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Chair

The Honourable MaryAnn Mihychuk

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•(0855)

[English]

The Chair (Hon. MaryAnn Mihychuk (Kildonan—St. Paul, Lib.)): Welcome, everybody. We'll get started.

We first of all want to recognize that we are on the unceded territory of the Algonquin people.

As we continue our process as a nation for truth and reconciliation, it is our honour to be here to hear from Grand Chief Sheila North Wilson.

I want to welcome both Sheila North Wilson and David Chadwick, who will be presenting on behalf of MKO. They will have 10 minutes for their presentation, and then we'll do a series of questions.

Thank you for coming. I'll turn the floor over to you.

Grand Chief Sheila North Wilson (Grand Chief, Manitoba Keewatinowi Okimakanak Inc.): Thank you very much.

[Witness speaks in Cree]

I am grateful to be here. My name is Sheila North Wilson from the Bunibonabee Cree Nation. An elder once told me that when we use our mother tongue first in public spaces, we are practising our sovereignty. So I do that out of respect for my sovereignty and for my people, not out of disrespect for yours.

I'm thankful to be here. I also want to preface this by saying that this is just a minor part of the big problem around this topic. I don't profess to know everything about it—I don't think anyone really does—but I'll give you some perspectives on what we know from our region.

I'm thankful for our 30 chiefs and communities that I represent and for our staff, including Dave Chadwick, and others who help us along the way.

Tansi, boozhoo, edlanet'e, and good morning. On behalf of the 30 northern Manitoba first nations representing nearly two-thirds of the province and the more than 72,000 first nations citizens of Manitoba Keewatinowi Okimakanak, who are Cree, Dene, and Oji-Cree, I would like to thank you for the opportunity to make this brief presentation regarding the default prevention and management policy of INAC.

As you are no doubt aware, it was brought in under the previous federal government. I think this review is timely and in fact overdue. I don't believe there are many MPs or even senators who would say that this policy has led to greater economic development on reserves.

When it was brought in, the federal government had embarked on massive cuts in funding to core and operational funding for first nations organizations and tribal councils across Canada. On June 3 of that year, all first nations organizations were sent AANDC letters outlining reductions and project funding cuts that would take place in 2013 and 2014. I might add that those letters came in after 5 p.m. that day, so it was very underhanded. Core funding was reduced by 10%, and regional organization funding was reduced to a maximum of \$500,000. Project funding was reduced over a two-year period.

First nations organizations on average lost over 50% of their funding. For Manitoba it was 68%, according to one report I read recently. I read that Manitoba had one of the bigger cuts across Canada.

Over a period of five years, the same federal department under-spent its budget by almost \$1 billion. It was under-spending its annual budget by \$218 million on average during the last few years of the former federal government. This was during a period when the public was challenging the federal government to address the unsafe water crisis on literally hundreds of reserves. Long-overdue basic infrastructure was stalled and another generation was denied equal educational funding because of their race and geographical location.

The then prime minister officially apologized for the damages caused by residential schools, but was unwilling to act to address the inequities that indigenous people endured and still endure. Instead, programs addressing our concerns were subject to funding reductions greater than in almost all other departments. The default prevention and management policy fits into that agenda, as it succeeded in reducing economic development and self-government.

I want to begin by noting that over half of our MKO first nations are under INAC management control. The default prevention and management policy, which came into effect in 2011 and was revised in 2013, is supposed to support community capacity development, so that communities continue to increase their ability to self-manage, and to prevent default and default recurrence.

This in fact means that the power and options of the local chief and council are very limited, at best. Many Manitoba first nations have been under these types of restrictions for decades under different names, including “Indian agent”. This means that for all of the most important decisions in their communities, they have had to contact INAC Winnipeg or Ottawa should the federally approved actual manager decide not to approve their recommendation.

• (0900)

The most recent statistics on the INAC website show that seven of our first nations have been placed under the category of “recipient managed—management action plan”. That euphemism officially means that the first nation develops a plan that is acceptable to INAC. The next two categories “recipient-appointed advisor co-management” and the “third-party funding agreement management” are stages more tightly controlled by the department. Twelve of our first nations are under these categories. A total of 46 nations in Manitoba are under the default management category, one of the highest numbers in the country.

Officially this policy is supposed to focus on prevention, management, and sustainability, but more often it is a constraint on developing sustainable communities. While this policy of the previous federal government remains, so also do the most outstanding infrastructure shortfalls of the previous government. There is no shortage of potential infrastructure projects needed on reserves across this country. Most of them were identified years ago.

It is not news that this committee and federal government analysis indicated last year that it would take \$2 billion to deal with mould and the housing shortages on our reserves in northern Manitoba alone while the housing budget for the entire country in the last budget was less than a tenth of that. Estimates of the deficit for infrastructure on first nations in this country are in excess of \$7 billion. Without getting into the details of what is needed at each community that MKO represents, I simply want to point out that these deplorable conditions force first nations leaders into a series of crisis situations.

Band officials are called on daily to deal with desperate calls for help from families struggling to survive in dire poverty. They and the band are constantly falling behind as they try to deal with all these pressures. We are pleased that the federal government has formally endorsed the recommendations of the Truth and Reconciliation Commission, but I think if we are truly going to implement change we need to examine the factors that keep our people down.

A week ago I spoke at the United Nations on the similarities and differences between refugee immigrants coming to Canada from elsewhere and indigenous people coming to urban settings from remote reserves.

Both groups find coming to Canadian urban centres a major challenge. The different cultures, languages, infrastructure, employment opportunities, and, frankly, often overt racism are difficult to overcome. Fortunately for most refugees, there is a lot of support to assist them. Often that is not enough, but the comparison with the situation of indigenous immigrants coming to cities is very telling. Without high schools let alone post-secondary institutions on most of our reserves, many of us are forced to go to cities following elementary school. As I can attest personally having come from a

remote fly-in reserve for high school, it is a huge change and frequently a dangerous one for young women and girls. Without any support and no understanding of the threats and dangers that are out there, I came close to disaster more than once when I left home at 15 to go to high school in Winnipeg. Our reserve, like most reserves, had no resources to assist me or others. The fact is that most first nations living under default prevention and management have no real power or influence in deciding band priorities. As Senator Murray Sinclair said last night, progress on implementing the TRC calls to action has been quite limited after 20 months. For first nations under default prevention and management, these changes are virtually impossible to see. The statistics of despair have not changed. If we are going to address reconciliation seriously in this country, I suggest that taking away the strings that control many reserves would be a good place to start.

First nations peoples were self-sufficient for thousands of years before colonization and the creation of the Indian Act and their relocation to small reserves. The default management policies of INAC reinforce this control by preventing the development of self-government in our first nations. When we look at the future of my province and much of the country, it is increasingly understood that the greater participation of indigenous people in this economy is critical to their future economic prosperity. Ensuring the success of indigenous advancement in the workplace will take major investments on and off reserves. The payoffs for the economy will be in the billions of dollars. Having first nations in charge of their own communities is a tangible first step in the economic development of first nations communities.

Despite good intentions, much of the proposed infrastructure spending committed in the current fiscal year for development on reserves has not been spent. One of the reasons for this is the continued inability of first nations governments to plan and work with the private and public sector because they do not have the power to do so. Projects get delayed, and in the case of our fly-in communities, these postponements can be for a year or longer.

• (0905)

As Cindy Blackstock has so eloquently put it, children only have one life. We cannot endlessly delay action while waiting for incremental change. The trauma occurring on reserves must stop. Continuing to promote the same failed policies and expecting new results makes no sense.

Instead, let's practise true reconciliation and acknowledge that controlling local government from Ottawa is not improving conditions on reserves. It is time that we helped to develop local government excellence, not just the continued industry of outsiders overseeing all decisions and focusing on past overruns caused by inadequate financing.

Tomorrow the federal government releases its budget for 2017 and 2018. As much as I want to see commitments to address the many economic challenges, I would also like to see a major commitment to take off the chains controlling so many of our first nations.

Thank you for listening to me today.

Kinanaskomitin. Meegwetch. Mahsi Cho.

The Chair: Thank you so much.

Now we move into the question period.

The first round of questions goes to MP Michael McLeod.

Mr. Michael McLeod (Northwest Territories, Lib.): Thank you for the presentation, Grand Chief.

You've raised several issues around this table on different occasions. I think there is some real concern right across the country in our aboriginal communities and reserves about the level of support that's being provided to enable our communities to become healthy and functional.

As you've indicated, the cuts made by the previous government are probably the number one cause for where our communities are today. I have communities that have indicated to me that their budgets have been reduced by up to 40% and 50%. They're at the point of becoming dysfunctional. There was not enough money invested in core funding as it was, and reducing it by 40% leaves no room for capacity. Most communities are just able to keep the lights on and keep the heat on, and that's about it. There's really no management.

Also, INAC doesn't spend any money on training in the communities, not that I've seen. We have band councils and people who are coming in to manage who have virtually no experience, because we have no capacity locally. I see people who come into the community and are sometimes just wandering through, and who end up getting hired to be the manager, with no experience.

Through my own experience, I've recognized that the communities that do the best have people who are local, people who are locally trained, have homes there, and don't plan to go anywhere.

I want to try to get some indication of what your priority recommendations would be, and I want you to maybe expand a little more on the core funding issue.

Grand Chief Sheila North Wilson: You're right. I think you know more about the situation than a lot of people might. We start off on a deficit and a negative when we start talking about core financing in our first nations, so it's not a surprise that some first nations and managers get accused of mismanagement.

For example, how are you supposed to predict how many funerals you're supposed to cover for the year? In the budget at the beginning of the year, there may be \$10,000 for funerals, but maybe you have a

rash of suicides or poor health conditions. The chief and council are forced to move money over to cover a lot of these expenses for our people, who don't have the means to pay for a coffin and for funeral costs. That's just one area that is often overlooked when you talk about budgets. Roads are another one. In one of our communities, I think they get \$50,000 a year to maintain their roads, and it costs a million dollars to do that in actual numbers. How are they supposed to account for that? When they do, they're considered to be mismanaging the funds.

This government, the Indian Act, and all the policies are negatively impacting our people to the point that it's crippling our first nations. There are many good ideas in our communities. Our people know how to run their own communities and run their own affairs, but the way it's set up right now is not allowing that. We need to change these policies.

I think the biggest and most obvious recommendation is that we need to honour these treaties and start giving to our communities the right amount that they need to be able to function. That's based on treaties. It's not based on a handout. This is supposed to be money and resources that we are supposed to share together as a people in this country, not a handout to our first nations.

That's often how it's characterized in the public and in the media: that we're asking for a handout. That's not right. We have as much right as anyone else does to the resources and the profits from the resources of our communities and our regions. In Manitoba, 80% of the energy that goes to Manitoba Hydro comes from our north, from my region, and we benefit the least. We still have the highest rates in energy bills in our province. We have the poorest communities in our province, yet 80% of that energy that the Government of Manitoba uses and sells to other places comes from our region.

● (0910)

Mr. Michael McLeod: I want to ask one more question on funding.

The last budget had \$8.4 billion for aboriginal funding. I know that this money does not include the north. That \$8.4 billion is for the southern communities. We don't get any of that money. The money that was announced doesn't come to us. I'm probably the only MP who lives in a small aboriginal community, and we haven't seen a house built in I don't know how many years. The money is all going south.

Have you seen a difference with this new budget announcement? Has it made a difference in terms of funding for the communities in your area? I see that almost 60% of the first nations you represent are in third party management situations.

The Chair: We have time for a very short answer of about 30 seconds.

Grand Chief Sheila North Wilson: In terms of infrastructure, no, and in other areas, perhaps, such as mental health.... There is some investment in mental health, although it will never be enough. On infrastructure, I don't see it.

I hear that there are promises coming for housing, but yet again we don't know. The winter road season is already short. A first nation called me just yesterday to say that their road is closed. They have 20 more loads to take home tonight, but the road is closed. If the roads don't reopen for this emergency supply, they won't get their lagoon built.

We're also subject to the weather, and that also has to do with all the decisions down here on climate change.

The Chair: Thank you.

Our questioning now moves to MP Arnold Viersen.

Mr. Arnold Viersen (Peace River—Westlock, CPC): Thank you to our guests for being here today.

My questions will be about the third party management issue that we're studying here. How many of the first nations in Manitoba are under third party management right now?

Grand Chief Sheila North Wilson: There are 46.

Mr. Arnold Viersen: Do you have an anecdotal story about why one of them is under third party management?

Grand Chief Sheila North Wilson: There are probably different reasons for it, but—

Mr. Arnold Viersen: Do you have an example?

Grand Chief Sheila North Wilson: I did allude earlier to the fact that they're starting off with a negative balance anyway, and when they are trying to manage the small amount of resources they have to cover all the needs, they end up looking as though they are mismanaging, but really they are trying to do the best they can with the few resources they do have to cover the high needs in the community.

• (0915)

Mr. Arnold Viersen: But you don't have a particular case you could use to explain to us how they ended up in third party management?

Grand Chief Sheila North Wilson: No, I don't, and I don't think doing that would be fair to any of the communities.

Mr. Arnold Viersen: I have 14 first nations in my riding, and three of them are under third party management. There are a lot of anecdotal stories. One of them has gone bankrupt, I think, three times. That would play into what you're saying, that there just isn't enough money.

Grand Chief Sheila North Wilson: There just really isn't, and at the end of the day, it's usually the young people and the sick people who suffer the most.

Mr. Arnold Viersen: One of the first nations I recently visited has a trust account for the resource development that happens in the area. It goes into a trust account. There's \$200 million in that trust account that they are unable to access because they cannot get coordination among the band members.

Is that something you see happening more often? I'm not sure how it works in northern Manitoba. Is there an agreement for the electrical power? I was up in northern Quebec. They have the James Bay agreement. There's a funding mechanism through the power generation. Is there anything like that in northern Manitoba?

Grand Chief Sheila North Wilson: There isn't in northern Manitoba. There are partnerships in Nelson House, for example, but there's not a trust fund.

Mr. Arnold Viersen: One of the troubles that come with the trust funds is that they can't get agreement among them, because everything that goes through that trust fund has to go through a referendum, I guess. If a majority of the band members are in agreement, then they can spend that money on particular things.

Is there an opportunity to perhaps put that money directly into the hands of every first nation member and then tax it upwards?

Grand Chief Sheila North Wilson: I'm sure there is. I don't know details of how agreements and trust funds work. I'm sure they are different in every community, but for sure the more we can streamline the policies that affect that, the better, because that just goes back to the same thing that you're holding back resources. How much under-spending did the previous government do with our first nations while we are suffering the most?

Mr. Arnold Viersen: We had the ministry here last meeting, and they were saying there are a number of triggers that put a first nation into third party management.

A lot of times, they say, if it were anywhere else in Canada, rather than paying the funding for services to one company or organization, if they ran into trouble with them they could go to another organization, but when there's a remote first nation, there is only one organization providing those services, and the ministry has no other option but to come and help them out with the financial management of the funding.

Is there an opportunity to perhaps circumvent the organization and put the money directly into the hands of the people, the individuals who live on that first nation, and then tax it upwards thereby creating more accountability among their own people?

Grand Chief Sheila North Wilson: For sure I think we can look at everything like that, but at the same time, we also have to remember that you're talking about people who are not used to that yet. The power to control and manage their own resources has been taken away from them. They can manage their own families and so on, but it's a huge responsibility to just plunk it into the hands of the families themselves, because they are going to need capacity building. We don't provide enough capacity building in our first nations for education or even for financial literacy. New Canadians, new immigrants, who come into cities sometimes have money ahead of time, but we don't have that luxury when we go to the city. We sometimes don't even have references to get apartments.

So there's always a lack already there with regard to financial literacy and financial opportunity to support and sustain themselves. To put that on them automatically is not going to be helpful, but at the same time I know there has to be a way to do that, because as we go along, it's not working. It's crippling everyone. The sooner we change these policies, the better the rest of us will be.

Mr. Arnold Viersen: Yes, for sure.

I guess where I'm trying to go with this is that financial transparency is something that all Canadians have a right to, and we'd like to see that on our first nations. We need some way to have that accountability within the first nation. I know that in Duncan's First Nation, in my riding, the chief was just elected on a transparency mandate.

Could you maybe comment on the transparency and how that is seen in Manitoba?

● (0920)

Grand Chief Sheila North Wilson: I know that our communities report the most, but at the same time they're not given the resources to even do that, in terms of the connectivity and the reporting the way everyone is used to reporting now, going online and doing their financial paperwork there. That's an issue.

At the same time, I know of a lot of first nations that are accountable to their communities. They open their books to their communities and they have regular meetings. It's not across the board, but, again, that also has to do with capacity building and the change in leadership that constantly happens in our communities. There is rarely any consistency in some of the communities.

Mr. Arnold Viersen: Thank you.

The Chair: Questioning now moves to MP Romeo Saganash.

Mr. Romeo Saganash (Abitibi—Baie-James—Nunavik—Eeyou, NDP): *Meegwetch.*

[*Member speaks in Cree*]

[English]

There are a lot of questions I want to ask following your presentation. I want to start off with your statement that if we are serious about reconciliation we need to look seriously at the report of the TRC and the "Calls to Action".

In the 94 calls to action, the United Nations Declaration on the Rights of Indigenous Peoples is referred to at least 16 times, I think, including the two fundamental ones that are under the heading "Reconciliation", calls to action 43 and 44. It calls on the Government of Canada, the provinces, territories, and municipalities "to fully adopt and implement" the UN declaration "as the framework for reconciliation". That's an important recommendation, I believe.

Do you think that in undertaking this task that we have of reviewing this policy that we need that framework as well?

Grand Chief Sheila North Wilson: Absolutely. I think it spells it out quite clearly and easily when you look at UNDRIP and the calls to action. It calls for mutual respect and even collaboration in working with our first nations to start to address a lot of these policies that negatively impact our communities. I think it's long

overdue that we start implementing them. Our people are suffering every day under these policies, and it's not getting any better. I think the sooner we start to look at that and stop talking about reconciliation and start doing it....

I think when we're talking to international communities, as I did last week, they were under the assumption that we were well on our way and that everything is.... People have the assumption that in Canada we're doing really well to our first nations. It might seem that way on some fronts, but when you live in our communities, we feel the crippling poverty and the disparaging health realities, and it's because of these policies. We have it all spelled out in UNDRIP and in TRC, paid for by this government to look at these policies and recommendations, and yet they're not implementing them in a lot of ways.

I don't know how anyone can go to sleep at night knowing that they're responsible for first nations who are suffering in communities in our own country. It is one of the wealthiest countries in this world, and we still have this abject poverty that we go home to.

Mr. Romeo Saganash: Although this committee is studying the default prevention and management policy, even when a community comes out of third party management they still remain under a colonial structure called the Indian Act. Many of the issues or challenges we face in our communities have been neglected for so long by successive federal governments that they all have become priorities. Beyond the study on this particular policy, do you have any recommendations as to how we should move forward from here?

● (0925)

Grand Chief Sheila North Wilson: I know that a lot of people are calling out for the abolishment of the Indian Act. I think that's the right way to go as we move forward. I also know that we need to have a process designed by our first nations and by incredibly talented and intelligent people like you, who have participated in the development of UNDRIP. I think we have those experts in our own communities now to design and support that way forward, abolishing and moving away from the Indian Act, because it's not helping anyone in Canada, the way it is set up.

Mr. Romeo Saganash: I know that there are many challenges, and you represent a lot of northern isolated communities. What are the challenges in that respect, in terms of planning for those communities? I'm from northern Quebec. We have to plan carefully for construction season, for instance. A lot of times it's difficult to do that when you don't know how much money you'll be getting.

Do you face similar challenges in northern Manitoba?

Grand Chief Sheila North Wilson: Yes, for sure. Winter roads make up just one of the areas that limit those opportunities. When a first nation finally gets approved for a certain amount of housing, they then have to quickly find the materials, buy the materials, and arrange for transportation. That takes time. It doesn't take an instant. They often need bridge financing because they don't have a reserve of money in the bank to cover until the actual money comes through. Sometimes it hinders projects and delays them by two years or more until everything is up to date.

Sometimes when the housing does get there, especially the prefab, the homes are not appropriate. There's a lot of wasted effort. As well, some companies that deal with our first nations are not always on the up and up in providing the service that they say they will. Then it's the first nations that suffer. Some houses in one of our communities are sitting empty. They're beautiful inside but they're useless, because the company that sold it to them wasn't being truthful about the way the houses were built.

Mr. Romeo Saganash: Do you think a future policy, an improved policy or whatever, will need to take into consideration the specific circumstances of the north?

Grand Chief Sheila North Wilson: Absolutely. There are so many challenges in our north, and especially in the remote communities, that the south will never understand.

That also has to do with capacity. Sometimes there are housing projects for a short season. People are trained up with their carpentry skills. The next time they're needed, their licence has run out. They weren't able to practise their profession, so they have to go back to training in the first place. Then they have to do the training over and over again. Some people have done the same first-level training 12 times in a row, just to keep the jobs they get every once in a while.

Mr. Romeo Saganash: Thank you.

The Chair: We will now move to MP Don Rusnak.

Mr. Don Rusnak (Thunder Bay—Rainy River, Lib.): Thank you, Grand Chief, for being here today. I worked in your territory back in a past life, when I worked for the Manitoba government in the Swampy Cree Tribal Council region and Norway House. It's a fantastic area with amazing people. I was proud of the work that I did with the communities there.

One of my frustrations, and this is something I said before, is that our people have become beggars in our own land. I got in trouble for saying that before. A lot of people talk about the treaties, especially a number of treated areas. The intent of those treaties was to share the land. I had a conversation, not too long ago, with northern NAN communities about jurisdiction and how we rely as first nation communities on a department that premises itself on a piece of legislation that was designed to destroy and control our communities. That's what we're studying here right now. We're still looking at that piece of legislation and improving it.

I understand that some communities can't jump into taking over jurisdiction over a lot of things, but how do you see northern Manitoba first nations taking over pieces of responsibility? I view it as incremental to getting rid of the Indian Act. As an indigenous person, I don't view it as the responsibility of the federal government to make those changes. I think those need to be driven by indigenous communities and the federal government needs to listen.

What do you see as the future going forward for northern Manitoba and the communities there?

• (0930)

Grand Chief Sheila North Wilson: I think one of the biggest hopes I have is that as indigenous people we're getting into all different facets of society, and one of them is the aboriginal financing officers organization. I think it's called the AFOA. I know that in Swampy Cree some members from there are part of this AFOA. They are very capable and very intelligent in dealing with finances.

I think we just need more capacity building on that level and on the management level to start to address a lot of the concerns that even our communities have in how we manage our finances. We assume that every chief should know how to finance and how to manage their books, but chiefs are chiefs, and they're elected to lead the community. They're not necessarily elected to run the books, but I think we give that false hope on that. It's a racist policy when we think that we should control everything that the chief does and that they're responsible for everything that the community is responsible for.

Really, we need a lot of help in our communities in capacity building. Like it is for any municipal city, it is important to build that capacity at all levels, including the financial area and management.

We're now in a new age. I know that a lot of people want to go back to the old ways and start living off the land, and I commend people who want to do that and want to live that way, but at the same time, there are a lot of other people who want to look forward and build their communities in a modern, current way. There are ways for them to do that are still respectful to our first nations. I think a lot of people are already thinking that way. You'll see that a lot of our communities are actually managed very well. We don't hear enough about those. The ones that manage their communities and affairs very well are the ones that are able to have consistent leadership in their communities. We don't see enough of that.

The communities that are suffering the most, I believe, are the ones impacted directly by the Indian Act, with the short-term election and the terms they're living under. By the time they get their footing and understand all the requirements of running a community as a chief, it's time for them to go, and then someone else has to start all over again. That's a policy of the Indian Act, which talks about when the elections should be run. Unfortunately, it was built that way—to fail—and I think we need to change that. I know that some communities are going into four-year terms now, and that's going to help a lot, but we need to do that across the board and start looking at the policies that are not helping.

● (0935)

Mr. Don Rusnak: I have one minute, so I'll be quick.

There's a conversation I had with Northern Ontario first nations regarding jurisdiction. Do you see anything for northern Manitoba first nations to bite off there in terms of jurisdiction, perhaps with the provinces and the federal government, and to start having those discussions on health care, for example, or natural resources?

Natural resources shared jurisdiction was one of our topics with the NAN communities. Instead of impact and benefit agreements, which I look at as modern beads and trinkets, there's a real conversation to have about jurisdiction and sharing the land and the revenue of the land.

Grand Chief Sheila North Wilson: Absolutely. I think we need to transform the whole way we deal with transferring dollars. I don't even like to say "transferring dollars", because it's money that rightfully belongs to the first nations and to the people themselves.

We need to completely transform the way we conduct health care, for example. I'm working with NAN and FSIN to come up with a plan under what's called the indigenous health alliance. It talks about that, about completely turning around the way we deliver health programs and giving the transparency and the accountability to the people themselves, so that we are the ones in our communities who list the priorities in the areas that we need to be focused on. Then go from the inside out, so that we're managing where that accountability comes from.

As it is right now, health providers and even researchers are accountable to the government. They want to please the government. They report to the government. They don't report to our people, the people they study, and that doesn't give them any reason to make sure the people on reserve are okay. They just want to follow the requirements and fill the requirements needed by the government, and the government doesn't always have the best intentions....

The Chair: Thank you.

Questioning is going to MP Cathy McLeod.

Mrs. Cathy McLeod (Kamloops—Thompson—Cariboo, CPC): Thank you, Grand Chief, for joining us today.

My first comment is that I do agree that we need to find a much more appropriate way to share the resources of the land, to ensure that it's appropriately done and fairly done and provides a lot more opportunity in communities. I know in British Columbia there are many movements in that direction. I think that is important. Maybe that's not directly related to the conversation but will ultimately be part of where we go.

I have a concern. I know you talked about taking away the strings. We do need to find ways to ensure accountability while we take away the strings. I note that the audit prior to your leadership with MKO turned up some very concerning issues in terms of money that was intended for child care not reaching the communities. You talked about not having support for skills training. It became clear from that particular audit that there was some money intended for skills training that didn't see its way into the community.

There are many good people out there who do good things, whether it's senators or MPs or business owners or sometimes employees. We need to have checks and balances in terms of monies and systems. If you want to take away the strings, how do you ensure the proper checks and balances? It breaks my heart to know there were child care funds that didn't go toward child care.

Grand Chief Sheila North Wilson: Again, I reiterate what I said to Don about putting the accountability back to the people themselves. I can't really speak on the intention of what actually happened with the previous grand chief in our region. I simply don't know, and I don't understand the logic completely.

Also when we talk about those cuts, those deep cuts that happened in 2012 and 2013, I believe those also had a lot to do with it. Communities and organizations were forced to look at their priorities and the current projects they were working on, and had to make decisions based on that.

As I say, at the band level, that happens all the time when there are few resources to go around in the first place, and they're forced to move pockets of the little money they have, to cover something that has come up in the communities.

● (0940)

Mrs. Cathy McLeod: I appreciate that.

Certainly as I read through the audit, I saw there were some concerns that were perhaps a little bit bigger, having to decide between food and shelter.

My big concern, and I think I've spoken about it regularly.... I agree that transparency has to be available to the communities. If there's funding for child care or if there's funding for lunch programs, with detailed reporting, it's the community members who are going to be able to hold their chiefs and councils to account.

I'm getting more and more community members who are calling and are very concerned. Obviously, the chiefs did not like the First Nations Financial Transparency Act. We're now 18 months in and we have a really haphazard approach to giving information to community members, and there's an increasing concern.

Are you putting pressure on in terms of saying, “We have to have a system in place that's going to be accountable to our community members”? To me, that's a really important step.

The Chair: Give a short response, please.

Grand Chief Sheila North Wilson: I think at the end of the day we need to understand that our responsibility and our accountability does need to go to our first nations. I know a lot of people realize that and want that as well. It's not lost on us. At the same time, it is a process. Even the government policies themselves don't always follow up on their own policies. They let things lapse and they let things go without proper checks and balances themselves, and then they put it on the first nations as the ones who did the mismanagement. I've seen that and heard of those situations more often than not. It's always the first nations who look like the ones who are at a default, whereas government officials and bureaucrats haven't followed up themselves to do the due diligence and the work they're required to do.

The Chair: Thank you.

Questioning now moves to MP Rémi Massé.

[*Translation*]

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

Ms. North Wilson, thank you for being here and for participating in our committee's work. I know the preparation must have taken quite some time.

You mentioned earlier the impact, in 2011, of the default prevention and management policy's implementation.

Since our government took office, have you noticed any changes in the government's culture when it comes to managing funding agreements made with all the governments, for example in northern Manitoba? Is our government showing more openness to discussions? Has our government managed to establish the mechanisms needed to improve agreements and ensure that transfers of funds are more effective and better focused?

[*English*]

Grand Chief Sheila North Wilson: Are you talking about the Liberal government?

Mr. Rémi Massé: Well, our government.

Grand Chief Sheila North Wilson: Okay.

I would say that [*Witness speaks in Cree*]. Translate that.

I see a little bit of change. It sounds like the willingness is there but at the same time we're not seeing a lot of evidence of that talk. I can say there is a level of respect for our first nations from this government, from the previous one—especially from the previous government. I think anything compared to the previous government looks a little better the next day. I can definitely say there is a level of respect and at least a willingness to collaborate now. I think we need to see more. We need to see action. We need to see real commitments and better management of the spending that didn't happen. We need to start to address why that money was held back in the first place, and yet our communities are still suffering in extreme poverty and from lack of resources.

I think the willingness is there. We need to bring it out more and see real commitments. I don't have a lot of hope in the budget. I don't know if anyone ever really does. I'm always cautiously optimistic. I always have to look forward. At the same time we're so used to a lack...and false promises that it's hard to completely jump in and celebrate a lot of the decisions made at this level.

● (0945)

[*Translation*]

Mr. Rémi Massé: In your responses and opening remarks, you mentioned many infrastructure projects, which aim in particular to ensure the supply of drinking water or provide housing.

The leaders of your organization represent the interests of 30 communities. Will they need to face many other challenges?

I agree that your needs are critical and require funding. What mechanisms would give you access to funding to complete major infrastructure projects, such as the projects I just mentioned?

[*English*]

Grand Chief Sheila North Wilson: I think we need people who have engineering and economics degrees to figure out the mechanisms themselves, but some of my communities are short by 500 houses and some by 1,500 houses, just to catch up to the waiting lists. That reflects the high needs in our reserves.

In some places three generations live in one three-bedroom house, and the house is deplorable in the first place, with poor insulation and poor windows. People end up getting sick, and it raises the cost of health care in our communities. It even puts people in danger.

Last Christmas I had to deal with a house fire in my own community when three people died. They were living in a house that was so old it was there when I was a teenager, and it was already really old back then. The family who lived there moved to a different house but there was not enough room in that house and they had to live in the old house too. They couldn't completely abandon the old house because they needed the space. They died in that house because there was no maintenance of a proper ventilation system and the wood stove they relied on collapsed.

We definitely need a mechanism and a better plan to build more housing in our communities and even schools and hospitals. Some communities are also dealing with expanding their community boundaries. For example in War Lake they've been asking the government to expand their territory so they can build more housing, so they can bring more people home. They don't have the land capacity to build any more houses so people are forced to live in other urban centres; they're suffering over there instead of being at home in their own community.

There are many factors.

The Chair: Thank you very much.

We're going to move questioning to David Yurdiga.

Mr. David Yurdiga (Fort McMurray—Cold Lake, CPC): I'd like to thank our witnesses for joining us this morning.

My understanding is that MKO eventually wants to dismantle the Indigenous and Northern Affairs department and repeal the Indian Act and transfer government programs related to funding directly to Manitoba first nations. Do you believe this will reduce the number of first nations communities under third party management?

• (0950)

Grand Chief Sheila North Wilson: I think that's an odd question because the decision to put people in third party management is based on government policies, and you're talking about something else on the capacity part that seems to be lacking.

Mr. David Yurdiga: I'll rephrase it. If we provided more funding to first nations to allow more ownership, that would probably reduce the number of first nations communities under third party management.

Grand Chief Sheila North Wilson: Yes, I think the more we build capacity and accountability in our first nations, the better. As I've said before, we operated and lived under our own laws and our own leadership for thousands of years before colonization, and we managed to survive. I think we forget that in the short time we've been a nation called Canada. We have to go back to some of the laws that our elders in our first nations already live by but are not allowed to operate under because of the Indian Act and the other policies that govern our first nations.

Mr. David Yurdiga: From my experience, some communities are more successful than others, but it seems that the more isolated the community, the bigger their challenge. Is there a difference in funding? Is more money allotted for communities that are further north and more isolated? We see one community that's doing very well and then you see another that's isolated and is not doing as well or does poorly. You look at the cost of getting products in. The cost of everything goes up. Is there any mechanism through INAC that compensates for that differential?

Grand Chief Sheila North Wilson: For the most part, no. But I know that there are sometimes what's called a northern post allowance for federal workers and others who get extra funding to buy the expensive food in our isolated communities, so when they're sent up there as teachers or other professionals they get a little bit more money for that to work.

The other thing I know about is the nutrition north program, which subsidizes supposedly some food but most of those subsidies end up going to the North West Company, which is being subsidized to deliver the food there. It doesn't always reach the first nations and the people themselves because the subsidy is eaten up by the company itself to cover its expenses to deliver that food, and it is expensive to deliver food there. I don't doubt that, but there are also other ways we can use the nutrition north money including helping build gardens and greenhouses so the people in the communities themselves can grow their own food. We could subsidize that way, but we could also subsidize country foods because that's what people relied on before and it made them healthy.

Unfortunately, in Shamattawa, for example, when the northern store there burned down a few months ago, it crippled the community. The ability for people to sustain themselves off the land was taken away slowly and surely, and we were left relying on western-based grocery stores to sustain us. When that's taken away, it harms the community. I think in the long term if it had extended I think our people would have figured it out and they would have been okay.

At the same time, I know that that's not always possible with every community because as much as we think it's an easy fix to go live off the land, it takes money to go live off the land and resources, and even the skills that were there before are lacking because our young people are not engaged as much as our previous generations in that kind of lifestyle. There are many things that have changed and are hurting our communities in all kinds of ways.

The Chair: The questioning goes to MP Anandasangaree.

Mr. Gary Anandasangaree (Scarborough—Rouge Park, Lib.): Thank you very much for being here.

I'd like to pick up on an earlier point with respect to resource development and sharing of some of the projects that are taking place in northern Manitoba. Can you give us some sense as to what opportunities are available, and if they are available what kind of consultation and discussions are required in order for there to be a true partnership between the government and your particular community and other communities in northern Manitoba?

• (0955)

Grand Chief Sheila North Wilson: It seems impossible now to say, but I think the provincial government should turn over Manitoba Hydro to our northern first nations to control and to implement policies that are based on the needs of first nations, but that's not going to happen. I think we're still trying to embark on those conversations to share the resources, and even though right now it looks impossible we'll never stop going on that level.

In my own community, there is the discovery of diamonds supposedly, and that still has to be proven. That's still a ways away and a lot of people in our community are very excited about the possibility. A lot of people are also very skeptical, saying that they're going to ruin our community and our land. The area that the diamonds are supposedly in is a beautiful lake, and I can understand why some people are against resource development solely on that, because the fishing there is incredible. At the same time, I think there are ways that we can do really proper and true duty to consult with our first nations so our elders and our people can help manage a way forward to extract resources that would benefit the region first and then benefit everybody else.

Mr. Gary Anandasangaree: Thank you.

You discussed capacity building extensively. With respect to third party management, what are the specific issues where you think the department or even third parties can assist in building local capacity?

Grand Chief Sheila North Wilson: First of all, I think we have to understand what jobs there are in our communities. It is a myth that there are no jobs in our communities, because there are. But they are ones that need post-secondary education; and we're starting off, when we leave our communities to go to post-secondary education, usually two grades behind. I know that for sure because when I went from grade 9 to grade 10, and from Oxford House to Winnipeg, I was two grades behind. I was one of the smartest kids in the whole school, I'll say, when I was in Oxford House, and the dumbest kid when I got to Winnipeg. I don't understand how some people actually make it. It's sheer perseverance that people make it through post-secondary education, to universities and colleges, when they come from our communities, because it's hard at first, never mind the culture shock and all of the things that you need to get used to when you move to the city.

We have to start looking at the education systems in our communities to build the capacities we need to have a high-functioning community. I think we have lots of examples of that. I know some communities recruit based on the needs in their communities, but we need more of that. In one of our communities a health centre is going up in the next few years. Why can't we decide on what jobs we need and start recruiting for those jobs already, and start creating training programs for that?

When I was discussing the issue of missing and murdered women, a reporter asked me if we need more counselling and safe houses and stuff, and I said, "For sure, but we also need jobs to take care of our own selves and to take care of our own families."

What happens is we become dependent on other places and other people who don't have the best interests of our people. That's just a microcosm of what's actually happening in our communities. When we're dependent on other forms and other governments and policies and places that don't have our best interests, we suffer. Until we change that, we're going to keep suffering.

The Chair: Thank you.

The final round of questioning goes to MP Romeo Saganash.

Mr. Romeo Saganash: I want to start by saying I agree that with this new government the tone has changed, but at times, when you look at them, especially with the Canadian Human Rights Tribunal, that attitude is not compatible or consistent with reconciliation, in my mind. Rather than challenging the authority or the tribunal, they should tell us whether or not they will end the discrimination against first nations kids. Those are the kinds of issues that we continue to confront.

A ministerial committee was recently formed by this new government, and it's supposed to review legislation and policy for the future. If you had the opportunity to determine the agenda of that committee, what would it be?

● (1000)

Grand Chief Sheila North Wilson: For sure, I would infuse it with indigenous thinkers, on that committee, and start honouring that perspective because that's what has always been missing in these policies and creations of these committees. I think you're right. We have a lot of good lip service from this government and even INAC in a lot of ways, but we have yet to see the real improvements that our communities need. I think we need to start talking about it, about what the needs actually are, and start creating environments that are conducive to that. Even in our own province, our INAC office is so inaccessible right now that it's hard for our people to go and have that relationship that is supposedly improving.

I can say that it has improved in some ways, but at the same time there is still a lot of work to do; and we need to move that way, because as it is, we're suffering and it's not getting any better. I think the more we talk about it openly and the more we really look at the challenges together, and also bring the onus back to our first nations.... I think we have to do that. We don't have any choice anymore because we're going into a new era of hope and opportunity, but at the same time it's not going to go with us if we're not working together.

A friend of mine and a colleague from Alberta says that 150 years ago we were meant to be extinct. That's what happened, and that's what got us where we are today. But 150 years later we're still here, and we're now in all facets of society. We're everywhere. We're not in as much as we want to be, in an entry level that builds capacity for our young people, but we're still everywhere. You're still here and a lot of first nations are, in every level. And in 150 years, who knows where we'll be if we keep moving the way we are? That's my great hope.

Mr. Romeo Saganash: To meet some of the challenges—and there are a lot—even in the previous study that we did on suicide prevention in the communities, housing was an issue that kept coming back. What hope do you have with this next budget coming up tomorrow?

The Chair: Say one word very quickly.

Grand Chief Sheila North Wilson: I'm cautiously optimistic but not very hopeful. It will never meet the challenges that are there at this very second and that are endangering people's lives in this country.

The Chair: Thank you very much for participating. You've had a recent accident and broken your arm. It made it even more difficult to come out. Our appreciation for going that extra mile, many miles from where your homelands are.

We're going to take a break and when we come back, we'll be in camera.

[*Proceedings continue in camera*]

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