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# Standing Committee on Indigenous and Northern Affairs

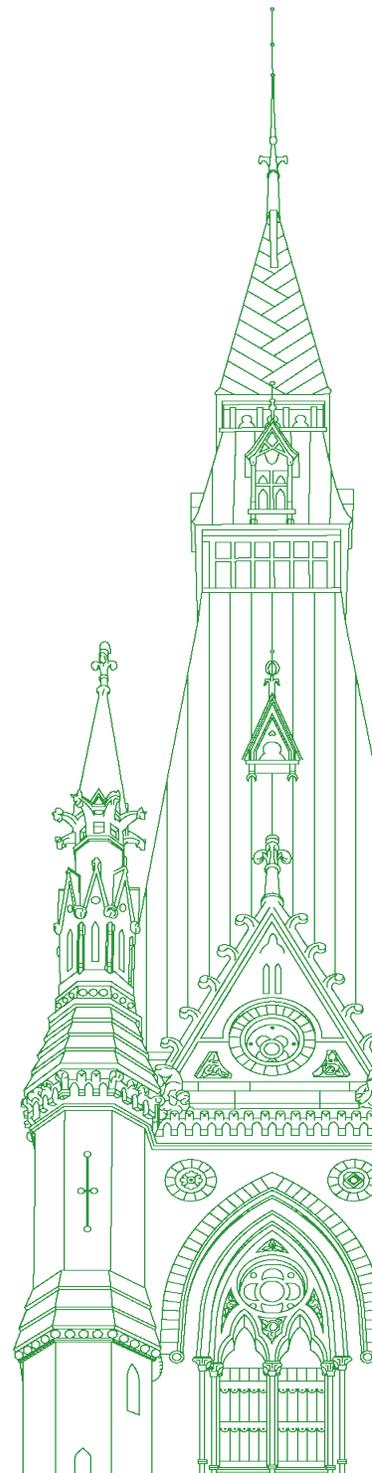
EVIDENCE

**NUMBER 012**

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Chair: Mr. Bob Bratina





# Standing Committee on Indigenous and Northern Affairs

Friday, May 29, 2020

• (1105)

[English]

**The Chair (Mr. Bob Bratina (Hamilton East—Stoney Creek, Lib.)):** I call this meeting to order.

Welcome to meeting number 12 of the House of Commons Standing Committee on Indigenous and Northern Affairs. I would like to start by acknowledging that I am joining you today from the traditional territory of the Haudenosaunee, Anishinabe and Chon-nonton nations.

Pursuant to the order of reference of April 20, 2020, the committee is meeting for the purpose of receiving evidence concerning matters related to the government's response to the COVID-19 pandemic. Today's meeting is taking place by video conference, and the proceedings will be made available via the House of Commons website.

During this meeting, the webcast will always show the person speaking rather than the entire committee. To facilitate the work of our interpreters and ensure an orderly meeting, I would like to outline a few of the rules.

Interpretation in this video conference will work very much like in a regular committee meeting. You have the choice at the bottom of your screen of either floor, English or French. To resolve the sound issues raised in recent virtual committee meetings and ensure clear audio transmission, we ask those who wish to speak during meetings to set your interpretation language as follows: If speaking in English, please ensure you are on the English channel, and if speaking in French, please ensure you are on the French channel. As you are speaking, if you plan to alternate from one language to the other, you will also need to switch the interpretation channel so it aligns with the language you are speaking. You may also want to allow for a short pause when switching languages.

Before speaking, please wait until I recognize you by name. When you are ready to speak, you can either click on the microphone icon to activate your mike, or you can hold down the space bar while you are speaking. When you release the bar, your mike will mute itself, just like a walkie-talkie.

This is a reminder that all comments by members and witnesses should be addressed through the chair. Should members need to request the floor outside of their designated time for questions, they should activate their mike and state that they have a point of order. If a member wishes to intervene on a point of order that has been raised by another member, they should use the "raise hand" function. This will signal to the chair your interest in speaking. To do

so, you should click on "participants" at the bottom of your screen to the left of the globe, and when the list pops up, you will see next to your name that you can click on "raise hand".

When speaking, please speak slowly and clearly. When you are not speaking, your mike should be on mute. The use of headsets is strongly encouraged. If you have earbuds with a microphone, please hold the microphone near your mouth when you are speaking to boost the sound quality for our interpreters.

Should any technical challenges arise, for example, in relation to interpretation or if you are accidentally disconnected, please advise the chair or clerk immediately, and the technical team will work to resolve them. Please note that we may need to suspend during these times as we need to ensure all members are able to participate fully.

Before we get started, can everyone click on their screen, in the top right-hand corner, and ensure they are on gallery view? With this view, you should be able to see all the participants in a grid view. It will ensure that all video participants can see one another.

During this meeting, we follow the same rules that usually apply to opening statements and the rounds for questioning of witnesses during our regular meetings. Each witness will have up to five minutes for an opening statement, followed by the usual rounds of questions from members. I'll be a little tough on the timing to ensure we can go as far through our cycle of questioners as possible.

For both the witnesses about to speak, I'll hold you as close to five minutes as I can, and similarly for questioners, there will be six-, five- and 2.5-minute rounds.

Welcome to the witnesses on our first panel. From the Canadian Council for Aboriginal Business, we have Tabatha Bull, who is president and chief executive officer. From the National Aboriginal Capital Corporations Association, we have Shannin Metatawabin, the chief executive officer, and from the Northern Air Transport Association, we have Sébastien Michel, member of the board of directors.

Ms. Bull, please start now. You have five minutes for your presentation.

• (1110)

**Ms. Tabatha Bull (President and Chief Executive Officer, Canadian Council for Aboriginal Business):** [*Witness spoke in Ojibwa and provided the following text:*]

Aanii, Tabatha Bull n'indignikaaz, Nipissing n'indoonjibaa, Migizi dodem.

*[Witness provided the following translation:]*

Hello. My name is Tabatha Bull. I am from Nipissing First Nation, and I belong to the Eagle Clan.

*[English]*

Thank you, Mr. Chair and all distinguished members of the committee.

Speaking to you from my home office, I acknowledge the land as the traditional territory of many nations, including the Mississaugas of the Credit, the Anishinabe, the Chippewa, the Haudenosaunee and the Wendat peoples.

My name is Tabatha Bull, and I am the president and CEO of the Canadian Council for Aboriginal Business, or CCAB. I'm honoured to speak here on behalf of our association regarding the government's response to COVID-19.

More than any other time in history, indigenous issues need to be top of mind for the Government of Canada and the Canadian public. Since 1984, CCAB has been committed to the full participation of indigenous peoples in the Canadian economy. Our work is backed by data-driven research, recognized by the OECD as the gold standard on indigenous business data in Canada.

The coronavirus has quickly changed our business and personal lives, but we are all in this together and we must work collaboratively to repair the economic damage and recommit ourselves to reconciliation and a prosperous indigenous economy for the benefit of all Canadians. CCAB is working in collaboration with the federal government to make sure indigenous businesses across the country have the resources and information they need to make it through the economic downturn from COVID-19.

Understanding the unprecedented efforts that government has made in providing supports and programs at a faster pace than ever before, many of the programs that were launched initially excluded indigenous business. While the government has been responsive to our advocacy to close the gaps, the associated delay creates an increased negative impact that is unique to indigenous business. In order to level the playing field, the whole of government must put indigenous businesses at the forefront to ensure they are able to access government programs as they are rolled out, to ensure immediate inclusion.

In collaboration with leading national indigenous organizations, CCAB recently launched the COVID-19 indigenous business survey as part of a COVID-19 response task force. The survey aimed to understand the unique impacts of the COVID-19 pandemic on indigenous-owned businesses in Canada, to identify the current barriers and gaps with government programming, and to gauge the capacity of indigenous businesses to supply PPE to the federal government.

More than 90% of the 843 indigenous business respondents have experienced a very or somewhat negative impact on their business operations. Almost 30% of indigenous business respondents have reportedly shut down their offices and facilities, while almost 20% have closed their business entirely due to COVID-19. Forty-four per cent of indigenous businesses have indicated that without sup-

port they are likely to fail in three to six months, in addition to the 12% that have already or will close their business within a month.

The loss of indigenous businesses on this scale has a direct adverse impact on the indigenous economy, and in turn indigenous communities. This is precisely why any delay must be avoided.

I would like to share with you some examples of gaps in the programming the Government of Canada announced to support businesses through this pandemic.

First, the initial eligibility of CEBA allowed for only taxable income to be counted toward payroll eligibility. We appreciate that this eligibility criteria was changed quickly upon the issue being raised; however, this delayed the ability for many on-reserve indigenous businesses to access the program.

Second, Bill C-14 initially left many large indigenous-owned businesses ineligible for the wage subsidy. CCAB and many of our members identified this potential gap in advance of Bill C-14. We appreciate this was addressed on May 15; however, this meant that some indigenous-owned businesses were delayed by three weeks in applying for the wage subsidy.

Another gap still exists in that the BCAP cannot be utilized for the payment of dividends. This presents a barrier to many indigenous economic development corporations that support vital social programming for their affiliated nations through the payment of dividends to them as shareholders. The point again is that indigenous business must be the government's first thought, not an afterthought, when devising programs to aid all Canadian businesses.

Turning to the topic of government procurement, there are indigenous businesses that can readily provide supplies or equipment to meet Canada's medical needs or that have the capability to rapidly scale up or pivot production to provide PPE. The CCAB and other organizations have provided lists of such indigenous businesses to numerous federal departments through the course of the pandemic. However, not one of them has secured a procurement contract to date.

Last year was CCAB's second year of our Supply Change aboriginal procurement initiative, a driving force behind the groundbreaking federal government mandate to set an indigenous procurement target of at least 5%. The federal government and national indigenous organizations can and should continue working together to connect indigenous suppliers to procurement officers. Efforts to increase procurement opportunities for indigenous businesses, now and in the future, will prove mutually beneficial for business and government, and help indigenous businesses stay afloat during the pandemic and expected recovery period.

- (1115)

It's imperative that all federal departments put indigenous business considerations first. Vast opportunities exist to support the indigenous economic recovery, not only through procurement but in future programs such as shovel-ready projects. We cannot allow COVID-19 to set us backwards on our collective path to close the gap.

CCAB is committed to continuing to work in collaboration with the government, our members and partners to help rebuild and strengthen the path towards a healthy and prosperous Canada.

Thank you all for your time. *Meegwetch.*

**The Chair:** Thank you very much.

Next, from the National Aboriginal Capital Corporations Association, is Shannin Metatawabin, chief executive officer.

Please go ahead for five minutes.

**Mr. Shannin Metatawabin (Chief Executive Officer, National Aboriginal Capital Corporations Association):** Hello, and thank you.

My name is Shannin Metatawabin. I am the chief executive officer of the National Aboriginal Capital Corporations Association. I'm also a member of the Fort Albany First Nation of the Mushkeguk nation.

Thank you for the invitation to speak to you today regarding the impacts of COVID-19 on the indigenous businesses in Canada.

Before I start, I want to acknowledge that this call is being hosted on the unceded territory of the Algonquin people.

The National Aboriginal Capital Corporations Association, commonly referred to as NACCA, represents 59 capital corporations from coast to coast to coast. Our network of aboriginal financial institutions provides developmental lending to first nations, Inuit and Métis businesses. NACCA is also a program-delivery partner of Indigenous Services Canada. Our organization administers the delivery of the aboriginal business financing program on behalf of the Government of Canada.

Aboriginal financial institutions are an incredible success story. For over three decades our members have been on the front lines, working with our indigenous businesses to ensure that they thrive and contribute to the growth of Canada's economy.

Like mainstream businesses, indigenous SMEs have been negatively impacted by COVID-19. The Prime Minister's announcement on April 18 of stimulus support was welcome news: \$306.8 million is being allocated to negatively impacted businesses. NACCA will deliver programming for emergency loans in partnership with the network of aboriginal financial institutions. I am pleased to inform you that I just signed a contribution agreement with Indigenous Services Canada on Tuesday, a full two months later than the mainstream programs, and funds will go out to our network members in the next two weeks.

For the past 30 years, aboriginal financial institutions have worked in a program partnership with the Government of Canada. With the help of modest federal subsidies, they have provided over

47,000 loans, totalling \$2.7 billion, to first nation-, Inuit- and Métis-owned businesses. Each year, financial institutions make over \$120 million in loans to 500 indigenous-owned start-ups and 750 existing businesses.

Indigenous businesses are key drivers of employment, wealth creation and better socio-economic outcomes for indigenous communities and people. Across the nation, at any time, businesses that have active loans with our aboriginal financial institutions employ over 13,000 people.

COVID-19 has hurt many of our businesses, something that our network expected. In mid-March, just as the potential impacts were coming into focus, over 95% of our members indicated that their existing clients would be negatively impacted. Shortly thereafter, various provinces and territories declared states of emergency, resulting in closures of many businesses.

The impact on indigenous communities has been even greater. All sectors have been touched by the response to COVID-19. In late April 2020, the indigenous business COVID-19 response task force, of which NACCA is a member, launched a survey. Of the over 900 indigenous businesses that responded, 92% stated that the pandemic's economic impact has been either very or somewhat negative on their operations.

The most significant impacts have been in tourism, accommodation, food services, hospitality, transportation services and retail trade, all sectors with heavy concentrations of indigenous businesses. We are also noticing various regional impacts, such as in the fisheries in the Atlantic provinces, and in oil and gas in Alberta. As one of the members put it, "No sector will be immune from this event." This has been the case.

With the concerns of our members in mind, we have some key recommendations for your committee.

Number one, improve the current emergency response program. Indigenous businesses have been waiting and hoping for support throughout this crisis. Recently, we can confirm that the support is coming. The same \$40,000 that was announced for the mainstream will be provided to our indigenous businesses, which includes a \$30,000 loan and a \$10,000 non-repayable contribution.

For indigenous businesses, the program could be drastically improved if the non-repayable enabler were increased. After all, COVID-19 is only the latest in a whole series of barriers that indigenous businesses have to overcome. Impediments thrown up by the Indian Act, remoteness, land tenure and poor socio-economic conditions on reserves are factors that non-indigenous business owners do not have to contend with. A larger non-repayable allowance would acknowledge those additional barriers.

Beyond this, the COVID-19 response task force survey found that 40% of indigenous businesses will be unable to take on new debt. They will generally need to make twice the effort in order to repay a loan, compared to an average Canadian business. As well, 46% of indigenous businesses in the same survey indicated needing more than \$40,000 to survive longer than four to six months. These findings reinforce the need for additional non-repayable capital and support for larger and community businesses, which was absent.

• (1120)

Number two goes back to business strategy—

**The Chair:** Sorry, Mr. Metatawabin, we're right at time now. Hold on to those points and we can reprise them at question time.

Now, from the Northern Air Transport Association, Sébastien Michel, a member of the board of directors, is joining us.

Mr. Michel, please go ahead for five minutes.

**Mr. Sébastien Michel (Member, Board of Directors, Northern Air Transport Association):** Dear Mr. Chairman and finance committee members, thank you for inviting the Northern Air Transport Association to this important committee.

NATA was formed over 40 years ago to support the economic development of northern Canada with safe and sustainable air transportation.

[Translation]

My name is Sébastien Michel. I am the director of flight operations and operations manager at Air Inuit, as well as a member of the NATA board of directors.

[English]

Air Inuit is a private entity owned by the Makivik Corporation, employing close to 800 people. We operate a various fleet of 30 aircraft over four types to provide essential services to the 14 communities of Nunavik and one in Nunavut. Furthermore, our network extends throughout the rest of Canada.

In Nunavik and elsewhere, air travel is the means of transportation to and from isolated communities. Air Inuit is a lifeline. It is our mission to support the growing needs and enhance the lives of the people of Nunavik through a number of social, educational and cultural programs. Through scholarships and affirmative actions, we promote access to professional skills. We are especially proud of our Sparrow program. A notable graduate of the program became the first female Inuk captain. A commemorative stamp was put out in her honour in 2017.

[Translation]

I would like to begin this information session by recognizing the efforts of the Standing Committee on Indigenous and Northern Affairs. We are grateful for the Government of Canada's initial funding to support the airline industry.

[English]

Today, I will emphasize the importance of further support for northern air operators. Essential services, as well as profitable operations, are required in order to ensure the public health and eco-

nomics sustainability of the communities we serve. Notably, all NATA members have developed relationships with indigenous groups.

The impact of COVID-19 on the airline industry is well documented. Due to travel restrictions and new quarantine rules, some carriers have been forced to cease flying entirely, but they still carry the burden of overhead expenses. Many other operators have largely seasonal operations and have either carried loss or made investments over the winter months in anticipation of the upcoming summer. Those operators are now potentially unable to resume their operations or face a dramatically reduced demand that is insufficient for recovery. Others are continuing their essential service operations at significant financial losses.

• (1125)

[Translation]

Given the drop in activity, many companies have reduced their flight operations, but they still need to keep air crews and maintenance staff. It is impossible to cover all the overhead incurred with the operating margins of reduced operations.

Despite that, our members still have a strong sense of their social responsibility. However, that is not sustainable. For instance, if Air Inuit slowed down its services, or even suspended its operations, the entire population of Nunavik would be isolated. As private businesses, we are not responsible for funding, with significant losses, the airline services essential to the safety and survival of all Canadians living in isolated northern communities.

[English]

Northern Canada accounts for over 40% of Canada's land mass. The majority of the communities do not have the infrastructure and resources that are taken for granted in southern Canadian cities. Many northern communities have no road access, and with there being only a handful of paved runways, northern air carriers provide a unique and essential component to Canada's travel network. Northern operators are often the only means of providing access to medical supplies and resources, food and other essential supplies. The demand for these services alone is not viable.

In many cases, the extra work from profitable operations help to sustain regular and essential services. These different operations both support and rely upon each other. Removing one will lead to the collapse of the whole. In order to ensure adequate service, northern operators are compelled to operate flights that a profit-oriented air carrier would cancel. However, our cost reduction measures, in the context of the services we offer, are very limited, and they put significant pressure on the financial capacity of our members.

NATA encourages the various governments to begin the careful restart of the economic initiatives, programs and social activities that are vital to the sustainability and self-sufficiency of Canada's northern communities. NATA's air operators are lifelines for the Canadians who call the north their home and who help to secure Canada's sovereignty across this largely inaccessible region.

[*Translation*]

In that spirit, we are asking that the government provide the northern airline industry with quick and ongoing assistance, so that the airline industry can overcome the unprecedented difficulties it is facing.

[*English*]

**The Chair:** We are at five minutes. Thank you very much.

Once again, to all of our witnesses, if there are issues that you haven't covered and don't come up through the questioning period, please provide a written submission to the clerks and that will be circulated among us. We don't want to lose any information that you feel you want to share.

With that, we will go to our round of questioners. In the six-minute round will be Mr. Vidal, Ms. Damoff, Ms. Bérubé and Ms. Gazan.

Gary Vidal, go ahead, please, for six minutes.

**Mr. Gary Vidal (Desnethé—Missinippi—Churchill River, CPC):** Thank you, Mr. Chairman.

I want to thank our witnesses for their willingness to come and participate in our committee this morning. Obviously, we appreciate your knowledge and experience and the things you hear on the ground that you can share with us. It means we can end up with a quality report that helps us structure the reaction to COVID-19.

In the first two presentations this morning, I heard a fair amount about the fact that indigenous businesses were excluded from a number of the original programs that were announced by the government. In fact, even since those adjustments were made, there have been large and long delays.

I personally was involved pretty substantially in advocating for the inclusion of indigenous limited partnerships in the CEWS program. I had the opportunity to advocate for that with the Minister of Finance and also with the Minister of Indigenous Services. Ultimately, the work that many of you did, and hopefully some of the work that we did, resulted in some success through that advocacy.

I will start with Ms. Bull.

Can you expand a little bit on the impact and frustration that the original exclusion from CEBA, CEWS or some of these things caused to indigenous businesses? There was that original exclusion, and now there's a long delay, so there has been a long period of uncertainty and frustration that I am hearing about from businesses in indigenous communities. Could you maybe just expand on the impacts that you're hearing about from your people on the ground in your communities?

• (1130)

**Ms. Tabatha Bull:** Yes, thank you.

We definitely had similar conversations, lengthy conversations. Thank you also for your advocacy.

I don't believe that any of those exclusions were intentional. When things are raised that have excluded indigenous business, based on a lot of items that are in the Indian Act, or because they are on reserve or because of tax and no-tax issues, it's not that we think that is intentional. However, we are really advocating that it is something that needs to be considered initially.

The indigenous economic development corporations are corporations that staff 800 or more employees. Most of them, or a large majority of them, are indigenous employees. They support their communities through vital support programming. Some of those economic development corporations had to lay off half of their staff while waiting for the original regulations around CEWS to come out. Then, with the additional delay, they were forced or very concerned about having to lay off more staff.

I was probably getting messages from our members, and some of those members daily, asking if the regulations were out yet on the wage subsidies so that they could apply. If you consider that our survey reports that 12% of businesses will not be able to last a month, three weeks of delay has a significant impact on those businesses.

*Meegwetch.*

**Mr. Gary Vidal:** Shannin, do you want to respond to the same question in terms of what you are hearing through NACCA?

**Mr. Shannin Metatawabin:** Thank you for the question.

I think Tabatha covered a lot of the concerns we had initially. A majority of the businesses that we support are sole proprietors. A lot of them weren't eligible for the wage subsidy portion through the business, so they have been waiting for this support for their business.

We're two months off, and I just signed the agreement on Tuesday. We're going to start to launch it within the next couple of weeks. We are well behind, so for the 12% that will be out of business within a month, we are well beyond that. We're going to be playing a lot of catch-up, and we really need to make sure that this gets launched.

**Mr. Gary Vidal:** Thank you.

I had the opportunity to speak to one of the directors of one of the AFIs just in the last couple of days. He told me that he never opened up the portal to take applications because of the delay, until he knew that it was going to advance to a point such that he could actually be providing some results. He opened up his portal on Tuesday, and in a small northern remote community like mine he had over \$400,000 of applications ready by yesterday. He still hasn't signed an agreement. He still hasn't seen any money. He's still expecting it to be some weeks away.

Is there some assurance that you know of through NACCA and one of your associate AFIs? Are we assured that this is finally going to happen in the next couple of weeks? My understanding is that there hasn't been a dollar of this \$306 million that has flowed yet. Are we pretty comfortable that this is going to happen in at least the next couple of weeks and limit this to a delay of two or two and a half months?

**Mr. Shannin Metatawabin:** I certainly hope so. I just signed the agreement on Tuesday. I fully expected to sign it a few weeks ago. I was assured that it was going to go a lot quicker, but I suppose that for a program that was announced and then launched it's the quickest that it has ever been done. That is what I'm told.

We're just going to do our best to ensure that we already have our agreements ready with our own AFIs, so that as soon as we get the money in our bank, we can begin to process it and get it to the AFIs, which are already collecting applications from their clients. We're going to do the best we can.

**The Chair:** That's just about your time. You have five seconds, Gary.

**Mr. Gary Vidal:** I'll pass on that five seconds, Chair.

**The Chair:** Okay. Thank you.

Ms. Damoff, please go ahead for five minutes.

• (1135)

**Ms. Pam Damoff (Oakville North—Burlington, Lib.):** Thank you, Chair. I think I have six minutes.

**The Chair:** You do.

**Ms. Pam Damoff:** Thank you to all our witnesses.

I'd like to start by acknowledging that I'm joining the meeting today from the traditional territory of the Mississaugas of the Credit First Nation. I want to thank all the witnesses for your testimony, especially for the research that you have been doing and are able to provide to our committee.

Tabatha, I'm going to start with you, because you've provided us with some great statistics. I met with you in February, and I know that you have robust research and have for many years. One of the things we talked about was procurement. I know that the minister's mandate letter calls for 5% procurement, and if I remember correctly, you said that indigenous businesses could actually provide 23% to 25% of the requirements of the federal government. When I hear you say that you've provided lists to the government related to COVID and none have been given contracts, it's very concerning, and I do give you a commitment to follow up on that.

How many businesses have you actually provided to the federal government in the hopes of them getting a contract related to COVID?

**Ms. Tabatha Bull:** Thank you, Pam.

Originally when COVID started and we all started working from home, our initial action was to look through our certified aboriginal businesses and look to who could provide PPE immediately. That's about 20 of our members. Then we went to our members and asked who would be able to pivot to manufacture PPE or face shields. We had quite a few members who were interested in doing that. Not

unlike other independent businesses, they were concerned about putting in any type of investment without having a contract. That was probably another 20 to 25 just of our members.

As the task force and all of our organizations, NACCA included, we have gone out to all of our members and asked if they could provide PPE. It was about 12% of the respondents from the survey. If you think about it, the number of respondents to the survey was just shy of 900, and that's a significant number just for people who responded, but if you think about the close to 60,000 indigenous businesses across Canada, 12% of that is a significant number.

We have been providing those lists to various departments and also working with some individual members to try to connect them. It's definitely been a frustrating process.

**Ms. Pam Damoff:** Thank you for that.

You've been appointed to the COVID advisory committee for procurement. Do you think that will give you an opportunity? I think it was a really good appointment. Besides the fact that you're an incredibly accomplished woman who will provide terrific input, having an indigenous business voice on that committee is critical. Do you think that will be helpful in trying to advance some of the concerns and the wishes of indigenous businesses across the country?

**Ms. Tabatha Bull:** Yes. I'm very pleased for CCAB and for indigenous business to have indigenous representation on that supply council. We've had two meetings to date. I would say that we are already making some progress in some of the discussion around connecting buyers to sellers in corporate Canada. By being there, we're able to make sure that we're going to be able to connect those buyers to indigenous businesses, both our members and other organizations' members.

Out of that, I raised the same issue at that supply council with Minister Anand. They did follow up and ask specifically for the list, so I do think we're making progress.

**Ms. Pam Damoff:** That's great. Thank you for all you're doing. If you have any research that you want to provide to the committee in writing with some of those stats that you've quoted to us—I know you do surveys on a regular basis with your membership—that would be helpful.

Sébastien, I'm going to turn to you.

On April 14, the government provided \$17.3 million to northern airlines. Obviously all airlines were impacted by COVID-19, but we recognize the unique relationship that airlines serving the north provide. The money was provided through the governments of Yukon, Northwest Territories and Nunavut.

Have you been able to make use of that money, and has it been helpful for the airlines to continue to do the critical work and services they provide?

• (1140)

**Mr. Sébastien Michel:** At this time, I know they didn't profit from that money, being from Quebec. That money was provided to the Yukon, Northwest Territories and Nunavut.

**Ms. Pam Damoff:** Yes.

**Mr. Sébastien Michel:** Being a Quebec-based airline, we didn't profit from that. However, we have been receiving help from the Quebec government. So far, we have reduced our operation by a large amount, by 50%. Right now, we are able to provide a very good, essential service to the communities. However, it's not going to last. We have to secure the next months ahead, very soon.

**Ms. Pam Damoff:** I have only about a minute and a half left and I—

**The Chair:** No, you haven't. Actually, you have less than that.

**Ms. Pam Damoff:** Oh, I do. I have only 15 seconds left, so I'll just say thank you.

I would love if the witnesses could provide any comments on how they could be involved in the recovery, how indigenous business could be involved, when we get there.

Chair, thank you for allowing me to ask that.

**The Chair:** That's a great question.

[*Translation*]

Ms. Bérubé, you have six minutes.

**Ms. Sylvie Bérubé (Abitibi—Baie-James—Nunavik—Eeyou, BQ):** Thank you, Mr. Chair.

Good morning, everyone. I want to thank all the witnesses for their participation and, more importantly, for their testimony.

My name is Sylvie Bérubé, and I am the member for Abitibi—Baie-James—Nunavik—Eeyou. I will put a question to Sébastien Michel, the director of flight operations at Air Inuit.

The airline companies in my riding are very important. Can you tell me what measures are being implemented by Air Inuit to limit the spread of COVID-19 in Nunavik?

**Mr. Sébastien Michel:** Good morning, Ms. Bérubé.

Measures are being implemented by the Nunavik Regional Emergency Preparedness Advisory Committee, NREPAC, which operates in Nunavik. Right now, I am being told that Nunavik is closed to all air transportation. Authorization is required to travel to Nunavik. Air Inuit obtains that authorization from public safety.

Measures are implemented for travellers. Those include distancing inside aircraft. Aircraft capacity is at about 30% for travellers. All operations have been brought back to Air Inuit's technical centre. We have a room for passengers that can hold 150 individuals. Questionnaires are filled out on site and people don't need to go to the Montreal-Pierre Elliott Trudeau International Airport terminal, for example.

The situation is the same in the north. Distancing is the most important measure used to limit the spread. We have implemented measures even within our crews. For example, the same crews always work together. Changes to crews are no longer being made.

Since the beginning of the pandemic, the same crews have been staying together and working together over the course of an entire month. That is one way to limit the spread. So far, I think we have managed not to contaminate Nunavik. To date, I don't think there have been any deaths caused by COVID-19 in Nunavik, although there have been 14 cases, all of whom have recovered.

**Ms. Sylvie Bérubé:** Thank you, Mr. Michel.

Regarding the impact of the pandemic on your company's financial health, so far, have the federal government's economic measures been adapted to your needs?

**Mr. Sébastien Michel:** Unless I am mistaken, we have not had access to the federal government's measures so far. We are hoping that the next measures implemented will help our company make Nunavik safe.

**Ms. Sylvie Bérubé:** When it comes to the post-pandemic phase and a return to a semblance of normal life, are you concerned about a drop in service for Nunavik and the North Shore in terms of airline transportation?

**Mr. Sébastien Michel:** Yes, absolutely. It is very difficult to predict how people will resume their travel activities. A balance must be established between profitable operations and regular flight service in order to provide good service. If the number of passengers drops dramatically—for example, by 95%, as is currently the case—it will become impossible to provide frequent flights in certain communities.

In particular, I am thinking of Canada Post and mail transportation. If not all the communities can be served daily, certain services, even government ones, will be affected. So a balance must be struck between flight frequency, the number of passengers and the work available. By promoting initiatives to enable work and economic growth, the authorities will help businesses achieve profits, which will be used to provide the communities with all the services.

• (1145)

**Ms. Sylvie Bérubé:** That is very clear. According to what you are saying, indigenous communities in the north can expect the cost of airline tickets to increase.

**Mr. Sébastien Michel:** Yes, and they can also expect a drop in flight frequency, which will have a big impact on their life.

There is no denying that communities' social and economic growth cannot occur without aviation. Many northern communities are completely isolated from the rest of the world, except perhaps when they have a ship dock once a year or get visited by a risk-taking snowmobiler.

So the Northern Air Transport Association really wants to send a message that northern operators must receive immediate and ongoing financial support. What is more, the opportunity could be used to organize the network, so that southern Canada's major companies would not compete too much with local northern companies that provide an absolutely essential service to many communities. Companies are competing in a number of Canadian regions—

[English]

**The Chair:** We're quite a bit over time, Mr. Michel. Pardon me for interrupting.

We'll go to our next questioner for six minutes. From the NDP, we have Ms. Gazan.

Please go ahead. You have six minutes.

**Ms. Leah Gazan (Winnipeg Centre, NDP):** Thank you, Mr. Chair. My respected colleague, Ms. Qaqqaq, will be taking the second half.

My first question is for Shannin Metatawabin.

We know that subsection 89(1) of the Indian Act prevents first nations from using property on reserve as collateral. We also know that access to equity and capital is a barrier for indigenous businesses. This is especially the case during COVID-19.

Do you feel that the government has adequately responded to indigenous businesses in terms of being able to access equity and capital during this time of extreme financial insecurity?

**Mr. Shannin Metatawabin:** I think the announcement that the Prime Minister made more than a month ago is a good start. We wanted more flexibility. We wanted the ability to provide more capital to some businesses and less to others and to not have this paintbrush of \$40,000 applied throughout, but we're going to work with what we have.

I think that, as a general function, the government is supposed to enable the market capital to be attracted. We lack capital for business, but we also lack capital for houses and for infrastructure, and I think it's really important that the government recognize that we're dealing with a major crisis, like after the war, where we have to create tools to attract private sector capital to ensure that we can get back to business. It's important for the government to work with us to develop these tools so that we can attract and build these partnerships we've started to attract.

**Ms. Leah Gazan:** Thank you very much. I have another question for you.

Indigenous tourism, as you know, is the fastest-growing industry within Canadian tourism, but it is the most vulnerable because it's the newest industry, and of course we're currently in a pandemic. Have the programs that have been rolled out so far met the needs of indigenous tourism? If not, could you explain some of the gaps for the committee?

• (1150)

**Mr. Shannin Metatawabin:** I think some of the biggest gaps are support for larger types of businesses. Indigenous people own large hotels and other services that are related to transportation, as you've heard, and they've been left out of any sort of support. Forty thou-

sand dollars per business is not going to get us very far. It might take us to four or six months, but beyond that we have to have a better plan. We just don't understand enough about how long this is going to last, but we're already starting to talk about what we are going to need to do and what we need to have in place in order to take this beyond the six-month threshold.

**Ms. Leah Gazan:** Okay, thank you. That brings me to my next question in regard to tourism.

Some of the estimates show that indigenous tourism expects to lose 48% of its business permanently across Canada, and this means about 900 of the 1,875 total indigenous tourism businesses. Do you believe there should be a recovery plan for indigenous tourism in order to keep the jobs in these businesses? I just want to add [*Technical difficulty—Editor*] indigenous communities with high rates of unemployment, sometimes as high as 95%, so knowing this in that context, I want to hear your thoughts about that.

**Mr. Shannin Metatawabin:** I think the tourism industry has come to a standstill. A lot of businesses have already closed down. They are really one of the major areas and industries on which we have seen a negative impact. NACCA has supported 47,000 loans and a majority of those are for those businesses you referred to, so our members and our businesses are going to be severely impacted. It's important that we work together to ensure that we save them and then grow them after we're done.

**Ms. Leah Gazan:** Thank you very much.

My next question is for Sébastien Michel.

With a push from the NDP, the government agreed to increase the amount of the wage subsidy to 75%, and it will be available to businesses for only up to 24 weeks and is set to expire soon. I know that your organization recently wrote a letter to the Prime Minister calling for an extension of this program. Can you explain how extending the wage subsidy would help the northern air transport industry?

**Mr. Sébastien Michel:** As I mentioned, the objective is to stabilize as much as possible the operations of the northern operators in the coming weeks and months. As I was saying, many of the operators had significant expenses throughout the winter or they invested through the winter and have huge overheads right now that they cannot substantially reduce. That's why it's important that the program be carried over. I was mentioning that some labour needs to be kept. Navigating people and maintenance people need to be kept, so that's the issue.

**Ms. Leah Gazan:** Thank you.

**The Chair:** We're right at the time, Ms. Gazan.

Now we go to a five-minute round of questioners. We have Mr. Schmale, Mr. Battiste, Mr. Viersen and Ms. Zann.

For five minutes, Jamie Schmale, please go ahead.

**Mr. Jamie Schmale (Haliburton—Kawartha Lakes—Brock, CPC):** Thank you very much, Chair. I appreciate the testimony from all the witnesses.

I have a question for the Canadian Council for Aboriginal Business, Ms. Bull.

Can you tell us, given your feedback, as we get through this pandemic and as businesses slowly start to open, how long you feel it will take for businesses like restaurants and those kinds of things to fully get to the point where they are able to cover their expenses and survive, so to speak?

• (1155)

**Ms. Tabatha Bull:** I think that's the question everybody might be asking. It's not only dependent on what province you're in. Here in Toronto, an indigenous restaurant, NishDish, which was highly popular, recently had to close. They had started fundraising to be able to keep open, and are looking to relocate, but at this point they've closed, which is definitely quite upsetting for the indigenous community in Toronto. I think we're still going to see some businesses that have closed and may not recover, and we'll potentially need to send them a new business model.

I think a lot of the concern too is going to be our individual fear about getting back to socializing together in a small area across the country. The risk assessment they're doing to provide funding is no different from what they've done in the past, and if you're in a sector like tourism or restaurants, you're going to have a high-risk rating and less chance of being able to access traditional funding, which is why the funding through AFIs and specific funding to those at-risk sectors is very important.

**Mr. Jamie Schmale:** Yes, I agree with you totally. The risk for restaurant owners specifically is quite tough. What is your opinion, based on the feedback you're getting or from the information flowing through your office?

I agree everyone's asking for an answer to this question. I'm curious on the aboriginal side. If restaurants are only to be able to potentially take 50% capacity, that doesn't change the fact that their food costs are the same or going up, utilities are the same or going up, rent continues. Is there a path forward for restaurants or other businesses to be able to continue to make a profit as we go forward under these conditions without a cure or vaccine?

**Ms. Tabatha Bull:** We don't have that specific information from our members. I think we're definitely seeing that it's going to take some ability to pivot to a new type of restaurant delivery service or potentially.... A restaurant in Sudbury just opened for indigenous cuisine, and they've now moved to a restaurant truck and are delivering to their community. I think without some type of injection, it's very difficult to see how those businesses are going to survive.

**Mr. Jamie Schmale:** Ms. Bull, if I could just quickly pivot for a second, in an article on May 1 you mentioned that one of the biggest hurdles to indigenous business recovery stems from the outdated Indian Act, which prevents indigenous entrepreneurs from owning the land their business sits on and makes it difficult for them to raise the collateral needed to qualify for loans from traditional lending institutions. Can you elaborate more on that, but also does your organization have a road map on how to deconstruct the Indian Act?

**Ms. Tabatha Bull:** No, I wouldn't say we have a road map. Just to elaborate more—and Shannin was speaking to this as well—it is very difficult for indigenous businesses on reserve to access funding. That's why the funding that comes through AFIs is so important.

A number of the larger major banks have also been able to work in interim balance sheets and be able to look at that risk and assess the businesses on their merits without the collateral of owning the land they sit on, but that has been one of the largest barriers for indigenous business across this country for many years. That's partially why they don't normally access traditional financial institutions, because the risk rating without being able to use the land as collateral is so high. That's why, at the outset of the pandemic, NACCA, together with Cando and AFOA sent a joint letter asking for additional stimulus financing for equity.

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

We'll now go for five minutes to Jaime Battiste.

**Mr. Jaime Battiste (Sydney—Victoria, Lib.):** Thank you.

Ms. Bull, I want to talk a little about some of the barriers to on-reserve businesses. I've received calls from local bands that I represent about general loss of own-source revenue from gaming, tobacco and fishing. For all these reasons, bands were looking to the government for help with the wage subsidy.

I know our government included indigenous government-owned corporations that are carrying on a business, as well as eligible partnerships with indigenous governments. Have you seen the impact of this policy shift on the ground yet?

• (1200)

**Ms. Tabatha Bull:** Yes, we've definitely heard from members who have now been able to apply for the wage subsidy and are quite pleased to be able to do so. We got an email recently from a member who, because of those changes, was able to hire their staff back, and they are quite happy to do that.

It had a significant impact on a number of the large economic development corporations, and the wage subsidy has made a big difference.

There is still some discussion about some businesses that are indigenous government-owned but not incorporated, and we're looking into whether that may be an additional gap for those businesses, as the regulations speak to an incorporated business.

**Mr. Jaime Battiste:** Can you speak a little bit about the difference on that? I've had that same question from some bands that asked about this business or that business. How has it been communicating what is eligible and what hasn't been? Are you getting a lot of questions on this?

**Ms. Tabatha Bull:** Yes, I hold a weekly open call, not just for our members but for any indigenous business that has questions. No one expected there to be over 200 support programs. Definitely there is need for increased awareness and assistance to all businesses, but specifically indigenous businesses, to really look at where they are eligible, where to go for financing and even if we look to the regional development agency financing.... Where is the best place for them to be able to move or to be able to access those programs? It has been definitely a lot of our work to help businesses understand the eligibility criteria and when things are available.

**Mr. Jaime Battiste:** I just want to pivot. I know we are all looking at COVID and still trying to find the gaps and making sure that we leave no one behind, but in terms of the next phase of recovery, what are some of the things our government can do? What are you recommending to help indigenous businesses across Canada? On and off reserve, what are some of the key things we need to do during the recovery phase to make sure we are not leaving small or large indigenous businesses behind?

**Ms. Tabatha Bull:** There are a couple of opportunities. One I spoke to, of course, is procurement. We need to be setting targets and metrics to ensure that the federal government is procuring from indigenous business and measuring against that target. Everyone says that things don't happen unless they are measured, so procurement is a real area where we can make some moves on economic recovery.

The shovel-ready projects are also a really great opportunity, so we are looking at shovel-ready projects that have indigenous businesses as equity participants or are committed to using an indigenous business in their supply chain.

Another key area is more for provincial governments, but there is orphan well funding as well. The federal government has an ability to say to provinces that they need to ensure they are working with indigenous business for orphan well funding.

**Mr. Jaime Battiste:** How much time do I have left, Mr. Chair?

**The Chair:** You have a minute and 10 seconds.

**Mr. Jaime Battiste:** Okay, I'll just add a question in terms of communication. I was at a store on the reserve yesterday. I went in, and they were asking me questions about programming and things like that. Is there any place that people on reserve can go to see where these programs exist? If so, how?

**Ms. Tabatha Bull:** We and other organizations have a resource page on our website that shows the different support programs that are available and provincial and territorial programs as well. We also are part of the Canadian business resilience network, working with the Canadian Chamber of Commerce.

However, I do think there is a need for a navigator or a pathfinder type of tool, and we have been talking to Indigenous Services Canada about this idea that a business owner could go in and select on reserve or off reserve, and, depending on their size, it would tell them the programs that are available specific to their business.

**The Chair:** That just about brings us to time. Thank you very much.

Now we go to Mr. Viersen for five minutes.

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

Thank you to our guests for being here today.

I'd like to continue in a similar vein of questioning as Ms. Damoff.

For Ms. Bull, around procurement, I'm curious if you have any success stories to share with us of how indigenous businesses have been able to land procurement contracts with the federal government?

• (1205)

**Ms. Tabatha Bull:** Through this period, no, we don't, unfortunately. We do have some businesses that are working with corporate Canada, indigenous businesses that are supplying hand sanitizer, for example to the Bank of Montreal. Chief Fuels is an example of a business out east that has pivoted to start to provide hand sanitizer with a local maple syrup distributor. They are providing that hand sanitizer to the Province of New Brunswick and, I believe, the Province of Ontario.

These are indigenous businesses that either were originally in this space or have pivoted to do so, and they have been able to access contracts with corporate Canada and with provinces, but not yet with the federal government.

**Mr. Arnold Viersen:** From what I've been hearing a bit about, there seems to be, on the federal government side, some sort of approval process to even bid on some of these potential projects. That seems to be an onerous process. Have you heard anything in that regard as well?

**Ms. Tabatha Bull:** Initially, the biggest thing for a lot of businesses was standards that were continuing to change on the masks and the different types of PPE, and for businesses having to try to keep up with that standard. Then, yes, to go through to get the MDEL number, that's another process. I know the procurement teams are moving more quickly on getting those approvals out there, but we just have some businesses that immediately wanted to provide to Buyandsell, put their information into Buyandsell, and then subsequently there was a requirement for these registration numbers. That wasn't necessarily communicated to all the businesses.

**Mr. Arnold Viersen:** Yes, that's what I've been getting from them. They said that they already went through the process, were an approved vendor for the federal government, and now they seem to have to do it again through a different process.

**Ms. Tabatha Bull:** Yes, this seems to be another requirement to get a new registration number that not all businesses were aware of. We have had some businesses that brought that to our attention, and we brought that to PSPC's attention.

**Mr. Arnold Viersen:** Have none of your members landed a contract with the federal government at this point?

**Ms. Tabatha Bull:** That's correct.

**Mr. Arnold Viersen:** Okay.

I'll move on to Mr. Michel for the air transport association. How have the changes to the carbon tax affected your members? There was an increase in the carbon tax on April 1.

**Mr. Sébastien Michel:** I don't have exact numbers to give you on the immediate impact of the carbon tax at this time. For sure, this is within scope for all of our operators.

**Mr. Arnold Viersen:** Are your members raising that with you at this point?

**Mr. Sébastien Michel:** Not at this point.

**Mr. Arnold Viersen:** They're not flying anybody, so they're not burning any fuel, is what you're telling me. All right.

Are they bringing up any other issues that are tangential to COVID-19? I was having a chat with someone the other day and there was something about a navigational tool that they're changing. There's something different between the United States and Canada and they're waiting for a decision on that. Is that something that your association is bringing up as well?

**Mr. Sébastien Michel:** Navigation-wise, everything right now seems to be stable. Of course, as we all know, the impact of COVID is the same in many industries, with the lack of work and all the new rules that the airlines have to deal with. There have been so many exemptions we need to work with, so this is a bit of a burden to be able to keep operating and be compliant with actual regulations. Plus, of course, inevitably the reduced workload puts the balance in jeopardy, as I was mentioning before.

**The Chair:** We're at time right there, Mr. Viersen. Thank you very much.

Please go ahead, Ms. Zann, for five minutes.

• (1210)

**Ms. Lenore Zann (Cumberland—Colchester, Lib.):** Thank you very much.

Greetings from the unceded territory of the Mi'kmaq here in Nova Scotia. Millbrook First Nation is right nearby. It's really good to hear all of you. Thank you so much for your presentations.

This morning the Prime Minister announced another \$650 million to support first nations, Inuit and Métis communities, which I was very excited to hear. In particular, he was talking about health care, income support and new shelters for women, which is another issue that I am very passionate about, especially as the vice-chair of the women's caucus.

He mentioned that \$285 million of this new funding would go to public health, and it includes procurement, which, Ms. Bull, you mentioned. Here in Truro, for instance, we have an old factory, the Stanfield's factory. It's a family-owned factory. It's over 100 years

old, and it has been making underwear for that long. Stanfield's underwear is pretty famous.

Anyway, it had to close down because of the pandemic. Then it made an offer to government that it could make plastic hospital gowns and that it could work with the plastic factory here, which is also having trouble because of COVID. Now the two factories are working together to make disposable hospital gowns for PPE.

What kinds of businesses do you suggest, Ms. Bull? What kinds of things are there available that we can take forward, and that you can bring forward, and that, as Ms. Damoff mentioned, we would be happy to bring forward to government? It would be great to get first nations indigenous people helping with this very important project.

**Ms. Tabatha Bull:** We have quite a few businesses that have done the same, that have been able to pivot to start to make hand sanitizer, for example. We have also seen some great partnerships with Shared Value Solutions, a business that works with quite a few communities. It has worked with a number of distillers as well, and other corporate partners, to provide hand sanitizer to a number of northern first nations in Ontario.

I have been working with Marion Crowe at First Nations Health Managers Association to provide our lists to them as well because I know that they really would like to look at indigenous suppliers able to support on-reserve health centres.

We do see businesses in all areas of PPE. Originally, the Buyand-sell call came out for IT support. There are indigenous businesses in every sector across Canada, so we could really be moving forward in all of those.

I think there is a real opportunity, through the supply council and through supply for corporations, to partner with smaller indigenous businesses because it is a bit difficult for an indigenous business or some of the smaller businesses to provide 10,000 masks a week. However, I think that there is a real opportunity for funding in order to create those partnerships with large businesses including indigenous businesses in their supply chains, or some type of partnership where we could really ramp up the capability of the smaller businesses.

**Ms. Lenore Zann:** Absolutely. I totally agree with you. It is the smaller businesses and the community-run businesses that really are the backbone of all of our little communities. I live here in rural Nova Scotia, and they are very important.

It's unfortunate about the taxation issue in the beginning when funding was rolled out, but I believe we were running by the seat of our pants in a way. We were trying to come up with new ideas on the fly to try to help everybody who was falling through the cracks. Every time we heard about someone else who didn't quite fit the mandate, we then rolled it out for them. It has been an emergency situation, as you well know.

I think that we are really trying now to take into consideration everybody across Canada. Not everybody is going to fit every single mandate, but we're trying our very best to help as many people as possible.

Thank you so much for your work. If you do want to reach out to either Ms. Damoff or myself, we would be happy to help you take forward ideas to the government about procurement or anything else.

**Ms. Tabatha Bull:** Thank you.

**Ms. Lenore Zann:** Is that—

**The Chair:** You're just about out of time. You have 10 seconds.

**Ms. Lenore Zann:** I will just leave it at that for now. If any of the other gentlemen would like to reach out to us, please find my email. It's very easy to find. I would be happy to take forward your suggestions.

Thank you.

• (1215)

**The Chair:** Thanks, Ms. Zann.

Next we have a two-and-a-half-minute round of questions. The speakers I have are Ms. Michaud and Ms. Qaqqaq.

Ms. Michaud, for two and a half minutes, please go ahead.

[*Translation*]

**Ms. Kristina Michaud (Avignon—La Mitis—Matane—Matapédia, BQ):** Thank you, Mr. Chair.

I thank the witnesses for their testimony.

I will follow the lead of my Bloc Québécois colleague and discuss what she covered earlier with Mr. Michel.

Mr. Michel, you are saying that your operations are currently reduced by about 50%, and that it is difficult to keep your head above the water and maintain the morale. I would like to know how the federal government can help you. You say that the priority is determining how you can survive over the next few months.

How can the federal government help you?

**Mr. Sébastien Michel:** To clarify matters, I would say that the 50% reduction I talked about applies to Air Inuit, but that reduction is 100% for some of our members.

The government must slowly bring everyone back to work. Exploration and economic development projects must be brought back to the table as quickly as possible, so as to provide profitable sectors for aviation, and to support the rest of essential services and the frequency of flights in communities.

It is clear that communities' social and economic development goes through aerial work. More ad hoc aerial work will lead to more opportunities for economic and social growth in each community. Economic and social development must be maintained and stimulated on an ongoing basis. So governments must take the initiative to submit as many projects as possible.

**Ms. Kristina Michaud:** Of course, service in Nunavik and the North Shore is an essential service. You are talking about the per-

centage decrease in your operations. Are you not worried that, following the crisis, operations will not go back to 100%?

**Mr. Sébastien Michel:** We are already afraid that they will not get back to normal. Passenger transportation will not get back to 100% after the crisis. It will take years for passenger transportation to return to its pre-COVID-19 levels.

Let's take the example of mining exploration. When there is a slowdown in that sector, or even in the tourism industry, without deconfinement in those sectors, operators will not have access to the profit margins required to provide a network that is at the same level as it used to be and to continue to develop it.

**Ms. Kristina Michaud:** Does the—

[*English*]

**The Chair:** Okay, we're at the time. Thank you.

Ms. Qaqqaq, for two and a half minutes, please go ahead.

**Ms. Mumilaaq Qaqqaq (Nunavut, NDP):** Thank you, Chair.

As always, a shout-out to the IT team and the interpreters. I know it's hard sometimes to make that sure we're all staying on track.

Thank you to the witnesses for being here and sharing your valuable knowledge.

I'm going to ask that the responses be kept to about a minute just because I have that time limit.

My first question concerns an area that I've had to focus on the most during COVID, namely air services to Nunavut. The airlines that serve us are our highways and ambulances, and so much more.

Mr. Michel, can you talk about why, unlike air carriers in the south, it is impossible for our air carriers to reduce their schedule when they're transporting things like fresh food and sometimes even COVID-19 tests?

**Mr. Sébastien Michel:** It would be possible to reduce the schedules, but we are working in a positive manner with our partnership and our sense of loyalty to our partners. We're trying, as much as possible, to be able to keep the frequency so that we can deliver the food. There are a lot of fresh fruits and vegetables going in every two weeks or every month.

That's part of the balance I was talking about earlier where we need to relieve the burden on the carriers by initiatives and bringing in the money margin needed to sustain the network.

**Ms. Mumilaaq Qaqqaq:** Thank you, Mr. Michel.

My next question is for Ms. Bull.

In Nunavut I know that the summer months are really the most profitable time of year for the tourism industry and from other travellers coming from the south to the north.

Can you talk about the long-term prospects for the industry if this summer's tourism season is lost?

• (1220)

**Ms. Tabatha Bull:** Yes, I think we're going to lose significant businesses. As was said, this is a new opportunity in tourism for indigenous businesses and a real growth area.

I do believe that we need to find some type of stimulus to inject into those businesses to ensure that they can survive. We want to make sure that we're not going backwards due to COVID. Indigenous businesses have made great strides, including tourism, and we need to make sure they can continue. Without some type of stimulus, I don't know that they will.

**The Chair:** Thank you very much.

We'll go to a five-minute round now, first of all with Mr. Zimmer, then Mr. van Koeverden and Mr. Vidal, followed by Mr. Ferguson.

Bob Zimmer, please go ahead for five minutes.

**Mr. Bob Zimmer (Prince George—Peace River—Northern Rockies, CPC):** Thank you, Mr. Chair.

Just to clarify, for the Northern Air Transport Association, is Mr. Priestley on today, or is he not available?

**Mr. Sébastien Michel:** He's not on today.

**Mr. Bob Zimmer:** Okay. Then I will ask you my questions.

I have before me a letter that was written to me by Mr. Priestley. It's about the requests that were made by your association. I'll just read them out. I wanted to ask you to respond because this letter was written some time ago in reference to COVID and the struggle that your industry was going to have. He says:

The following needs to be initiated immediately:

There should also be a suspension of employer payroll deductions including CPP, EI, and WCB for 90 days and the government should speed up the administration of EI benefits...

All Federal excise and carbon taxes on Jet fuel should be temporarily suspended.

The Federal Government should subsidize a loan repayment holiday and a subsidy for air operators for the next 90 days so that interest payments on outstanding loans can continue to be made.

Mr. Michel, I would ask you to respond to each one of those three, if those changes indeed came. Again, the request was made some time ago. I just wanted to know your response.

Thank you.

**Mr. Sébastien Michel:** I don't think there has been any alleviation on the excise fuel tax, for example. That was an example of how to alleviate the costs for airlines and to do it in a way that would be fair for all the industry. That's on the excise tax. I could add also that there are some of the fees that are additional to it, such as Nav Canada fees or airport fees. If you are operating, of course, you have fuel and fees, so this could be a way to alleviate some of the financial burden.

For what was in the the first part of the letter, could you could remind me?

**Mr. Bob Zimmer:** It said that there should also be a suspension of employer payroll deductions, including CPP, EI and WCB, for 90 days. To me, that request was a good request. We saw the same request come from small businesses in my riding. One is Swamp

Donkey, which is a company up here. It's an oil field and gas company that asked for that exact thing, because the one thing companies had was cash on hand. They had cash accounts, and they wanted to be able to sustain their businesses, but yet they were going to have to do these quarterly submissions.

How did that go? Did you get your request there?

**Mr. Sébastien Michel:** No, we didn't get our request there. I'm not sure about other departments or territories, but mainly not. Of course, as you mentioned, like any other industry right now, one of the challenges is the cash flow. There's the cash flow with the payroll and some of the infrastructure that needs to be kept and the overhead that needs to be paid. It's all a question about cash flow.

**Mr. Bob Zimmer:** Right.

My colleague Mr. Viersen asked you about the carbon tax and the alleviation there. To me, the impact, I don't know if you have a number for that.... What is the impact to your industry, just yearly even, of the current numbers with the carbon tax?

**Mr. Sébastien Michel:** Unfortunately, I'm not familiar enough with the carbon tax and the application of the carbon tax at this time, so I cannot provide you off the top of my head with decent numbers. I prefer not to come up with anything that would be inaccurate.

**Mr. Bob Zimmer:** Sure. I'll just ask my next question.

My role is shadow minister for northern affairs and northern economic development, so I have a question for the Canadian Council for Aboriginal Business. A big concern I'm sure, which you've spoken about already, is the access to PPE and testing. I've asked so many questions that it's sounding like a gong in a way.

We're seeing a lack of PPE and testing ability across Canada, but it's especially impacting our northern communities. Have you seen a response to the lack of PPE? Again, in order to reopen businesses, we need to have access to that PPE. Do you currently have enough PPE available to reopen businesses in the north?

• (1225)

**The Chair:** You have just a few seconds, but go ahead, please.

**Ms. Tabatha Bull:** That is a great question. We actually haven't surveyed our members to ask that question of them. A lot of our members that can supply PPE are focusing on getting PPE to the communities. I think the announcement today will help with that, but we haven't specifically asked our businesses about reopening.

**The Chair:** Thank you very much.

Mr. van Koeverden, please go ahead for five minutes.

**Mr. Adam van Koeverden (Milton, Lib.):** Thank you very much, Mr. Chair.

I am joining you here today from the sacred territory of many indigenous nations, including the Haudenosaunee, Huron-Wendat, Anishinabe and Mississaugas of the Credit First Nation.

I thank all the witnesses for being here with us today and providing the insight and perspectives you bring from your communities, industries and business organizations.

My first question is for Ms. Tabatha Bull.

My dad was manager of aboriginal tourism and trade development for the Aboriginal Business Canada organization in 1997. I called him this morning and we chatted a bit about the nature of his work almost 25 years ago. Then I read your article on thefutureconomy.ca and reflected on how indigenous businesses have changed and modernized over the intervening 25-year period. I chatted with my dad about the types of things he used to work on and the grants that he was approving back then. I was 15 at the time and didn't take such a keen interest, and I think he was excited to reminisce a bit.

How can the government be a better partner in ensuring that indigenous businesses are connected, have access to the best technologies and can participate in the global market that Internet connectivity provides when everybody is connected?

**Ms. Tabatha Bull:** One thing you probably would have read is that broadband infrastructure is definitely still one of the most significant barriers for indigenous business. During this time of COVID, when we are working from home and indigenous businesses and purchasers are doing e-commerce—there has definitely been an increased impact on indigenous business—I think there really is a need to help indigenous businesses, specifically in rural and regional areas, to pivot. We need to ensure that they have the infrastructure to be able to participate in the economy.

We do see a real increase in innovative IT indigenous businesses, and I know some of them are looking to supply to the federal government with respect to status card renewal. There's an indigenous business that has developed a platform to develop that.

I think there is a real opportunity, but as with any other organization or support, we need to ensure that there is some focus on ensuring that we are giving the same opportunity to indigenous businesses and sometimes a bit of a hand-up as well.

**Mr. Adam van Koeverden:** Thank you very much.

**Mr. Shannin Metatawabin:** Can I jump in?

**Mr. Adam van Koeverden:** Yes, please, Mr. Metatawabin.

**Mr. Shannin Metatawabin:** Thank you very much.

I used to work with your dad, actually, 25 years ago at the Aboriginal Business Canada office.

**Mr. Adam van Koeverden:** That's cool.

**Mr. Shannin Metatawabin:** The National Aboriginal Capital Corporations Association delivers that program today, so it still exists.

I think what's interesting for the committee to know is that the value of government support for developmental lending has been reduced by 70% since that time, so we're operating with a lot less when our population is growing at a much faster rate than the Cana-

dian rate. We really need to return to historical funding levels to ensure that developmental lending and recovery from this pandemic will be real.

We talked about the restaurant that needs to repay a \$30,000 loan within a year. They might not be in a position to repay that loan. We really have to make sure that we are not setting up our businesses for failure or just extending the failure that's going to happen. We really need supports for them to ensure their survival and growth.

**Mr. Adam van Koeverden:** Thank you, Mr. Metatawabin. I'll tell Joe you said hi. I appreciate the intervention.

My final few seconds will be for Mr. Michel.

I've talked to many indigenous leaders—certainly with the guardians program organizations that are in northern Labrador and Nunavik—who are committed to the environment. Since Quebec doesn't have a carbon tax, despite being asked a number of times about a carbon tax, can you talk to this group about your commitment to environmentalism and returning to a greener economy in an industry that's definitely going to struggle a bit with some of the regulations?

● (1230)

**Mr. Sébastien Michel:** Yes, absolutely.

As you said, in Quebec the carbon tax is not applicable at this time. However, like government taxes, these costs are brought back to customers, so of course it's going to impact customers and therefore other industries for sure.

On the green economy side, we're always trying to have a more efficient operation using more efficient aircraft and more efficient engines. As for us, we've been modernizing part of our cargo fleet, with newer aircraft, as a way to reduce our carbon footprint. This is among the initiatives being done by our company and other members of NATA.

**Mr. Adam van Koeverden:** Thank you for being a participant in the return to a greener economy.

**The Chair:** Thanks, Adam.

We go to Mr. Vidal now for five minutes.

**Mr. Gary Vidal:** Mr. Chair, I am going to cede a minute of my time to Mr. Schmale here.

**Mr. Jamie Schmale:** Thank you, Chair. I just need maybe a point of clarification or ruling from you. As you know, I have a notice of motion tabled and I'd be happy to wait until the end of the meeting rather than doing it right now and interrupting the testimony from our witnesses.

With your permission, Chair, I'm happy not to do that now and maybe save five minutes before the end of the meeting and do it then.

**The Chair:** It looks to me as though we should have a little bit of space there, so that's well accepted.

Mr. Vidal, you can carry on for another four minutes.

**Mr. Gary Vidal:** Thank you, Mr. Chair.

Mr. Metatawabin—I was going to say Shannin. Sorry, I practised and I still didn't get it right. I apologize.

I have a couple of quick questions for you first and then I want to give you a little bit of time to talk on something else.

In the context of the \$306.8 million that was rolled out, I'm just curious as to whether your organization was consulted prior to that announcement and whether you were involved in the rollout of that at all.

**Mr. Shannin Metatawabin:** Yes, we have been engaged with Indigenous Services Canada since the very beginning. I think we met with them for the first time on the 17th to talk about how we were going to respond to the impact that we knew was going to be coming. We have been engaged with them all along.

It didn't land the way we had hoped, but I think it's still something we can work with. We're going to get it out to as many indigenous businesses as we can because there is a certain percentage that went with the general measures because they couldn't wait the two months, but I'll be happy to report on how we're delivering in, let's say, a month.

**Mr. Gary Vidal:** In the context of any kind of post-pandemic recovery, as we start to hear of a number of provinces reopening their economy—I know in my riding a number of first nations and indigenous communities have what they call lockdowns or they have very limited kind of travel and movement around in the communities—I'm just curious as to whether you have been consulted at all with regard to the post-pandemic planning and the impact on indigenous businesses as we start to see our economies ramp back up again.

**Mr. Shannin Metatawabin:** Yes, I think we've started to talk about that, because we identified that what we just went through was an emergency response, but we now have to collect the data. We've been involved with the task force to collect data.

We're probably going to have another survey done to ensure that we are understanding what's going on, how long it's going to take to rebound, and what we need to have in place to ensure that we're responding in a meaningful way, to ensure that we're going to grow indigenous businesses once again.

**Mr. Gary Vidal:** Ms. Bull, can I throw that same question at you in the context of post-pandemic planning and whether you've been actively engaged and involved, and whether your voice is being heard in some of the planning and how it affects businesses that you represent?

**Ms. Tabatha Bull:** Yes. As Shannin said, the task force is working together. National business organizations understand what our businesses will be needing in order to recover.

I am also involved in an indigenous economic response recovery group for the Province of Ontario as well, to look at how Ontario indigenous businesses can continue. Through the supply council, I think, there is a real opportunity for us to be part of the recovery.

• (1235)

**Mr. Gary Vidal:** Shannin, I have about a minute and a half or almost two minutes left. You kind of got cut off in your presentation. You had a couple more recommendations to make, so I'm go-

ing to give you about a minute and a half to see if you can hit those things that you didn't get a chance to talk about in your opening comments, if you would like to take that time to try to do that.

**Mr. Shannin Metatawabin:** I really appreciate that.

What I wanted to cover is that we have to recognize that indigenous people face unbelievable barriers. If we're talking about a back-to-business strategy when we flatten the curve and the economic downturn plateaus—we're talking about a rebound—we don't want to take longer than the Canadian economy to rebound. We want to get ahead of this, so this recovery planning that we're talking about now is very important.

I covered a little bit about how that the AFI network has suffered a 70% decrease in federal funding, and in any sort of developmental lending you need to stimulate that growth. It hasn't been happening in the indigenous community. We've been doing the best we can with what we have but we can do a lot better.

I think the Royal Commission on Aboriginal Peoples, more than 20 years ago, recommended an annual 5% increase in developmental lending. That has not happened. The government announced a \$100-million growth fund. We can't lose sight of the momentum from developing a tool to attract private sector capital so that we can add additional capital to our community.

The last one is a 5% target for indigenous procurement. It's so important. That's going to bring more than a billion dollars in opportunity to the community just at the federal level, never mind provincial, municipal and corporate Canada. There's so much opportunity there to be a part of prosperity.

**The Chair:** I'm glad you had the opportunity to conclude that. Please submit a brief to us as well so that we have all of the information you've been trying to express.

Mr. Fergus, you have five minutes. Please go ahead.

[*Translation*]

**Mr. Greg Fergus (Hull—Aylmer, Lib.):** I thank all the witnesses for joining us. I have questions for them, and I hope to have enough time to put some questions to Ms. Bull, Mr. Michel and Mr. Metatawabin.

I will start with you, Ms. Bull.

One of my colleagues recommended that I watch your interview with *The Future Economy*. I found it very interesting, especially when you talked about how important it is for indigenous communities that a share of government procurement be set aside for indigenous businesses. In the Minister of Public Services and Procurement mandate letter, our government proposes to award 5% of federal government contracts to indigenous businesses.

Could you comment further on that and specify how the awarding of government contracts to indigenous businesses can help them during the pandemic?

[English]

**Ms. Tabatha Bull:** We were quite pleased to see that announcement of the 5% procurement. We have had a procurement marketplace structure at CCAB for two years now. It's been used by corporate Canada and it's been very successful. The biggest thing there is that corporations are setting targets, and they're measuring against those targets. I know we talk about this example often, but Suncor set a target of 5% for all of their spend from indigenous business and they have more than reached that target. A number of other businesses have done the same.

I think what we need to do, for the federal government, is to do the same. Just set a metric for all ministries to be able to ensure that they're meeting that—

[Translation]

**Ms. Sylvie Bérubé:** I apologize, but there is no interpretation.

**Mr. Greg Fergus:** Mr. Chair, will the clock be reset for this answer, since there was no interpretation?

• (1240)

[English]

**The Chair:** Okay.

Go ahead. There's still time left.

**Ms. Tabatha Bull:** Thank you.

On the 5% procurement, we were very pleased to see that. As Pam mentioned, we did a research study, together with the federal government, looking at the potential of indigenous businesses in Canada to meet the federal procurement. It showed that indigenous businesses can currently meet 24% of the federal procurement on a yearly basis, so 5% is definitely a floor.

As we said, we really need to make sure there are metrics across government and across ministries to ensure that they are purchasing from indigenous business, and there needs to be some evaluation held against that. We do see this as very successful in corporate Canada. More than 80 large corporations in Canada have made a commitment to buy from indigenous business, and they've been successful in doing so. I think one of the key things is a metric.

We're also working with our other national organizations and through the National Indigenous Economic Development Board, together with NACCA and CANDO, to work together to see how we can support the government to ensure that the businesses are certified, so that there is a real test to the ownership of those businesses as indigenous businesses, and then to ensure that we're able to have a list held by an independent indigenous organization, similar to what happens in Australia with Supply Nation.

**The Chair:** Mr. Fergus, you have a minute left.

[Translation]

**Mr. Greg Fergus:** Thank you very much Ms. Bull. I have a second question for you.

Given your experience in the private sector, you know that objectives are not reached overnight. How much time do you think it will take for the government to be able to meet that 5% target? Will it be two years, three years? What is your estimate?

[English]

**Ms. Tabatha Bull:** I think originally we were advocating for the 5%. We specifically were saying 1% a year, and within five years we should definitely be able to get to 5%. We've seen corporations able to do that as well. It doesn't all have to be purchased directly from indigenous businesses, but there's an opportunity to require large contracts with corporate Canada to have a 5% indigenous-supplied provision within them as well. That would help contribute to the 5% and we'd be able to get there must faster.

**The Chair:** Thank you very much.

We have two speakers for two and a half minutes, Ms. Bérubé and Ms. Gazan.

[Translation]

Ms. Bérubé, go ahead.

**Ms. Sylvie Bérubé:** Thank you, Mr. Chair.

My question is for you, Ms. Bull. You said in an interview recently that the transition to telework in the context of the pandemic is a particular challenge for indigenous businesses in rural or remote communities, where broadband infrastructure is weak when it does exist.

What should the federal government do to support indigenous businesses in the communities with an unreliable Internet connection?

[English]

**Ms. Tabatha Bull:** I know that broadband infrastructure has been in the budget for the last two years, and we have been talking about ensuring that this commitment continues to be in the budget, but there's an opportunity to ramp it up. If there is a point where we're not back to the office or we're not travelling until there's a vaccine, that's going to put those indigenous businesses in rural and remote communities at a real disadvantage. Therefore, I think we need to be looking at that broadband infrastructure plan and seeing where we can expedite that work.

[Translation]

**Ms. Sylvie Bérubé:** How much of an impact could the availability of a reliable Internet connection have on the reopening of indigenous businesses in accordance with public health directives?

[English]

**Ms. Tabatha Bull:** I think there's a real opportunity for us to be able to see some of the retail businesses pivot to an e-commerce platform. Shopify has been a real support for indigenous business, but a lot of the businesses I've been speaking with, smaller indigenous-owned businesses, normally would sell their products at powwows or conferences, or potentially through stores, and they're really having to pivot to an online shopping experience. That is where it's very important for them to have good broadband.

We even have a member on the Six Nations reserve not far outside Toronto, and they have difficulty being able to be an e-commerce platform company. I think that this difference is going to widen the gap, and we need to make sure that we're really pushing so that those businesses can pivot to e-commerce.

• (1245)

**The Chair:** That brings us to the time, Madame Bérubé.

We have two and a half minutes for Ms. Gazan.

**Ms. Leah Gazan:** Thank you, Mr. Chair.

Ms. Bull, how important is it for indigenous businesses that the government prioritize indigenous communities when it comes to critical infrastructure, especially as we begin to rebuild our economy post-pandemic?

**Ms. Tabatha Bull:** It's incredibly important, not just on broadband, but also if there are business owners who have moved back into their homes and are over-crowded and if they're in an area where they don't have drinking water because there's a boil water advisory, and we're in a pandemic or moving out of a pandemic—potentially with the risk of a second wave—the indigenous people in those communities are at high risk. Moreover, if you're also trying to operate a business out of that space, you're definitely going to be at a greater disadvantage. The infrastructure is key.

**Ms. Leah Gazan:** Mr. Michel, in your view, is the \$17.3 million over three months for northern airlines sufficient? What will the situation be like for northern airlines beyond this three-month period?

**Ms. Sébastien Michel:** Beyond the three-month period, it's very difficult to predict what the situation will be. Of course, the purpose is to have initiatives to get people travelling again, either for tourism, mining exploration, construction or environmental projects. We think the goal right now is to get people to travel again, so it's very hard to predict, of course, what the outcome will be. Our message is, let's not spare any effort to get people travelling again.

**Ms. Leah Gazan:** So do you think the government could be doing more to support this essential service to ensure that you can continue functioning beyond the three months?

**Mr. Sébastien Michel:** Absolutely, because if our members do not receive enough support, we're going to fall back on the private sector to support the essential service, which in the first place should not be our mandate.

**Ms. Leah Gazan:** I completely agree with you.

How much more time do I have, Mr. Chair?

**The Chair:** Five seconds. Sorry.

**Ms. Leah Gazan:** Okay. I will say thank you, then, to the panelists.

**The Chair:** We're on five-minute rounds.

Mr. Schmale, you want to bring forward a notice of motion. Would you allow Mr. Battiste to take your place and then you can conclude the meeting up to the time with that issue? Would that be okay?

**Mr. Jamie Schmale:** Yes, if the committee's okay with that, it's fine with me.

**The Chair:** Everybody wave if you agree. Okay.

Mr. Battiste, are you ready? Can you do your five-minute round and then we'll conclude with the motion?

**Mr. Jaime Battiste:** I just thought the discussion around procurement was a very interesting one and this 5% as a [*Technical*

*difficulty—Editor*]. Can you elaborate about what it would mean to first nations, what it would mean to communities, if we could increase that?

**Mr. Shannin Metatawabin:** Who are you asking?

**Mr. Jaime Battiste:** Whoever wants to speak to it. I was listening to the earlier discussion and I think it was a great point.

**Mr. Shannin Metatawabin:** I think this is the biggest opportunity for low-hanging fruit for the indigenous community right now. The government, for the past 30 years, has been below 1% as far as a target is concerned, and mostly because it's a cultural change that's required in government. It will take an alignment of all the departments, let alone going to the provincial and municipal governments. It's a \$1 billion dollar opportunity at the federal level, and then we can take that to the municipal and provincial levels.

This is a huge opportunity if we can get the managers who make those decisions at the local level to choose indigenous suppliers, and then if there are consequences for not selecting indigenous suppliers, then we will see a wholesale change and actual businesses getting into it. I used to work for Aboriginal Business Canada 20 years ago and procurement was a big thing, but the whole thing was having indigenous businesses see value in doing it because they got a noes every single time they tried.

If we can turn it into yes's, then you'll see a wholesale change and the 24% that Tabatha was talking about. They'll come out of the woodwork and meet the needs.

• (1250)

**Mr. Jaime Battiste:** Can either of you speak to what the numbers look like on procurement on reserve? I know that some communities have capacity with their own development companies and others don't across Canada. I'm just wondering if you have any knowledge of research that would say that by increasing procurement everywhere, it would increase capacity on reserve as well.

**Ms. Tabatha Bull:** We've done a few studies and some of our corporate members have done some studies on the impact of procurement from indigenous business on the neighbouring communities. Suncor, again, is an example. Based on their procurements—they're purchasing about \$650 million from indigenous business—as well as Imperial Oil in the Fort McMurray region, the annual salary of people in Fort McKay First Nation region is closer to \$75,000 a year versus the average salary in Alberta of \$35,000 or \$40,000 at the time of the study.

So we really see a real direct impact on the community. I spent some time with Mark Little when he was the COO and we met with a number of ministries. He said that it really made a difference for him to know that that's where the money was being spent. When he went to the community, he could see a new elders' facility or a water treatment plant, and knowing that the money's going back into the community and not, in his words, "to somebody's golf course membership", made a difference to him as a socially responsible business owner.

We also see from indigenous businesses that they're able to keep their traditional ways as well. Being able to do seasonal work that allows them to continue to hunt and fish when they want and need to is a real benefit to those communities as well, from a cultural point of view.

**Mr. Shannin Metatawabin:** I also think there's a bit of missed opportunity in communities specifically. You'll have a first nation economic corporation that has the ability to build a water treatment plant bid on a project and not win that contract because of the processes and the eligibility requirements right now on procurement.

We we need to change the whole process to ensure that if we're going to be targeting a certain percentage of indigenous businesses, we make it so that they're able to be awarded the contract. With the scoring system and social impact metrics, there's a wholesale change that needs to happen because the current system is not working.

**Mr. Jaime Battiste:** During COVID, we've seen a lot of different programs based on trying to make sure that businesses are able to access capital through interest-free loans, through forgivable loans.

What opportunities are there for first nation businesses in how we move forward? Are some of these loans something that would be of benefit to indigenous business? What is the actual capacity of indigenous businesses right now to borrow at reduced rates?

**The Chair:** You have just 20 seconds. Go ahead.

**Mr. Shannin Metatawabin:** We'll be launching the emergency response program. It's going to be a \$30,000 loan with a \$10,000 non-repayable portion. However, already in our survey, 46% of the businesses surveyed said they could not afford a loan because they're going to have to earn revenue to repay it and they already have a loan from starting the business. We're not providing them with support other than prolonging what's going to happen, so we really need to take another look at it.

**The Chair:** Thank you.

Mr. Schmale, you're next, but I have a hand up from Mr. Fergus.

Mr. Fergus, is it a point of order?

[*Translation*]

**Mr. Greg Fergus:** Yes, Mr. Chair.

I apologize to the witnesses and to my colleagues. Usually, before I start talking or making a speech, I recognize that we are on unceded Algonquin Anishinabe territory. I completely forgot to mention that this time. I apologize to all the witnesses and, of course, to my colleagues.

[*English*]

**The Chair:** Thank you very much.

Now, Mr. Schmale, please go ahead.

**Mr. Jamie Schmale:** Thank you, Chair.

As previously mentioned, I'd like to move my notice of motion. I can read it if you want.

**The Chair:** Okay.

**Mr. Jamie Schmale:** The motion reads:

That, with respect to the Committee's study of the government's response to the COVID-19 pandemic, the committee invite the Wet'suwet'en elected Chiefs, specifically, Chief Rosemarie Skin, Skin Tyee Nation, Chief Dan George, Burns Lake Band (Ts'il Kaz Koh) First Nation, Chief Maureen Luggi, Wet'suwet'en First Nation, Chief Patricia Prince, Nee Tahi Buhn Indian Band, Hereditary Chief Herb Naziel, Hereditary Chief, Gary Naziel, Hereditary Chief Theresa Tait-Day, and others as required to provide testimony on how the COVID-19 pandemic has affected their ability to enter into open and transparent negotiations regarding land rights and title with the federal government.

Perhaps I could just quickly speak to it. I think I still have the ability to do so.

To my friends on the committee, I think we have seen the elected chiefs in this discussion try to get the attention of not only the minister, but also the province and Canadians in general. The elected chiefs are asking for a voice, and they certainly have a grievance, something to say, given the fact that they feel they were not consulted on this MOU that was negotiated with the hereditary chiefs. As we all know, this MOU is the starting point, but because any decision made by this path going forward has a direct effect on them, we've already seen one chief of Burns Lake First Nation wondering if they are still a band given the fact they have been totally phased out of this process.

We had on the eve of the signing at least four elected chiefs saying that they still, to that point, had not been consulted. COVID-19 has severely disrupted the ability of the elected chiefs to speak to their members, to the people within their bands, about this deal.

This is an opportunity for us as committee members to bring the voice of the elected representatives to this committee and to the public in general to talk about how the process has failed or where we can make improvements, and maybe let's hear from these people.

Chair, that's the motion. I leave it up to you.

• (1255)

**The Chair:** I have hands from Mr. van Koeverden, Mr. Vidal and Mr. Viersen.

Mr. van Koeverden.

**Mr. Adam van Koeverden:** Thank you, Mr. Chair, and thank you, Mr. Schmale.

My colleagues and I are on record, and while we are interested in hearing from everybody, we will be voting against this motion.

**The Chair:** Mr. Vidal.

**Mr. Gary Vidal:** Thank you, Mr. Chair.

I'll make a couple of quick points in the context of it's being insincere to me to claim that this isn't a COVID-related matter. When I asked Ms. Bennett on May 21 in the COVID virtual committee why she proceeded to sign the MOU after a number of factors that I listed, the final part of her response was that "with the beginning of the COVID-19 outbreak it was impossible to do that in person."

On May 22, Mr. van Koeverden, my colleague, in response to Ms. Qaqqaq's motion, said:

While our side disagrees somewhat with the framing, we strongly agree with the premise, and the importance of transparency for indigenous communities, and indeed for all Canadians.

With those two things framing my response, I think it's important that we desire to be open and transparent as we consider these things. If we're not willing to do so, what are we trying to cover up?

**The Chair:** We're at the time right now, so I suggest that we either vote right now or ask for an extension. If we're prepared to go to a vote right now, I would be prepared to take that vote.

**Mr. Jamie Schmale:** Mr. Chair, the reason I agreed to switch my time with Mr. Battiste is that I thought we could have that discussion. Had I known, I probably wouldn't have switched with him, giving myself the full time to debate this.

**The Chair:** I was trying to be as generous as possible. You had more than five minutes left on your time.

We're at the time right now. I'm once again prepared to take the vote. Do we have unanimous consent to continue past the hour?

• (1300)

**Mr. Jamie Schmale:** Yes. I would.

**The Chair:** We will continue.

On my speakers list I have a point of order and an intervention; I have Mr. Viersen and Mr. Zimmer.

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

I wanted to echo my colleague Mr. Vidal's comments about how it seems inconsistent. We passed the NDP motion looking into the blue tents. This seems to be quite a pressing issue as well, and also an issue of transparency. I would expect the Liberals to support this, and I'm amazed they're not.

I will be supporting this motion.

**The Chair:** Mr. Zimmer.

**Mr. Bob Zimmer:** I am concerned about Mr. van Koeverden's comments that he is going to oppose it even before the discussion has finished.

Mr. van Koeverden, have you been told how to vote on this particular issue?

The issue in front of us is the Wet'suwet'en MOU. That's the motion Mr. Schmale has put forward.

**Mr. Adam van Koeverden:** Mr. Zimmer, I appreciate the question, but I'm not sure I have the ability to vote—

**Mr. Bob Zimmer:** I have the floor right now.

**The Chair:** Actually, the chair has the floor right now. I'm not going to accept crosstalk about "did you do this" or "did you do that"? I have a speakers list.

Mr. Zimmer, are you finished? If so, we'll move on to Ms. Qaqqaq.

**Mr. Bob Zimmer:** No. I still have a point to make.

**The Chair:** Go ahead.

**Mr. Bob Zimmer:** The Wet'suwet'en elected chiefs have been contacting me and many others on this committee to have their voices heard on the MOU. Clearly this MOU was done under the cover of COVID. The minister has not rescinded the MOU. She has been asked to resign by the elected chiefs of the Wet'suwet'en. To me, even to have a discussion on the MOU and to hear from the Wet'suwet'en people themselves—the elected chiefs of the Wet'suwet'en who want to have their voices heard are not being heard now. The elected Wet'suwet'en chiefs represent the Wet'suwet'en community. That's who elected them. If we're not prepared to hear the voices of the Wet'suwet'en here today at the INAN committee, my goodness, it baffles me. Why don't you want to hear from the Wet'suwet'en people and their points about the MOU and around COVID?

**The Chair:** Thanks, Mr. Zimmer.

Now we have Ms. Qaqqaq, Madame Bérubé and Madam Gazan.

Next on our list is Ms. Qaqqaq.

**Ms. Mumilaaq Qaqqaq:** *Matna*, Chair.

This situation is already complex and very divided. Adding another layer of complexity, so to speak, I don't think is beneficial for anyone. The NDP will be voting against this as well.

**The Chair:** Thank you.

Madame Bérubé, go ahead.

[*Translation*]

**Ms. Sylvie Bérubé:** Thank you, Mr. Chair.

We are not against virtue. However, our committee meeting is about COVID-19. We can agree with this motion, but I propose that we set it aside for two hours. I propose that we only speak about it for an hour, as planned.

[*English*]

**The Chair:** Thank you.

Ms. Gazan, go ahead.

**Ms. Leah Gazan:** Thank you, Chair.

I have a couple of observations. During these COVID committees we've had ample time, probably at every committee meeting, to bring this issue up. However, quite frankly, at this meeting, accusing people of ultimatums without a factual basis but based on a hunch is not very collegial behaviour. It's certainly not helpful to working together and dealing with life and death matters and COVID.

I have to share that I'm pretty disillusioned by the reasons that our colleagues around the table continue to use disrespectful tactics to get their point across. I'm more than happy to discuss the reasons I certainly support my colleague voting no. I'd appreciate speaking on that on a one-on-one basis, and certainly not based on assumptions.

Thank you.

• (1305)

**The Chair:** Thank you.

Now I'm going to ask that we vote on the matter of the motion that was read earlier by Mr. Schmale.

(Motion negatived)

**The Chair:** That brings me to the end of the meeting. We'll see you all next Tuesday at our subsequent meeting.

This meeting is adjourned.

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