much. I greatly appreciate the time.

Minister, on a number of occasions in your presentation—I think you have three paragraphs that deal with education—what's interesting is that you said,

[*Translation*]

“...deserve access to a school system that meets provincial and territorial standards...”. There is no mention that this would be equitable.

[*English*]

I have tons of correspondence here from the Chiefs of Ontario; from the Chiefs Assembly on Education, which includes chiefs from Quebec and all over; and the Anishinabek Nation, which is in opposition to the first nations education act.

When you were looking at drafting the first nations education act, did you consider the funding envelope? Did you consider equitable funding in designing that first nations education act?

I know you are saying you are consulting with first nations, but I can tell you that a lot of first nations are saying that they're not being consulted. I know that for seven years, Chief Shining Turtle from Whitefish River First Nation has continually asked the minister to attend the first nations, to meet with them so they can have those discussions about education and the economic impact.

I'm trying to get a sense if your view and your department's view of the first nations education act include equitable funding?

**Hon. Bernard Valcourt:** The issue of funding is addressed squarely in the proposal made, as much in the blueprint as in the statement at budget time, when the government committed to introduce a first nations education proposal that would contain predictable and...funding—

**Mrs. Carol Hughes:** When you look at predictable, we're talking about equitable funding...same as off-reserve children.

When we look at this, I can tell you that here is your opposition:

The development of the FNEA by the federal government did not:

- a) adhere to any sections of the report of the National Panel on Education;
- b) consult with Anishinabek Chiefs and Councils
- c) take into account any of the recommendations from the Council of Ministers of Education Conference focusing on First Nation education; ....

It goes on.

From the Chiefs Assembly on Education:

Therefore Be It Resolved that the Chiefs-in-Assembly:...

Reject the development of a First Nation Education Act as announced in the federal budget 2012...and...demand that the federal government uphold the honour of the Crown and fulfill its obligation to First Nations by providing needs-based, sustainable education funding that supports First Nations lifelong learning.

You've indicated both here and in the House that if first nations are not supportive of this, you will not go forward with it.

You also mentioned that you required support for this. What is the required support? Do you have a base on that right now?

Will you ensure that the proper consultation is done? It has to be meaningful.

• (1155)

**Hon. Bernard Valcourt:** Yes, it has to be meaningful.

You know, it takes two to tango, so when you refer—

**Mrs. Carol Hughes:** They're willing to meet with you.

**Hon. Bernard Valcourt:** You asked a question. Will you let me answer?

You referred to a resolution of the assembly and chiefs, who have taken away from the AFN the mandate they had received to work with the department, with the federal government, to develop a legislative proposal that would meet the requirements of ensuring that first nations youth on reserve benefit from an education system that has a legislative basis, a statutory basis.

Notwithstanding the resolution, we have undertaken these consultations throughout the country. I have personally met with many chiefs and councils, tribal councils, as have officials. Throughout these consultations, or meetings—certain people are afraid of calling them consultations—we have heard first nations calling for control of education by first nations. We have heard the call for predictable, sufficient funding and ensuring that they could rely on a system that would respect their treaty rights.

It is with these asks in mind that we have developed a proposal on which we are continuing to consult. That process is ongoing. We'll see where it leads. We believe as a government that it's imperative that we act quickly. The current non-system is failing students all across the country.

We believe we have examples of successful initiatives that have taken place. I point to Nova Scotia, where the Mi'kmaq community, and the province, and the federal government have put in place a system that results today in aboriginal youth on reserve in Nova Scotia graduating at a rate of 90%, above the rate of those non-aboriginal students.

It is building upon these successes that we believe we can get the statutory base and eventually the framework that will ensure that first nations students have the right, like every other Canadian, to a good system of education.

**The Chair:** Thank you.

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

[*Translation*]

**Mr. Jim Hillyer (Lethbridge, CPC):** Mr. Minister, thank you for being here.

Our government has made significant progress since the 2008 apologies for the residential school system. In supplementary estimates (B), \$6 million have been allocated for the commemoration initiative, under the Indian Residential Schools Settlement Agreement, which honours the former residential school students, their families and their communities, and pays tribute to them.

Could you give us an update on the work the government has done recently to honour its commitment under the Indian Residential Schools Settlement Agreement?

**Hon. Bernard Valcourt:** Thank you for your question.

As you know, our government is 100% committed to reaching a fair and lasting resolution to the unfortunate legacy of the Indian residential schools, which is at the heart of the reconciliation and renewal of relations with aboriginal peoples and all Canadians.

Two weeks ago, I had the pleasure of announcing that the Government of Canada was going to work with the Truth and Reconciliation Commission and all parties to the Indian Residential Schools Settlement Agreement to extend the commission's mandate to June 30, 2015, so that it can complete its important work. The additional year will give the commission enough time to complete its mandate and draft its final report, and to receive some documents that Library and Archives Canada must provide.

We want the Truth and Reconciliation Commission to be able to complete its important mandate and fulfill our obligations under the agreement. We are determined to arrive at a fair and lasting resolution to the Indian residential schools. We want reconciliation for aboriginal peoples, their families, the communities and all Canadians.

Although the commission's official work ends in June 2015, the work won't stop there. Reconciliation is a constantly evolving process. In fact, the effects of this chapter of our history continue and will continue to be felt for several generations, unfortunately. That's why it's important for aboriginal and non-aboriginal Canadians to work together to deal with the harmful effects of this sad chapter in our history.

• (1200)

[*English*]

**Mr. Jim Hillyer:** Thank you.

Our government has a priority to empower aboriginal citizens and protect the vulnerable.

Could you talk about what the government is doing to enhance safety and security for the vulnerable, especially aboriginal women and children who are victims of family violence?

**Hon. Bernard Valcourt:** I referred to it in my introductory remarks.

Our government recognizes that aboriginal women are disproportionately represented as the victims of violent crime. As I said, this is simply unacceptable. That is why we are taking concrete action to address the issue of violence against aboriginal women and girls.

You have to look at the actions we have taken. I referred to the Family Homes on Reserves and Matrimonial Interests or Rights Act, which I submit with respect is an important step in getting to where we want to be. We want to provide aboriginal women and children and families on reserves with the same rights and protection that other Canadian kids and wives and husbands are getting. I think that was an important step.

As I said, it's not the amount of dollars, but we've invested over \$240 million in the family violence prevention program. This has provided shelter services to thousands of children and women living on reserve. In the last budget, we committed another \$24 million over two years for the family violence prevention program.

But all of this is in isolation. You have to have a holistic approach. That's why education, skills development, the efforts we deploy to try to enhance the delivery of family and child services with first nations, are all steps that I believe can help to reduce these shameful statistics about aboriginal women and girls being victimized so much.

• (1205)

**The Chair:** Thank you.

Thank you, Minister. We know your time is short. We've kept you longer than you committed to and that we asked you for, and we appreciate your willingness to stay with us beyond that time.

Colleagues, we will suspend for a few minutes. We'll continue the questions with the other folks momentarily.

• (1205)

\_\_\_\_\_ (Pause) \_\_\_\_\_

• (1210)

**The Chair:** Colleagues, I'll call this meeting back to order.

We will continue with the rounds of questioning. We'll now turn to Mr. Sullivan.

**Mr. Mike Sullivan (York South—Weston, NDP):** Thank you, Mr. Chair.

The minister suggested at the very end of his statement that education was a very important part of the ministry's plans for the future. However, I'm aware that the waiting list for post-secondary education is growing. In fact, it is now at 10,600 students on reserve who are on a waiting list to get into post-secondary education.

That number has gotten bigger in the last two years, not smaller. I understand that in some places the waiting list is now so large that they are no longer putting students on the waiting list. In other words, the waiting list is too large to have a waiting list.

What is the department doing to try to allow native persons, native youths, to attend post-secondary education?

**Mr. Michael Wernick:** The short answer is that there is no waiting list.

Allocation of post-secondary funds is decided by individual chiefs and councils. They decide what to do with the funds. They can fund kids, not fund kids, or reallocate funds to other uses. There is no national program, there's no national intake, and there's no national waiting list. There's nothing that prohibits first nations children from applying for Canada student loans, or for Canada study grants, or for scholarships or bursaries.

**Mr. Mike Sullivan:** But as I understand it, there is not enough money in the first nations system to fund all of those who want to go to post-secondary education. You're suggesting they apply for other mechanisms, but the first nations education systems do not have enough funds to provide for all who want it.

**Mr. Michael Wernick:** That's an assertion of some people. There is over \$320 million going out to first nations. We have very little control over what they do with it. They do not even have to spend it on post-secondary allowances for their kids.

**Mr. Mike Sullivan:** Well, that's different from what we're understanding.

On the skills training side of it—

**Mr. Michael Wernick:** If I could just—

**Mr. Mike Sullivan:** Yes?

**Mr. Michael Wernick:** On the answer to that question, what we've tried to do is that we've posted on the website and have distributed quite broadly a guide to scholarships and bursaries that may be available to aboriginal kids. There is money going out for Métis bursaries and, as the minister mentioned, we put money into Indspire, which deals directly with students and families.

I think it is an area that deserves attention, but it deserves a different delivery model.

**Mr. Mike Sullivan:** What delivery model?

**Mr. Michael Wernick:** One that deals directly with students and their families and doesn't go through band councils, but that's a big reform. It would no doubt be very controversial and would take some time, so the government's focus right now is on K to 12, as you heard the minister say.

**Mr. Mike Sullivan:** In terms of post-secondary education, though, what you're saying is that it's your belief the bands have enough money, and if there's a waiting list that's their problem, not the government's problem.

**Mr. Michael Wernick:** I'm saying that we have what we have, which is \$320 million. I cannot even assure you that it's all going to post-secondary in the communities.

**Mr. Mike Sullivan:** What can you assure us?

**Mr. Michael Wernick:** That the Government of Canada has provided \$320 million for this purpose.

**Mr. Mike Sullivan:** And the Government of Canada doesn't have any records of where that money is spent?

**Mr. Michael Wernick:** You'd have to ask each band council what they do with that fund. That is the problem that was identified in the Auditor General's report of May 2011, which I commend to every member of this committee as the best diagnostic of what's wrong with services to first nations. She called clearly for a legislative basis for key services and for effective local service organizations. We don't have that in education.

• (1215)

**Mr. Mike Sullivan:** Switching to skills training, which is another form of education, you've announced some money for skills training. What are the main features of that new first nations job fund? Who is eligible to participate, and how?

**Mr. Michael Wernick:** What we have on first nations reserves is passive welfare of a 1970s model—cheque writing by band councils. There is no case management. There are no diversion services in which people are assessed for what they need in order to be job-ready. There's no real partnership with post-secondary institutions or the private sector. There's nothing that's effective. It's a passive welfare system and it's a trap for young adults.

The reform that the government announced in the last year is to catch up to what every province in Canada has done over the last 10 years, which is to add active case management to assess people's needs and divert them and channel them to the services; to say you aren't getting a cheque unless you're involved in some kind of skills or upgrading or training program; and to deal with whatever the issue of the individual is, which might be child care needs, literacy training, or specific training for a specific occupation.

What we have finally been able to do is to bring in all of the skills of my colleagues at the employment and skills development department, formerly HRSDC, who never dealt with an on-reserve clientele but who are now rolling out the program to an on-reserve clientele. We're in the very first six months of that reform. I would hope to have a lot of progress for you in the next year. Projects will be rolling out that have been developed in partnership with tribal councils and first nations. Chiefs and tribal councils are extremely excited about the opportunity to turn away...young adults in particular. The focus in the first wave is 18- to 24-year-old young adults.

**The Chair:** Thank you.

We'll turn now to Mr. Seeback for the next round of questions.

**Mr. Kyle Seeback:** Thanks, Mr. Chair.

Michael, I want to go back to talk a little more about specific claims. For whatever reason, it's an area that I'm quite interested in.

If I remember correctly, both you and the minister were saying that about 300 active claims right now are going through. Are the numbers actually changing? Were there 400 the year before, or, with the cases that are coming in and the cases that are going out, are we staying at around the same number year over year?

**Mr. Michael Wernick:** The short answer is that the numbers change virtually every day—which drove my staff crazy in trying to get ready for questions at today's appearance.

We have 320 in progress, either at legal assessment... I'll come back to that in a second, if you don't mind. We have about 180 at active negotiation. Some of them will get settled next week, I think, so the numbers do fluctuate.

What we have done, if any committee members are interested, is put a dashboard on the website in which you can look up the inventory. The statistics I just read to you are from the website. You can look up by province and even by specific file. There's information on all of the active claims on the website.

**Mr. Kyle Seeback:** Okay.

One of things that happened was the five-year mandated review. What has been the outcome of that review?

**Mr. Michael Wernick:** One of the main features of the reform of 2007 was to create a tribunal with binding powers. We never had that before. If the government lawyers or the first nations lawyers think they have a good case, they'll take their chances at the tribunal or they'll decide to negotiate. The existence of the tribunal has sped up negotiations immensely, because people—including government lawyers—have to really be serious about how good their case is. We're seeing more settlements, actually. There are only about 40 to 45 cases filed at the tribunal, which is there as a recourse if you really think you have a good case. I don't think the tribunal has actually made any significant awards yet. It's still chewing through its initial caseload. It is essentially like a court, and has the characteristics of a court.

We're coming up to the statutory review of the creation of the tribunal. As you know, it's a common device to put it into a piece of legislation that after five years Parliament should review the act. I think you will have ample opportunity to engage in that in the early part of next year, if I remember my timing.

• (1220)

**Mr. Kyle Seeback:** What would you say is the average processing time for a case that ends up at the tribunal? Do you have any numbers on that?

**Mr. Michael Wernick:** Part of the problem the reform addressed was that claims had been languishing for many years. They were basically driven by the lawyers and there wasn't a really big incentive to settle. The actual, let's call them, alleged breaches... A specific claim is a breach of a lawful duty by the government, so either improper handling of land or improper handling of moneys. It's a fairly clear test of what you would want to find. Many of them happened in the early development of the country when railways were built, military bases expanded, canals and bridges were built, and land was taken off reserve improperly. Other cases are about the management of oil and gas moneys, for example. So the actual source or fact base can go back a very long way, and, in fact, other disputes we're trying to resolve are from, as you know, even before Confederation.

They had been sitting in some cases for more than 10 years. I don't have the exact statistics for you, but I can tell you that since 2007 there's been a massive acceleration. In many cases we've sped up our judgment and determination about the legal case, and we've made a lot of offers to first nations saying, "Okay—close enough—this is what we're offering as a settlement". You get different reactions. Some first nations are happy to get that offer and some of them are disappointed. It does become a negotiating kind of dynamic.

**Mr. Kyle Seeback:** Great.

**The Chair:** Thank you.

Mr. Bevington, we'll turn to you for the next question.

**Mr. Dennis Bevington:** Thank you.

Let's go back to the devolution agreement for a minute. Two first nations governments in the Northwest Territories have come out with strong statements against the proposed regulatory reforms. The Gwich'in and the Tlicho governments have both said no to the creation of a super-board.

Is it government's intention to move ahead with a legislative change that would bring about a single land and water board in the Northwest Territories?

**Mr. Michael Wernick:** I think, as the minister said, notice was given on the ways and means, and you'll be seeing the bill within a matter of days or certainly before Christmas. That's up to the House leaders, of course. You'll have ample opportunity to debate that bill.

We are crafting it to respond to the regulatory reform initiative the government launched some time ago. The bill will contain implementation of the devolution agreement and implementation of some of the regulatory changes.

**Mr. Dennis Bevington:** So you're creating an omnibus bill—that's what you're doing?

**Mr. Michael Wernick:** No, it's a bill that deals with the issues we have in the Northwest Territories. The two are so inextricably related that it makes more sense to deal with the change in the Northwest Territories with one study by Parliament.

**Mr. Dennis Bevington:** How would a single regulatory board be inextricably related to a devolution implementation agreement? I don't need you to answer that. I think it's pretty evident that's what you're going to do, and that's fine.

I'm sure that's going to cause a lot of difficulty with people in the north. The devolution implementation agreement has been well received by many of the first nations and they have accepted it, and now we're going to layer onto that the regulatory changes that this government is proposing, which are not accepted by the first nations.

How do you see that as a road to success?

**Mr. Michael Wernick:** I think you as a committee and Parliament will have an opportunity to see all of the changes affecting the Northwest Territories at one time, and you can make a judgment as a committee on how to handle the legislation.

**Mr. Dennis Bevington:** Okay.

Now going back to the contaminated sites issue, have you projected further ahead the total cost of these projects?

**Mr. Michael Wernick:** We go back from time to time for a renewal of funding for both north of 60° and south of 60°, so we have provisioning many years in advance. I'm happy to table it with you. We also have on the Internet—it's a recurrent theme—the current inventory of projects we're working on. We're slowly but surely completing many and working actively on others, and some still lie in the future. The contaminated sites program criteria are very clear. They're out on the Internet. They're out there for everybody to see. We try to operate on a risk basis, dealing with those that are the most dangerous to human health first, and we're making considerable progress on those. But it is going to take some time. And there are a lot of them south of 60° as well.

• (1225)

**The Chair:** Do you have any more questions? You have another minute, Mr. Bevington.

**Mr. Dennis Bevington:** No, I'm fine, thanks.

**The Chair:** Very good.

Mr. Genest-Jourdain, we'll turn to you.

[*Translation*]

**Mr. Jonathan Genest-Jourdain:** I would like to ask a few quick questions, still pertaining to the contaminated sites.

What progress has the department made in the cleanup of federal contaminated sites? How many sites have been decontaminated so far? How many sites are waiting to be cleaned up? Lastly, given the department's stated objective to clean up five sites by March 31, 2014, how many years will it take to have all federal sites cleaned up?

[*English*]

**Mr. Michael Wernick:** I'll have to provide you with the active list as a follow-up. The projects that are under way right now are at different stages, and it's going to take many years to complete all of them. There has been 200 years of development across the country using practices that wouldn't be tolerated today, and we have a lot of work ahead of us.

I think just in the north, the inventory was over 1,400 sites. Now some of these can be as small as a single oil tank under a garage somewhere, and some of them can be as big as the Giant Mine. There's an enormous range—old military sites, DEW Line radar stations, fuel dumps, old air strips, and so on and so on. There is an inventory. Right now, I think the number that we're very actively working on is about 80, but one of those is the Giant Mine, which as you know, is the largest contaminated site in the country.

**The Chair:** Thank you.

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

**Mr. Mark Strahl:** Thank you very much.

Thank you for being here.

I wanted to ask about a couple of specific items in the supplementary (B)s. It says here:

Funding to support the Commemoration Initiative under the Indian Residential Schools Settlement Agreement which honours, educates, memorializes and/or pays tribute to former Indian Residential School students, their families and their communities

Can you talk about that initiative and give us some examples of projects that might have been funded under that initiative?

**Mr. Michael Wernick:** The program is part of the overall settlement agreement reached in 2006-07. The main features, as you know, are the common experience payment, the adjudication of serious claims, the creation of the Truth and Reconciliation Commission, and so on. Part of it was the funding for commemoration projects, which are basically designed to make sure people don't forget what happened. There is a listing on the website of all the projects that were funded. They're mostly small, community-generated projects. In some cases it's as simple as a plaque on a building to say this was where this happened. In some cases there has actually been restoration of an old residential school that has been converted to another use. In some cases the projects have been events such as community gatherings and meetings of elders with young people.

A lot of it is cross-generational, in fact, to make sure the elders connect with the kids in the communities. I think we have over a hundred projects, all in, and I'd be happy to provide a list and some summaries of those.

**Mr. Mark Strahl:** If I find that online, that's great.

I did notice as well that there was a reduction under travel. Can you explain? Were people doing more meetings by teleconference? How was that saving achieved?

**Mr. Michael Wernick:** We've been operating with a capped operating vote for some time. That was announced in one of the previous budgets, so we've been very frugal about travel for quite some time. We've been trying to limit travel to the important things like meeting community—for example, setting up for negotiations, inspections of water facilities, activity in communities where we need to be boots on the ground supervising construction projects and that sort of thing. Internally, we've pushed really, really hard to use video conferencing tools. We've been installing them everywhere we can to try to avoid people getting into airplanes and coming to meetings. We use video conferencing for training and so on.

So I think overall, depending on what benchmark you want to use, we've made a reduction of about 25%. Now some of the travel that you will see in our budget for travel is actually subsidizing the travel of former residential school students to attend the adjudication of their cases at hearings, and that counts in our travel budget. So I would caution you to dig a little deeper.

The \$1.1 million is an initiative that came after the budget, where the government ratcheted down travel even further and froze \$1.1 million in our department's budget to make sure it was not available for travel, and that's reflected in these supplementaries. So it essentially creates a situation where we're asking for fewer funds from Parliament because we know we're not going to spend that \$1.1 million.

• (1230)

**Mr. Mark Strahl:** Do I have time, Mr. Chair?

**The Chair:** Yes.

**Mr. Mark Strahl:** I also want to ask about the site work for the Canadian High Arctic Research Station.

Could you give us an update on that project and maybe some indication of where that's at? It's obviously a priority for our government, but it's a specific line item here, so perhaps you can just give us an update on that.

**Mr. Michael Wernick:** The project, as I'm sure members are familiar with, was announced some time ago. We've gone through the issues of its mandate, science priorities, location, which community it should be in, and even what site within the community it should be in—all in very close consultation with the community.

The short answer is, we're on time and on budget. The slightly longer answer is, we're now in the pre-construction phase, mobilizing materials, getting the site ready, doing the fine tuning of the design work. There will be shovels in the ground next summer, all aiming for an opening in 2017.

In parallel with that, we're working on the science program of which the station will be the hub. We're hiring a chief scientist and we're working with other departments on science priorities in the north.

**Mr. Mark Strahl:** Thank you.

**The Chair:** Thank you.

We'll turn now to Ms. Jones, for the next round of questions.

**Ms. Yvonne Jones:** Thank you.

Can you tell us where the research station is going to be based? I'm not really sure. Maybe others know.

**Mr. Michael Wernick:** It will be in Cambridge Bay, Nunavut, more or less halfway across the Northwest Passage. It was chosen because a short airplane ride in a circle from that station reaches the largest number of ecosystems and geological areas. It's ideal for fieldwork.

**Ms. Yvonne Jones:** That's good.

Earlier in your response, you talked about money for skills training in first nations communities. In my riding, they've already made a transition to more active case management and employment counselling for aboriginal people who seek funding for training, and it's working very well.

As with anything, there will always be some hiccups, but one of the concerns continuously expressed to me is still the lack of funding. They tend to run a wait-list, especially on skills training that extends beyond the 12-month period, if they're going into two-year or three-year training programs.

In that light, has any assessment been done on particular areas that have made the transition and are probably experiencing some shortages in meeting those training needs?

**Mr. Michael Wernick:** It's a very good question. This is an example, like other areas—education, post-secondary, housing and others—where there are pockets of real excellence out there in first nations communities. Strong communities, strong leaders are doing all kinds of things and delivering great services, and there are challenges to make that available to the largest number of communities possible.

One of the key features of getting the income assistance reform designed and approved was to point to examples that show the way for other communities. The minister alluded to the role that Mi'kmaq communities have played in education as a possible signpost of what other communities could follow.

I don't know the specifics of what you are referring to, but I can say that if members of Parliament have any feedback whatsoever on specific communities and specific cases, we'd like to hear it so that we can fine-tune the program as it goes ahead.

The underlying premise is to try to provide the same kinds of services in helping people get off income assistance that would be available to somebody down the road off-reserve

•(1235)

**Ms. Yvonne Jones:** Yes. I guess my question really stems from the fact that we have a lot of industry going on and that most of those industry agreements are with aboriginal first nations. There are requirements for employment and training and so on. Because of that, I guess, you get more buy-in. You get a lot more marketing of what the programs are, so the list gets a little longer for those who want to do it, but I'd be happy to talk to you about that.

The other thing is, could you provide us a list of those groups right now that have transitioned to that model so we could also consult with some of them and find out how it's working? If there is any timetable in place to bring that to the other aboriginal self-governments and aboriginal groups, you could probably provide that to us as well.

My other question is with regard to the comment, I guess, that was made by AFN National Chief Shawn Atleo. He issued an open letter and was basically telling the government that the current federal proposal for the bill for first nations education was not acceptable. He also outlined the absolute need for funding guarantees for first nations children to learn in a safe and secure environment, which we've talked a lot about this morning in this committee.

What is the plan right now to engage with Chief Atleo and with others to resolve the concerns they have and to work with them with regard to this bill?

**Mr. Michael Wernick:** Well, I think the minister spoke to it a fair bit. We're trying to be of assistance to him in this. It's essentially a political process. There are 44 aboriginal political organizations. They have different views on this initiative. There are 79 tribal councils and there are 630 chiefs.

The decision on how much consensus is enough is a political one that the minister will have to make and that you'll have to make as members of Parliament. There are only 308 people in the country who can actually create the first nations education act: they're the members of Parliament. You'll have to make that judgment on the legislation at some point.

The minister's constant refrain—and I entirely agree with it and support it—is that funding should accompany the implementation of that legislation. It should not replace it or substitute for it. A very clear message from the Auditor General and the national panel is that we need the accountabilities and the rigour the legislation would bring. We will certainly be helping the minister make a case for funding for implementation of the legislation.

**The Chair:** Thank you.

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

**Mr. Mark Strahl:** Thank you very much.

Another item in the supplementary (B)s that I'd like some clarification on is funding for out-of-court settlements. Can you perhaps indicate why that \$61 million wasn't in the main estimates? Why is it here? Does this happen routinely? Can you explain? Is this as a result of a specific case? Why is that amount there?

**Mr. Michael Wernick:** Perhaps the easier question is, why does it show up in the supplementaries?

We are constantly being sued. There's a lot of litigation against the crown. It's cheap and easy to file a statement of claim in court. It costs virtually nothing to file a statement of claim against the crown. Sometimes people are serious. Sometimes they're just trying to trigger a negotiation of some sort. It's very hard to provision against that.

When we do get advice from our lawyers to settle and a settlement is possible, then we go and get the resources from Treasury Board for the settlement. It's almost always briefed in through supplementary estimates. Some of them can be quite large. Our settlement with the James Bay Cree was over a billion dollars. In other cases, they might be very small amounts. I think I gave in a previous answer the four cases that are covered by this \$60 million.

**Mr. Mark Strahl:** Excellent.

There's also some funding that is being reprofiled for the registration of applicants for Indian status as a result of the Gender Equity in Indian Registration Act. Can you explain why it was delayed from 2012-13 to 2013-14? Is there going to be a need for additional reprofiling or should this take care of that?

•(1240)

**Mr. Michael Wernick:** Some members of this committee will remember that when the bill went through we had to provide our best forecast of how many people would apply and at what pace they would come in. We were expecting, based on our sort of demographic analysis—the best we could do—about 45,000 applicants. We think that's probably still about right, but we've only received 39,000 to date.

We are processing them very rapidly. Almost all of those cases have been processed, and status has been given to about 35,000 people.

We simply didn't need the money in the previous year. We've slid it into this year. We'll just continue as people apply under the act.

At some point, probably everybody who's eligible, who fits the criteria of that legislation, will have applied. People who were well aware of the situation probably were in the first batch, but there will probably be small numbers in future years.

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

**The Chair:** We turn now to Ms. Hughes.

**Mrs. Carol Hughes:** I'm not going to ask any particular questions, but I would like to ask you if you could ask the department to respond to any of the questions prepared by the analysts that were not answered and to submit that to us.

Thank you very much.

**The Chair:** I can't do that. That hasn't been a regular practice of the committee. The practice of the committee is that if you would like to ask the questions that the analysts prepared, you ask them when your turn comes around.

**Mrs. Carol Hughes:** Okay.

**The Chair:** So, we've had time. We are now running out of time. I think it would be incumbent upon members—

**Mrs. Carol Hughes:** That's fine, and we can look at the ones that we really want answered and we'll submit them to them.

Thank you very much.

**The Chair:** I'll just say that we are finished the third round of questions. The best thing to do now is go to the votes, if committee members are prepared to do that. We'll do that, and then we have some committee business to take care of.

#### INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

Department

Vote 1b—Operating expenditures.....\$86,576,828

Vote 5b—Capital expenditures.....\$2,600,000

Vote 10b—The grants listed in the Estimates and contributions.....  
\$501,907,367

Indian Residential Schools Truth and Reconciliation Commission

Vote 30b—Program expenditures.....\$1

Registry of the Specific Claims Tribunal

Vote 35b—Program expenditures.....\$2,650,314

(Votes 1b, 5b, 10b, 30b, and 35b agreed to)

**The Chair:** Shall I report the supplementary estimates to the House?

**Some hon. members:** Agreed.

**The Chair:** I will report this back to the House.

I want to thank Mr. Wernick and Ms. MacGowan for being here. We appreciate your willingness to stay for the remainder of the meeting and we are thankful for the questions. There were some questions that specifically asked for additional responses. If you will hasten to respond to those and get them in to the clerk, we will distribute them to committee members.

Colleagues, we will now suspend the meeting and go into camera. I just have one piece of future business to take care of, and then we will dismiss.

*[Proceedings continue in camera]*









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