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## **Standing Committee on Natural Resources**

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**EVIDENCE**

**Thursday, October 27, 2016**

**Chair**

**Mr. James Maloney**



## Standing Committee on Natural Resources

Thursday, October 27, 2016

•(0845)

[English]

**The Chair (Mr. James Maloney (Etobicoke—Lakeshore, Lib.)):** Good morning, everybody. Thank you for joining us this morning.

We have two substitutes this morning. They have kindly agreed to participate. I thank Mr. Hoback and Mr. Rusnak for their participation.

We have two groups of witnesses today, which we're very grateful for. One of them needs no introduction.

Then we have Mr. Rae, who is joining us as well.

**Voices:** Oh, oh!

**The Chair:** Thank you, Mr. Rae, for being for here today.

Ms. Murphy and Mr. Van Dine, we appreciate your taking the time to join us.

I will stop there and turn it over to you to start. We'll give each of you up to 10 minutes to speak, then we'll turn it over to the committee members for questions.

Thank you again for joining us.

**Hon. Bob Rae (Partner, Olthuis Kleer Townsend):** Thank you very much, Mr. Chairman.

To you and members of the committee, thank you very much for the invitation to attend. I had the opportunity yesterday to speak to some of my colleagues in Parliament, but I also had a chance to meet with a Chamber of Commerce round table that looked at the growingly important interface between the concerns of first nations and aboriginal people broadly and the resource industry across the country.

Many of you who know me will know that this is a surprising statement: I will try not to make this in any way, shape, or form a partisan or contentious presentation. I have had the opportunity in the last several years, since leaving Parliament in 2013, to work on behalf of first nations in a number of negotiations across the country, including in British Columbia, Manitoba, and Ontario. I have also been, for the last two years, a visiting professor at the University Toronto, where I teach indigenous law and public policy issues.

The thrust of my remarks is the following. The difficult reality is that ever since 1867, the resource issue has focused on the provincial governments. The Supreme Court has just reaffirmed this in a decision involving the Grassy Narrows reserve. The Supreme Court

has made it clear that the provincial government is as much the crown as the federal government with respect to resource development.

At the same time, the federal government has key jurisdiction because it is directly involved, under section 92, to take responsibility for issues affecting aboriginal people. Those responsibilities were confirmed when Parliament repatriated the Constitution in 1980, in particular because of section 35, which is the section of the Constitution that affirms Parliament's recognition of aboriginal rights and title. That has led, as you know, to a whole range of Supreme Court decisions since 1980 that have made clear the responsibilities to accommodate and to consult with first nations before resource development takes place.

Finally, we have the existence of the UN Declaration on the Rights of Indigenous People, which Canada has signed. The other significant legal reality or policy reality is that in their report, the truth and reconciliation committee made it clear—it was one of their clear recommendations—that the UN declaration should become the basis of Canadian public policy as it relates to relations between first nations and the crown.

All of this is to say that we're living in a world in which the question of how to successfully engage first nations is the key to future resource development. Putting my policy wonk hat on, I'd say that when the great developments occurred, for example, in my own province of Ontario, in the north, the discovery of nickel in the Sudbury basin, which was an extraordinary bonanza in terms of its implications... It's been in existence for over 100 years and it's still going strong. That development took place without any participation by indigenous people. It took place without any recognition of their rights or title. It very much excluded them in terms of the impact of the development. The resources and revenues from those developments were never shared with first nations.

•(0850)

We can't do business like that anymore. The challenge we face, and I can tell you that this was very much an item of discussion in the chamber meeting I attended, is that there is now an obligation on the part of the crowns, both federal and provincial, to continue to clarify what they mean by "engagement" and what they think the terms of engagement should be.

I would make the observation that from my experience, large companies have the capacity and the means to engage with first nations. Their record of doing so, it has to be said, is improving. In terms of the known structure of creating impact benefit agreements, going onto reserve, talking directly about the need for sharing of benefits, a respectful negotiation—that is all happening in some very important and significant cases. It's important for us to recognize that. But as the members of this committee will know, mining is a business in which prospecting and exploring are carried on by much smaller companies, and staking claims is usually carried out by smaller companies. They don't have the means and they don't necessarily have the capacity to conduct the kind of engagement with first nations that's required.

It has to be said that from my experience, across the country there is a considerable difference of opinion between first nations, smaller companies, and the provincial crown as to what is the appropriate method of consultation. I think that's an area in which the federal government has a clear role to play, not in the sense that the federal government's power or authority is total, but in the sense that the federal government can't now ignore its responsibilities because of its constitutional authority, and frankly because the federal government has said this is the direction in which we want to go in terms of the process of consultation. That carries with it a responsibility to really be engaging with the provinces and first nations about how that is going to be done. It's not going to be easy. It's not easy, because as I've said, it's a contested area. But it's quite essential.

I've had the opportunity to work particularly in the last three years in northern Ontario. Without getting into the details—I don't want to take more than my allotted time—nine first nations in the Matawa tribal council have signed a regional framework agreement with the provincial government, and negotiations to make further progress are carrying on.

We have indicated to the federal government, and this is another opportunity for me to do so, that we would like to find a more effective way of engaging with the federal government in terms of the Ring of Fire. Both the predecessor government and this government, I would say, have taken an interest and have shown an interest, but we're now at a point where we need a further degree of engagement. That's something we've been making clear.

• (0855)

[Translation]

Furthermore, I thank the committee.

[English]

It has been a year since many of you have been elected. I congratulate you and wish you well. It's always a great honour for me to return to this place and to see the people who are working hard for the public. I really do continue to relish my days in the House of Commons, even though some of you may have more mixed memories than I do.

**Voices:** Oh, oh!

**Hon. Bob Rae:** Thank you very much for the opportunity.

**The Chair:** Thank you, Mr. Rae. You're right on time. It's almost like you've done this before.

I'll turn the microphone over to Mr. Van Dine, please.

**Mr. Stephen Van Dine (Assistant Deputy Minister, Northern Affairs Organization, Department of Indian Affairs and Northern Development):** Thank you. *Merci beaucoup.* Good morning, everyone.

I'd like to thank the chair for the opportunity to appear today. I have with me my colleague Sheilagh Murphy, assistant deputy minister of lands and economic development at Indigenous and Northern Affairs Canada.

My responsibility, as the assistant deputy minister for northern affairs, principally involves the three territories and the structures therein. Today my remarks will focus on our role in mineral development in the north, principally the mandate for northern development and its regulatory responsibilities, which arguably are a bit different from other parts of Canada.

There's a gentleman I believe you may have heard about in academic circles, a gentleman by the name of Dr. Ken Coates. He is involved with the Macdonald-Laurier Institute. He has written quite a bit about the relationship between indigenous players and government. One of his many theses that he refers to is how the north can actually provide a lesson to the rest of Canada with respect to relationships with indigenous peoples and industry.

[Translation]

Mineral development in Canada's north is important to northerners and all Canadians. Mining and related activities are the largest private sector employer of Indigenous peoples and the largest private sector contributor to territorial GDP.

[English]

Mineral resource development has played an integral role in opening up the north. Mr. Rae remarked upon the Sudbury experience. Going back even further, it started with the Klondike gold rush in the Yukon in the late 1800s; to over the past 50 years, gold mining in Yellowknife and the development of its hydroelectricity capacity; to the building of the railroad in Hay River for the Pine Point lead-zinc mine in the Northwest Territories; to the present-day mining of diamonds in the Northwest Territories, making Canada the third-largest value producer of diamonds in the world.

Current gold mining activities in Nunavut also have the potential to be transformative, with the development of areas that have high potential to be mining camps' equivalent to the Abitibi belt in Ontario and Quebec, which has produced precious and base metals for over 100 years. With this type of sustained development can come important legacy infrastructure that Nunavut desperately needs, such as the Manitoba to Nunavut infrastructure corridor, development of green hydroelectric power to replace Nunavut's current dependence on diesel, or a Yellowknife to Arctic coast "road to riches" that can facilitate other discoveries, and enable sustainable mineral development for generations to come.

[Translation]

Through the Department of Indian Affairs and Northern Development Act, the minister is responsible for the economic and political development of the north. More specifically, the minister is directly responsible for resource management, including lands, waters, minerals, and oil and gas, in Nunavut, in the same manner as provincial governments in the south.

[English]

The minister exercises these responsibilities in the management in two ways: first, through the issuance of rights for land, minerals, gravel, and oil and gas; and second, through policy development and decision-making in the regulatory process.

Mining development on crown lands in Nunavut is managed pursuant to the Territorial Lands Act and its related regulations, including the Nunavut Mining Regulations. These regulations deal with mineral tenure and royalties on mining, and are administered by the department.

The northern regulatory regimes were created to ensure responsible resource development in a remote region while providing for environmental protection. Each northern territory has its own resource management regime depending on its particular political development.

In the Yukon and the Northwest Territories, the administration and control of lands and resources was transferred to the respective governments through their respective devolution agreements. Territorial legislation was passed to regulate the transferred responsibilities.

Nunavut has a single land claim agreement, which the Inuit of Nunavut and Canada signed in 1993. This agreement establishes the regulatory regime for project development and the establishment of five boards to manage these projects. Those boards deal with the following five areas: land use planning, environmental assessment, water rights issuance, surface rights disputes, and wildlife management.

● (0900)

These co-management boards and institutions of public government are tremendous examples of how indigenous peoples and communities are meaningfully engaged through all the stages of mineral development. At their core are the principles of the land claim agreement that was signed.

Nunavut is unique in that Inuit are the largest freehold landowners in the world. Their Inuit-owned lands represent approximately 20%

of the two million square kilometres that make up Nunavut, over which they have surface rights of 20% and subsurface rights of 2%. During the negotiation of the Nunavut Land Claims Agreement, the subsurface land parcels were selected for economic potential based on advice provided by geological consultants. As a result, approximately 70% of the active mining leases are located on 2% of the Inuit-owned lands with the subsurface rights. This offers tremendous opportunity for economic development but also presents a great challenge due to remoteness and lack of infrastructure.

[Translation]

As I have briefly outlined, the department has a role in northern mineral development, from political evolution through to devolution and land claims, and we retain responsibility for lands and waters, including improving the environmental assessment regimes.

Thank you for your time. I look forward to the discussion.

[English]

**The Chair:** Thank you.

Ms. Murphy.

**Ms. Sheilagh Murphy (Assistant Deputy Minister, Lands and Economic Development, Department of Indian Affairs and Northern Development):** Good morning, and thank you, Mr. Chairman, for the opportunity to speak today.

I would like to share some of the steps taken by Indigenous and Northern Affairs Canada to improve first nations participation and benefits gained from mining projects.

The federal crown has a fiduciary obligation towards Canada's indigenous peoples. An important component of this obligation is meaningful consultation and accommodations surrounding the management of first nations lands and resources. I would also add that resource extraction near first nation lands and traditional territories benefits from meaningful consultation.

Number 92 of the Truth and Reconciliation Commission's calls for action calls upon the corporate sector to adopt the United Nations Declaration on the Rights of Indigenous Peoples, and to apply its principles, norms, and standards to corporate policy and core operational activities involving indigenous peoples and their lands and resources.

[Translation]

As a country with a strong legacy of the rule of law, Canada is well-positioned to operationalize UNDRIP's call for free, prior, and informed consent in a manner that ensures long-term benefits for all parties involved.

[English]

In Canada the majority of reserves are located south of 60. The federal government regulates on-reserve mining primarily through the Indian Act and the Indian Mining Regulations. Mining represents an important area of economic development for first nations. Over 500 aboriginal communities are situated near Canada's biggest oil, gas, forestry and mining projects. The mining industry has signed over 350 negotiated agreements, and it is one of the largest private sector employers of aboriginal people.

• (0905)

[Translation]

However, these figures represent only a small portion of the potential benefits to First Nations.

[English]

Although approximately 50% of Indian reserves have mineral potential, first nations typically do not own the rights. The minerals are generally owned by provincial governments, who lease the development rights to mining companies. A typical mining development on reserve involves private companies, provincial governments, one or more indigenous groups, and the federal government.

In 2012 a first nation-INAC working group examined the issues surrounding on-reserve mineral exploration. The recommendations pointed to the benefits that could be realized if the process on reserve mirrored the provincial regime. The working group also underscored the importance of training, skills development, and access to capital.

Based on these recommendations, INAC published new permitting guidelines. This year, INAC will finalize a new directive that will clarify the issuance of mineral permits and designations for mineral exploration. While the Indian Mining Regulations will continue to be used for exploration, it was recommended that the First Nations Commercial and Industrial Development Act be used to regulate active mines

An example of a modern on-reserve mine is the Muskowekwan First Nation's potash project, which proposes to use the First Nations Commercial and Industrial Development Act to incorporate by reference provincial regulations. Members demonstrated their support with a positive vote under the Indian Act land designation process. During construction, it is anticipated that a thousand jobs will be created, and that throughout the 50-year span of the mine, the first nation will earn approximately \$80 million per year.

[Translation]

This approach raises the benchmark on how mining projects should proceed on reserve lands.

[English]

Of course, the settlement of land claims is complementary to the success of the mining industry. Through negotiations, progress is being made through Canada's specific and comprehensive claims policies. Mining projects on or near first nations lands would be subject to environmental assessment pursuant to the Canadian Environmental Assessment Act, 2012. Mines are specifically identified under the regulations designating physical activities. They

would therefore require a comprehensive environmental assessment overseen by the Canadian Environmental Assessment Agency.

In addition, Canada has statutory, contractual, and common law obligations to consult with aboriginal groups. Our department has developed guidelines that provide practical advice and guidance to federal departments in determining when the duty to consult may arise and how it may be fulfilled. The department facilitates mining activities near first nations lands through supportive programming. One example is the strategic partnerships initiative. Launched in 2010, this initiative has supported over 400 aboriginal communities and organizations in pursuing natural resource and economic development opportunities. It has developed over 100 new partnerships and leveraged nearly \$100 million in additional funding from other sources. It has been a key funding vehicle for aboriginal communities in both the Ring of Fire and the Labrador Trough.

Industry is responding. According to the Mining Association of Canada, a number of project proponents are working collaboratively with indigenous communities by establishing impact benefit agreements. This is a step in the right direction.

To finish, I would like to note that the overall conduct of how mining projects proceed, on or near first nations lands, is related to their success. Government and industry must ensure meaningful engagement, up to and including shared benefits with the community.

[Translation]

Thank you again for the opportunity to speak today.

I will be happy to answer any questions you may have.

[English]

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

I'll now turn the mike over to Mr. Rusnak.

**Mr. Don Rusnak (Thunder Bay—Rainy River, Lib.):** Thank you to all of you for your presentations today.

I'll start off with you, Mr. Rae. I'm familiar with mining in northwestern Ontario. That's the area of the country I come from. My mom is Ojibwa and my father is Ukrainian. I've been involved with first nation organizations in that area of the country for quite a while. First nations dealing with mining companies in the far north hasn't been a positive experience to date.

How would you suggest the federal government get involved and hopefully help smooth out some of those trouble areas? I'm not meaning to insult my friends from the department, but I've been hearing that a lot of first nations are very frustrated dealing with INAC. Would there be any other mechanism or department within the federal government to deal with these issues?

• (0910)

**Hon. Bob Rae:** My view would be that the federal government engagement needs to be coordinated between departments much more effectively than it has been. First nations have to fill out forms every time they file for an application, whether it's for FedNor, INAC, the Department of Health, or whatever it is. It's becoming quite burdensome on communities, because they simply don't have the capacity to engage as much as they're being asked to engage. That is one of the practical challenges being faced.

I think the problem goes back to the fact that, under the crown's interpretation of the treaties, lands were surrendered to the crown, whether federal or provincial. In the case of Ontario, it's provincial. That's not the interpretation of any of the treaty chiefs now, as you will know if you talk to any of them in Ontario or right across the country, all the numbered treaties. So one of the ironies is that there's actually been better experience in engaging with the companies and with governments outside the treaty territories, which means we had more breakthroughs in Quebec and British Columbia, for example, and in the territories, as Stephen has pointed out, than we've had in any of the provinces that are covered by treaties. As you know, most of the landmass south of 60 is covered by the numbered treaties.

So I really think it's crucial for the federal government, without getting too complicated about it, to begin to address this problem with the provinces on a really practical basis, to say, look, we have this issue of engagement; we have the view of the first nations that their scope and jurisdiction extends well beyond what the crown has historically considered to be the case; so we have to create a new partnership.

I'll just give you an example. As Stephen described, they have co-management boards in Nunavut and in the Northwest Territories that are dealing with huge issues of land management. There's no such institution in Ontario. Now, there may be, as a result of the regional framework—we may be able to get there—but like all negotiations, they take a lot of time.

Therefore, I would suggest, respectfully, that the federal government could start to look at some particular developments in the old numbered treaties and ask how it can actually make some better progress and improve the relationships. Frankly, these are the poorest people in the country. If you look at who are the worst-off people, you'd have to say it's the people who are living in remote communities in the provinces where neither government has been particularly determined to exercise its responsibilities. We have to figure out a way to do it better. That means a much greater engagement by the federal government in working with the provinces.

The provinces are critically important. They have the revenue from all the resource development. They have the historic jurisdiction in controlling and managing land, and hunting, resource issues, fishing, and all of that. There's MNR and MNDM. These are

big ministries in Ontario. They have huge responsibilities. We really have to move to a new relationship in terms of how that works out. I think the federal government has to be at that table in helping us to do that.

**Mr. Don Rusnak:** Not so long ago, the Minister of Innovation, the Minister of Status of Women, and I met with Matawa chiefs.

**Hon. Bob Rae:** I'm aware of that meeting.

**Mr. Don Rusnak:** They essentially said that nothing was going to go on in their territory until their issues were dealt with. One particular chief—

**Hon. Bob Rae:** I think I know which chief you're talking about.

**Mr. Don Rusnak:** It wasn't about a road to a mine, although the road was important. It was about infrastructure in their communities: building health centres and schools, dealing with the housing, dealing with their water.

How has the department been doing in terms of ramping up in terms of that area of the country?

**Ms. Sheilagh Murphy:** In terms of the Ring of Fire and the nine Matawa communities, through our strategic partnerships initiative we have been working collectively with Health Canada and the Province of Ontario to try to get the nine Matawa communities to sign on to a new whole-of-government approach to address their infrastructure and priority needs. We have three communities out of the nine that are working with us now to address priorities such as water, housing, and some of their health problems.

It's slow going. The capacity there needs to be built. We're working on how we can build that capacity, respecting their governance, and trying to do a whole-of-government approach.

Mr. Rae mentioned their having to make applications to several departments. We've pushed that away, and we're working with them through a single-window approach to try to lift up that capacity of those communities so that when development does occur, they're better prepared to take advantage of that development.

This is new for us. It's a pilot that we're trying in some very disadvantaged communities. If that pilot works, then I think it sets the stage for more horizontality across departments to deal with first nations communities in addressing their needs and equipping them to be better positioned to take advantage of development down the road.

There is a large investment out of budget 2016 associated with this for housing and infrastructure, such as water treatment plants, but it goes beyond that. We have to be more present, with the Province of Ontario, in helping those communities build the capacity that they currently don't have, and that's been the focus in the Ring of Fire most recently.

• (0915)

**The Chair:** Thank you.

Mr. Strahl, over to you.

**Mr. Mark Strahl (Chilliwack—Hope, CPC):** Thank you, Mr. Chair.

Thank you to all of you. It's good to see you again.

Mr. Rae, you said you didn't want to be political, but I'm sure the history books will show that your leadership paved the way for Justin Trudeau's large majority government. We thank you, obviously, for your service to the country in your previous elected capacity and now for continuing to try to facilitate some development for the people you're working for.

I want to focus on the United Nations declaration. I was the parliamentary secretary to the Minister of Aboriginal Affairs when the initial TRC report came out. We were fairly surprised that the Liberal Party at the time right away said that they were going to adopt every recommendation in the TRC report, including, most significantly, UNDRIP, and that one of the recommendations is not only that Canada sign on but that they enact it and basically make it effective in Canadian law.

As you know, the previous Conservative government initially didn't sign, and then did, with the caveat that it was aspirational and that they couldn't see it working with section 35 and our constitutional framework. We've since seen that Minister Wilson-Raybould has said that adopting the whole thing into Canadian law is now unworkable and simplistic.

I have a couple of questions. First, do you think we can adopt UNDRIP into Canadian law, given the current constitutional framework, as was proposed by the TRC and promised by the government in the election campaign?

The second question is perhaps a little more complex. The Supreme Court has ruled that there is a duty to consult and accommodate, where necessary. I think industry has come to grips with that. As you've said, certainly the bigger companies are trying to meet that standard when they can understand it. Free, prior, and informed consent in UNDRIP is a different standard, I would argue, and I know you have said that it's a key principle of the UN Declaration on the Rights of Indigenous Peoples.

The Boreal Leadership Council has said, for instance, "It must be noted that FPIC cannot exist where a people does not have the option to meaningfully withhold consent." It sounds like a veto in common layman's terms. Minister Bennett has said that FPIC does not constitute a veto.

There is a lot there. In your opinion, does FPIC constitute a veto over projects that do not have the consent of first nations on their traditional territory, and do you think UNDRIP can be implemented completely, as has been suggested, within the Canadian context?

● (0920)

**Hon. Bob Rae:** I think we only have a restricted period of time. I'm not using that as a way of excusing not answering the question. I will try to answer it, but it is part of a longer discussion.

The first thing I would say is that within its own jurisdiction the federal government can of course implement UNDRIP. It's entirely within its jurisdiction to do so, but the reality is that the phrase "Canadian law" also includes the provinces as well as first nations,

and so far no province has come forward to say that they are going to implement UNDRIP in whole.

My own personal view is that the UN declaration has to be seen as part of a whole range of approaches to first nations issues, in which, frankly, Canada has been very much a participant for the last 50 years. We've seen extraordinary developments in our own country with respect to first nations participation, involvement, consent, and so on. We obviously have to look at our own particular approaches that we've taken under Canadian law, and under the Supreme Court of Canada's quite complex journey that they have taken the country on with respect to the meaning of section 35, and how section 35 implies self-government and implies other inherent rights that are in place.

I don't believe you can have successful development in the traditional territories of the first nations without their consent. I don't believe it's practical to do it, I don't think many companies would want to do it, and I don't think any government would want to impose something on a people who simply don't want that development to take place. My experience has been that in most circumstances people want development to take place as long as it's development that's responsible and sustainable and they can be fully involved and engaged in it.

I think there has to be a real engagement by the federal government and the provinces with the first nations to take the country on a journey to greater clarity with respect to what is involved in this engagement and in the principle of free, prior, and informed consent. I think we will get there. I'm confident we'll get there, but it will take much greater engagement than we've seen so far.

The Federal Court decision in the Northern Gateway case, I think, is a clear indication from the courts that you have to get this engagement right. There are many instances—and that's probably the most high-profile one we can think of—where the courts have said "you just didn't meet the standard", and that's the standard we have to meet.

I know the phrase "veto" gives everyone a lot of concern, but, practically speaking, even the smallest companies I've dealt with in the far north of Ontario say that if people don't want them there, they're not going there, because they can't physically function there if there's ongoing opposition from people. Look at the dispute around Muskrat Falls in the last two weeks. Given the level of confrontation and the difference of opinion, the fact of the matter was that there had to be a resolution. You need to find practical solutions to these things without seeing it as a decision that's always going to be decided by the courts.

I think we're moving to the point where it's governments that are going to have to take more of these decisions and be further engaged in that.

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

Mr. Cannings.



**Mr. Richard Cannings (South Okanagan—West Kootenay, NDP):** Thank you.

Thanks to all of you for being here today.

I would like to start off with you, Mr. Rae, to continue that conversation. You mentioned the differences in approaches or opinions between the governments and the numbered treaties lands, and you talked about co-management boards in the north. In passing, you mentioned British Columbia. I'm from British Columbia, and I wondered what lessons.... You mentioned the Northern Gateway decision, but we've had others. There was the Tsilhqot'in decision, and maybe we could go back to Delgamuukw. Those decisions and how things are being done in British Columbia might—I don't know if "model" would be the right term—point the way for more action.

● (0925)

**Hon. Bob Rae:** I think the Government of British Columbia and Premier Campbell led the way. I think he led the way because he realized that there was no alternative but a different relationship with first nations.

For three years I had the honour of serving as chair of the first nations limited partnership in B.C., which was a partnership of 16 first nations involved in the proposed Pacific Trail Pipeline. Those first nations negotiated a breakthrough agreement with the oil companies and with the Government of British Columbia that guarantees environmental monitoring and control of the project with respect to how that project will proceed, ongoing consultation, and substantial economic benefits to the communities, some of which have already flowed. It's a remarkably progressive document that also looks at advantages in terms of contracting, jobs, and all those opportunities.

Those kinds of development negotiations are happening across the country. To me it's one of the ironies, when you think about it, that's it because B.C. was uncomfortable with treaties, going back to the 19th century, where there is a part of British Columbia...it's covered by Treaty No. 8, which is now in court over the Site C development. B.C. and Quebec have made more progress with respect to building stronger partnerships and engagement than has taken place in the treaty provinces, because the treaties have been used as an excuse for the province and the federal government to say, well, you have your treaty; there's your deal.

When you compare that deal to the other deals that are now being signed in the non-treaty provinces, there's no comparison. That's what is creating the resentment in the treaty groups. That's what is creating this sense of total frustration that they are not getting the kind of partnerships and the kind of benefits they see other provinces getting.

**Mr. Richard Cannings:** I want to switch to capacity and education. We hear of the close connection between first nation groups and mining developments and job availability. I'm just wondering if perhaps all three of you could comment on the role of the federal government in promoting increasing funding for education in first nations, right from elementary school up to post-secondary, and how that could enhance all of this connection and co-operation.

**Hon. Bob Rae:** Again, it's a big topic, but briefly put, we know that Mr. Harper and the national chief signed an agreement on

education that didn't carry. Now we have to go back and figure out what new agreement on education we can get to.

I think, frankly, it would also involve the provinces, because there's so much of a connection in the jurisdictional issue for education at the provincial level that they have to be involved. I don't think the first nations are opposed to that. In fact I think it's one of the approaches they would look at now very carefully.

Lots of exciting things are happening in higher education, not just in primary but also in post-secondary. We have more people enrolled now in community colleges and aboriginal institutes. We have nine aboriginal institutes in the province of Ontario, which are about to get formal recognition from the province, and there are a lot of very exciting developments. Again, the federal government needs to be involved, because this thing is moving on the ground very quickly.

**Ms. Sheilagh Murphy:** There's certainly, along with our department, which has funding for economic development to look at opportunities for communities to take advantage of development, also Employment and Social Development Canada. They have their ASETS program and their strategic partnership fund, which is focused on looking at where the emerging labour market is going and how indigenous communities and individuals can prepare for that. There has been a lot of work strategically to look at mining and mining opportunities in areas like the Ring of Fire, northern Quebec, and elsewhere to better equip individuals to have the skill sets so that when those mines come on stream, they are ready for that.

We do work more with the communities rather than necessarily the provincial government. Sometimes it's the provincial government, as well, trying to figure out how to bring all the resources to bear. We are strategically looking at where the emerging opportunities are and trying to gear individuals to take up training that will land them a job in that sector. It won't necessarily be right in their home community. Mobility may be part of the solution. Certainly we are much more targeted in the way we approach that than we would have been maybe 10 years ago. Through the strategic partnerships initiative, we get all 15 federal departments together, look at those opportunities, and figure out who can do what around regional development. For the Labrador Trough, the Ring of Fire, and in and around major pipeline projects we are looking across departments to see where the opportunities are and working with communities to package up projects focused on skills training and development, community preparedness, engagement, etc., so that they are better prepared.

● (0930)

**The Chair:** Thank you, Mr. Cannings.

Mr. Serré, go ahead.

**Mr. Marc Serré (Nickel Belt, Lib.):** Thank you, Mr. Chair.

Thank you to the three witnesses this morning.

My first quick question is for you, Mr. Rae. You mentioned that you spoke with the Chamber of Commerce yesterday. What value do they put the Ring of Fire at as far as economic development for Canada is concerned?

**Hon. Bob Rae:** I think the potential of the Ring of Fire is huge, and the estimates go very high, but the fact of the matter is that developing a resource like that, in addition to requiring the participation and consent of the first nations, also requires considerable infrastructure investment over quite a substantial period of time. Frankly, it also requires a different market condition. I mean, mining is in the tank right now, except for gold mining, because of prices. That's what is behind the challenge we've had.

**Mr. Marc Serré:** Correct. And really, in the last two days...and I know we had an opportunity to speak yesterday; I really appreciate the framing of the treaties versus Quebec, B.C., and the territories.

I am hearing today that you are working with the province to develop the regional framework with the first nations in northern Ontario. Then I'm hearing that INAC, on the federal side, is doing the same independently, when you're looking at a whole-of-government approach.

I know that we're really, as I think we're discussing today, moving forward in what is really new territory. It has never been done before. So it's not a criticism of what we have done in the past, but I want to hear your comments on this, Mr. Rae. We really have to pause right now and say, listen, we have to do a new approach. The old structures, with federal and provincial, will not work moving forward. But right now we're continuing with discussions, INAC with the first nations independently, and the province is also dealing with the first nations independently. I can see the confusion of first nations: who are they dealing with?

How do we bring it home, moving forward?

**Hon. Bob Rae:** I think there is an effort to deal with this. We are a complicated country. It's not that easy. But I think there really is now a renewed effort to do that.

At the federal level, I had the opportunity to meet with the Clerk of the Privy Council to talk about this. Because of his former position as deputy, he is very much aware of the challenges. I know that the two levels of government, Ontario and Canada, are going to be talking at the senior bureaucratic level, the officials level, to try to coordinate activity.

One of the reasons for my being so quick to accept the invitation to speak here was to indicate that the clients I represent in northern Ontario are very interested in improving the connectivity between governments and us as we try to make some more progress, and I think that's going to happen. I am very confident that's going to happen. I think it's important that we keep trying to make that kind of progress, because I think it can be done.

● (0935)

**Ms. Sheilagh Murphy:** I'd just like to jump in here. I didn't want to leave the impression that we're not working with the provinces. When we look at community capacity development, definitely, as Mr. Rae has said, in the area of the Ring of Fire, the project that we're doing there has Ontario at the table with us. They are sitting there and they are part of our project.

Certainly, in a couple of weeks, deputies from across the federal government will be sitting down with deputies in Ontario to look at a range of issues, many of them focused on indigenous issues in northern Ontario to come up with a collaboration agenda. There's already collaboration happening, but this will help formalize it in terms of where we have some sticky points and what we want to try to work together to unlock. The Ring of Fire is part of that.

In terms of other parts of the country, again we do work with the provincial governments in trying to unlock and work on solutions. It's just that sometimes access to programming is a federal program, so skills training and development on reserve tends to be done more within the purview of the federal government than that of the provincial government. There are ASETS organizations that are run by first nations and work with communities. They are funded by the federal government. That's their *porte d'entrée* into skills training and development.

Provinces may come to that table, dollars may be brought to that table collectively around a project, but they have their own organizations that receive federal funding to take care of the on-reserve population. Sometimes it isn't necessarily all woven together as well as we might like, but certainly where there's opportunity, we are sitting with the provinces and collectively trying to work on solutions with communities.

**Mr. Marc Serré:** Mr. Rae, regarding the regional framework you discussed that was signed in 2014, which you're negotiating to finalize, are we involved in that? What's the federal role in that regional framework, which will be signed very shortly with the chiefs?

**Hon. Bob Rae:** Well, what I'm hoping is that we can be making some progress on the further details of what we're going to be able to discuss. The federal government so far has not been part of the process. In our discussions, I think the province and the first nations are agreed that it's important for us to increase the level of discussion with the federal government, because there are some implications.

Just to give you one simple example, if you move from being a remote to a, quote, "road access" community, that affects your INAC funding. One of the things we hear from the communities is why would we agree to something that's going to affect our transfer payments from INAC? We then have to say, well, let's look at the overall range of things that are being done and make a difference that would actually allow people to feel more comfortable in how they come about making those decisions.

That's just one very small example, but there are others as well in terms of how roads are going to be funded, how electricity is going to be funded, how broadband is going to be funded, and so on.

I'll give you another example. We're trying to develop more of a community health approach within the Matawa region. We've had some support from the government to do that. We have some proposals on the table and some stuff is being done, and we're working with the Lakehead school and so on. I had a meeting the other day with the dean of the northern medical school of Lakehead and Laurentian. He told me, look, we don't have connectivity in the communities that's sufficient to allow us to put in the most up-to-date radiological equipment; we're still in the 1950s in terms of what it takes to get an X-ray from Eabametoong to Thunder Bay and to then say what the treatment is. As a result of that, for the relatively simple procedures, everybody has to leave town. Everybody has to be flown out. You fly out of Eabametoong, you fly to Thunder Bay, you stay overnight, your family comes down, and then you fly back. It's inconvenient for the individuals, it's hugely inefficient, and it's extremely costly.

We're wasting lots of money because we're simply not upgrading the infrastructure in these communities. That's a practical example of where the federal government is going to be involved with those discussions if we're going to be successful at making the breakthroughs we need.

• (0940)

**The Chair:** Thank you.

Mr. Barlow.

**Mr. John Barlow (Foothills, CPC):** Thank you very much, Mr. Chair.

Thanks to our witnesses for being here and for providing some great information.

Mr. Rae, you were talking during your presentation about the process for engagement and the responsibility for consultation. In your own legal opinion and from your experience, what is the difference between consultation, engagement with first nations, and receiving consent? I look at Northern Gateway, and 28 first nations have signed on to that agreement. For the Pacific Northwest LNG, four to five first nations have signed agreements. But these projects haven't proceeded.

When we have multinational companies who are providing a lot of the capital for these projects, those multinationals have their fingers in a lot of pies around the world. I would think that they would be looking for jurisdictions where there's some sort of reality and they know the process. They know what the potential would be—maybe not the result, but they know that there is a defined process in place.

Certainly some of the feedback we're getting is that there is a lot of uncertainty right now because of this consultation process. In your opinion and your experience, when we talk about the duty to consult, is there a duty also to have unanimous consent? Where can we say that we've done our due diligence and we now have the support to proceed? We're talking about four to five on Pacific Northwest LNG, and 28 first nations on Northern Gateway, but we're still having trouble getting to the finish line with these.

I'd really appreciate your input on how you see that.

**Hon. Bob Rae:** I don't think there's a simple answer to your question, but that doesn't mean we shouldn't be working together to

find the answer that everybody can look at and say this is a reasonable implementation of the principle.

I also think this is something that's incumbent on first nations themselves to start to discuss among themselves, to talk about, well, how many...? You know, do we have referenda, or not a common mechanism? Bands and councils pass resolutions. They are what we call BCRs in the business. That represent the opinion of the chief and councillors. That constitutes the approval by the band, or the agreement by the band. Does there need to be a further referendum consultation with the members of the band?

Don't forget that the Indian Act bands are creations of the Indian Act, which means they're creations by a colonial government. If you look at the approval of a people, you're looking at broader than going beyond the boundaries of one band or another. You're looking at saying, well, we need to have the support of a majority of the people who are members of the first nations who are living along a pipeline: how do we do that?

You went from the word "consent" to "unanimous consent".

**Mr. John Barlow:** Right.

**Hon. Bob Rae:** I don't think anything says that consent has to be unanimous. We're watching an American election. It won't be unanimous.

We need to listen to the first nations, for them to tell, for them to engage, to say, well, what's your definition of consent, and what is the governance that's going to be associated with this consent?

**Mr. John Barlow:** So you're saying that if we have a majority, we're on the right track.

**Hon. Bob Rae:** I'm saying there needs to be an agreement on a process to reach consent.

It's also a simple practical reality, particularly when you're looking at developments in remote communities. How would you propose to build a mine if a community right next to it is completely opposed to it? How much policing are you going to bring in? Are you going to bring in the army? Like, what's involved here? There has to be consent. There has to be a substantial degree of consent.

Instead of arguing about UNDRIP, which I don't think is very useful—that ship has kind of sailed—it's incumbent on us to say, well, this is how we interpret it, and this is how we think we're going to implement it. Quite frankly, it's not simply going to be the federal government alone determining this question, because the provinces are directly involved and the first nations are directly involved.

So yes, it's a challenge. We have challenges of governance. Many of the challenges of governance we have are created by the Indian Act and are a product of an act that, in my view, has to be completely changed. I put forward a private member's bill to get rid of it, so I think everybody knows how I feel about it. I think it stands in the way of reason in terms of our getting to the next stage of the relationship.

• (0945)

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

Unfortunately, that's all the time we have this morning.

I want to thank all three of you very much for taking the time to be with us today. Your attendance today will be very helpful in what we're trying to accomplish here, so thanks very much.

We'll suspend for one minute.

**Hon. Bob Rae:** I'd like to thank the members of the committee, Mr. Chairman. Thank you very much.

• (0950)

**The Chair:** Thank you.

• (0950)

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

• (0950)

**The Chair:** We'll resume the meeting.

Moving right into our next segment, I want to thank our three witnesses for being here. They are from Des Nedhe Development, KWG Resources, and the Canadian Association of Mining Equipment and Services for Export.

We'll give each of you up to ten minutes to speak, then we'll open the floor to questions. There are earpieces for translation, if you need them, because you'll be receiving some questions in French. Of course, you're more than welcome to deliver your remarks or answer questions in French as well.

On that note, I will turn it over to you, Mr. Willy. You seem ready to go.

**Mr. Sean Willy (Vice-President, Des Nedhe Development):** Good morning. Thank you very much, Chair.

Thank you to the Standing Committee on Natural Resources for the invitation to participate. It's a great pleasure to be here this morning to provide you with my words about how Canada could support innovative and sustainable solutions to create economic opportunities for all Canadians in the mining sector.

First, let me recognize that today I'm speaking on the traditional lands of the Algonquin people.

I think we had a great overview by the Honourable Bob Rae, Sheilaigh, and Stephen on the legal and public policy side of this discussion currently going on in Canada. I hope to offer a bit more of a pragmatic solution about how we start achieving some of these realities that we want to achieve in Canada.

Let me introduce myself. My name is Sean Willy. I am a vice-president for Des Nedhe Development corporation, an English River First Nation economic development corporation. In my current role I am embedded with our first nation-owned public affairs firm, Creative Fire, which has done substantial work with a few large resource companies—PotashCorp and Cameco, to name a couple.

I am also co-chair of the Canadian Council for Aboriginal Business and chair of the highly successful indigenous training partnership program Northern Career Quest in northern Saskatchewan, which has been funded through the skills partnership fund through ESDC. Over the last three years, Northern Career Quest has trained 1,800 people in northern Saskatchewan, with over 1,600 of those finding employment. That's an employment rate of 92%.

I am also on the board of the Aboriginal Human Resource Council. Last but not least, I was part of the creation and the first chair of the aboriginal affairs committee within the Mining Association of Canada.

Of most importance to me, however, is where I come from. I was born and raised in Canada's north. I was born in Inuvik, Northwest Territories. I've lived in Fort McPherson, Northwest Territories; Rankin Inlet, Nunavut; and Yellowknife, Northwest Territories. I am a member of the North Slave Métis Alliance, with strong connections to my Métis and Denesuline ancestry.

I grew up in a family with a Dene mother and a mining executive father, so a lot of the discussions we're having now on duty to consult and free, prior, and informed consent happened at the kitchen table as I grew up.

**Voices:** Oh, oh!

**Mr. Sean Willy:** I'm proud to say that I started in the gold mines of the Northwest Territories at 17 as a local indigenous hire. Why did they hire me? Well, in the Northwest Territories resource companies were forced to hire local indigenous people as part of their permits. I began a long and healthy career in the mining industry. In my career, which I started as a labourer, I was an underground worker, diamond machine sorter, workforce development coordinator, labour relations specialist, human resources superintendent, corporate responsibility manager, and finally director of corporate responsibility of Cameco Corporation.

At Cameco I was part of a team that led all indigenous community engagement activities in Canada, the United States, and Australia for all uranium projects. This led to innovative approaches to indigenous engagement strategies and plans. It included negotiating five community-based agreements in Canada and Australia and creating a leading-edge indigenous-driven legacy trust fund in northern Saskatchewan earlier this year.

One of the successful community agreements we negotiated and signed was with the Denesuline community of English River First Nation, 600 kilometres north of Saskatoon, for whom I now work through their economic development arm. English River First Nation has had a long history working with the uranium industry in northern Saskatchewan. Like any relationship, it has its ups and downs, but it's always moving forward. What English River saw was an opportunity. The community leaders, the elders, the chief and council, and community members saw that the world wanted and needed the world-class uranium deposits found in their traditional lands. They knew they could support this development and better their communities through the creation of businesses geared to work with the uranium mining companies.

Over the past 25 years, this has evolved into Des Nedhe Development. Just so you know, "Des Nedhe" means "important river" in Dene. That's the Churchill River that runs through northern Saskatchewan.

Des Nedhe is one of the most progressive tier-one aboriginally owned and driven entities in Canada. Des Nedhe is comprised of four distinct business pillars. The first is a retail and property division comprised of a 135-acre urban reserve bordering Saskatoon. This contains a gas station, convenience stores, and commercial property. In addition to this, we have property in Beauval, Saskatchewan. We have a gas station and store there. This borders some of the satellite reserves of English River. We also have a store within the home reserve of Patuanak, northern Saskatchewan.

● (0955)

The second pillar, and really the heart of Des Nedhe, is its industrial division. This includes the first English River company, Tron construction and mining. Tron was really created to do everything for the mining industry. It focused on concrete work, electrical, instrumentation, and construction. It has grown substantially in a good and progressive partnership with the uranium industry in northern Saskatchewan, but it has grown to secure additional work with Saskatchewan's potash mining industry.

In addition to Tron, Des Nedhe built a local consortium comprised of numerous first nations and Métis communities throughout northern Saskatchewan to secure all the development mining for Cameco's mining operations. This partnership has provided strong socio-economic benefits to many of the communities near Cameco's operations. Lastly there's Minetec, a mine supply company that supplies anything that the Saskatchewan mining industry requires, from nuts and bolts to toilet paper.

But to mitigate against the risk of putting all Des Nedhe revenues within the uranium industry, Des Nedhe has pursued a strategy to invest in some of Saskatchewan's blue-chip companies. In 2014 Des Nedhe purchased a majority interest in the already-mentioned Creative Fire, whose 20-year experience in corporate services essentially raises the bar in Canada on what is an aboriginal service firm. With clients such as Federated Co-op, Cameco, Canpotex, the City of Saskatoon, and PotashCorp, Creative Fire offers Des Nedhe a new revenue stream and new employment opportunities for our indigenous owners.

In addition to Creative Fire, in 2015 Des Nedhe, in partnership with Peter Ballantyne Cree Nation, purchased 60% of JNE Welding, a large, well-respected fabrication welding firm in Saskatoon. JNE provides services to a number of large clients who require steel. This includes potash, uranium, oil and gas, and manufacturing industries.

The last business segment of Des Nedhe is the recently created SAGE Power, which is a 100% renewable power company that, when partnered with our other Des Nedhe group of companies, becomes the only indigenous vertically integrated renewable power company in Canada.

Des Nedhe is a leading example we are proud to represent, which highlights what can be achieved when local first nations are engaged and partnerships are created and developed within the mining industry.

One of the questions posed within this standing committee is this: how can we ensure that indigenous peoples and communities are meaningfully engaged through all stages of mineral development and production? In my experience, the great majority of indigenous

communities are not against resource development, even though it may be portrayed this way. In my discussions from coast to coast to coast, I see that indigenous people want to be treated as partners, not a regulatory check box. Our communities want to ensure that their views and inputs are incorporated throughout the development of mineral resources, especially when it comes to environmental planning, monitoring, and into decommissioning. The bottom line is that indigenous communities will support mining development, but not at the expense of a poor environmental stewardship plan.

At the core of this discussion is "how". In my experience, the key is to create community-driven input and build that relationship right from the start. Yes, we need the policy and we need the legal framework, but I would ask you to also remember the young boys and girls out there who just want the opportunity for a job. Sometimes we get stuck in rhetoric around the law and around public policy, which are great long-term objectives, but value to Canadians is created when we hire people in local communities who are currently on social assistance. You hire individuals, you give them an opportunity on a drill rig, or during exploration, or a labour position at a gold or uranium mine, and they start paying taxes into the system. So they turn into a net positive for everybody in this country from a GDP angle.

As mentioned above, environmental stewardship is key, but of most importance is how you engage the community. A robust community engagement plan will flesh out both parties' intents and long-term objectives. In most instances I've seen, companies and communities may even find shared objectives. A good example of this is in northern Canada. When a community and company sit down, you might flesh out how road access is important to company and community, so how do you work together on investments, on P3 ideas, to provide a road that would lower cost of living in the community and also make the deposit more accessible?

● (1000)

These shared objectives will lead to socio-economic benefits that will be shared. These include creating pillars such as workforce development, which essentially means the training, education, and employment of local indigenous people. In Canada the mining industry has been a strong champion in the employment of thousands of indigenous people like me. Many have gone on to strong careers. Not only employment but supportive education, through scholarships and the support of pre-employment training programs, provide opportunities to future generations.

Second is business development, where community and company come together to discuss and plan on how to provide mining service contracting opportunities to local indigenous communities. We have found that investment in local aboriginal business plans is the best way to close the gap on socio-economics, as it not only spurs additional employment but also provides communities with own-source revenues.

Third is community investment. This can take many forms, from straight revenue-sharing via impact benefit agreements to annual budgets where company and community work together to fund community projects like education, culture, elder projects, or youth projects.

Last, we come back to environmental stewardship. As mentioned before, it is key that indigenous input is captured throughout the process—but how? Programs such as joint committees, elders traditional knowledge workshops, and youth engagement sessions are all great tools to ensure that community input is obtained. Leading-edge programs in Canada go so far to provide all the decommissioning work directly to the closest indigenous community as a business opportunity, so that they have a stake both in the opportunity of the clean-up but also to monitor the progress.

**The Chair:** Mr. Willy, I'm going to have to ask you to wrap up very quickly.

**Mr. Sean Willy:** At the current time, mining companies would absolutely be stupid not to engage indigenous communities. We all know that the legal landscape has been confirmed, and that beyond the regulatory duty to consult there is fast becoming a business rationale to proactively engage indigenous communities. At this time it may be out of the government's control to monitor these bad apples. In reality, the government can only do so much. The regulatory system needs to find the right balance between environment, community input, and the economic benefits created by mining. Federal government investments to support indigenous training have been greatly appreciated and have shown success.

In my experience, and that of Des Nedhe, the province and territorial governments placed percentages around hiring and business contracting spend, which the mining companies needed to meet as part of the permits. Is this the way to go? I would argue that many of the successes we see are because government placed a percentage target on resource companies.

Investment in northern Canada is a must. Yes, it does cost more to build remote infrastructure such as roads, communication, and housing. Yes, the population is small and dispersed compared to southern Canada, but Canada's untapped wealth is located in these remote regions. It is also the home to many indigenous people. This investment would support both the community's needs but also may lower the initial cost to mineral development. If done correctly, it is key that we get this right, as the value created will not only benefit those local to the mining development; it will also add value to Canadians from coast to coast to coast.

Thank you.

**The Chair:** Thank you very much, Mr. Willy.

Mr. Smeenk, I'll turn it over to you for up to 10 minutes.

**Mr. Frank Smeenk (President and Chief Executive Officer, KWG Resources Inc.):** Thank you for having me here. I'm the president of KWG Resources, which is one of the two junior exploration companies that are still left trying to develop the Ring of Fire.

Canada's oil sands are located deep inside desolate territories inhabited mainly by indigenous people. The oil sands are valued at

better than \$2 trillion. When the price of oil collapsed recently, so did the Canadian dollar.

Environmental impacts are a major concern for the development of the oil sands. Industry and governments have spent in excess of \$100 billion in developing the oil sands, and they are projected to contribute to the Canadian economy for the next 170 years.

Now, Canada also has the rich mineral reserves of the Ring of Fire, which is similarly located deep inside desolate territories inhabited mainly by indigenous people. They live in isolated communities on the periphery of the uninhabitable James Bay lowlands, which are only accessible by winter roads. The Ring of Fire's development could be the catalyst that invites these first nations to be part of the fabric of our society.

The major mineral in the Ring of Fire is chromite. We estimate that there is as much as \$600-billion worth of chromite buried there. Industry and government have thus far spent only about \$1 billion in developing the Ring of Fire. However, I believe that development of the Ring of Fire can be the next large and major driver of the Canadian economy. I estimate that it could add 2% to our GDP, or \$35 billion annually, for each of the next hundred years and probably beyond. How so? Well, about two-thirds of the world's chrome is sold to the Chinese, who produce about two-thirds of the globe's stainless steel. Only a few months ago, we paid for a contingent of nine Chinese engineers to visit the Ring of Fire for a feasibility study to build and finance, in China, railroad access to the Ring of Fire.

This area of the Canadian north is a large part of a hemispheric ecosystem above the 50th parallel, which contains one third of the planet's trees. They filter our carbon emissions. Peatlands, such as those hosting the Ring of Fire, are in fact the most efficient carbon sinks in the world. On the other hand, China and its steel industries have been acknowledged as major polluters of the atmosphere. However, they are working hard to clean up their act. This past February they signed a joint declaration with Canada on a clean technology co-operation agreement. Canada, mainly in the north, is a generator of substantial carbon credits, and China has an obligation to the world to balance its pollution with carbon credits.

The Ring of Fire can clearly be developed, in co-operation with the 24,000 indigenous people of the northern communities of Hudson Bay, by using clean technology. Alternatively, we can do it like we always have: using old technology and old transportation methods, all of which contribute to global warming, interfering with the delicate ecosystem of what today is pristine topography.

Elon Musk was born to a Regina native mother and attended Queen's University in Kingston before this Canadian export moved to Silicon Valley to eventually found Tesla, and now SpaceX, while continuing to try to make an ecological difference in the world. Our company developed a clean technology for the beneficiation of chromite using natural gas, which is up to 80% more environmentally friendly than current electric arc technology. The CANMET lab of Natural Resources Canada is currently testing our technology and doing excellent work with remarkable results. Commercializing this process will enable Canada to be the world's lowest-cost producer of ferrochrome.

The Ring of Fire needs \$3 billion in financing for development, mainly for transportation assets for an ecologically friendly thoroughfare through the tundra to the rail connections in the south. So the stage is set. President Xi of China needs our chrome and he needs our carbon credits. Our Prime Minister and government have obligations to preserve the environment, obligations to our indigenous peoples, and you all are pledged to continue Canada's growth and prosperity.

I ask you, therefore, to entreat Prime Minister Trudeau to present to President Xi an elegant solution, which can impact Canada for the next 100 years. China will buy chrome from the Ring of Fire over a 100-year buying program. Such a commitment from China will thus finance the total development of the Ring of Fire, and we will give China chrome and carbon credits in exchange. China and Canada will win much international attention for such a trade.

Now back to Elon Musk. KWG is working with Elon, through one of his incubators, on a possible ground-breaking solution for transport of the ore and people to and from the Ring of Fire. We call it the Ring of Fire hyperlink project. The Government of Canada is supporting, according to the press, a Hyperloop called TransPod to be built between Toronto and Montreal. Think of the old department store pneumatic vacuum tube that used to deliver invoices, and then instead imagine ore and people in those capsules.

• (1005)

*Toronto Life* magazine says that in 50 years the city will have 13 million people, and a Hyperloop will deliver them to Montreal in 30 minutes. I would contend, though, that we should look after our obligations to the indigenous people first. Only 36% of them are graduating from high school. We would propose that a most elegant, efficient, cost-effective, and environmentally friendly use of Hyperloop technology is to build a hyperlink from the Ring of Fire to Nakina in northern Ontario.

As an ancillary to bringing out the chromite, it would create jobs and an ecotourism that couldn't possibly exist except for this kind of game-changing infrastructure technology. Of course, this requires a trade-off study as an alternative to our China railway current feasibility study for the building and financing of a traditional railroad.

Ladies and gentlemen, I think I've answered your questions. I've defined for you a growth strategy for 100 years that has the potential of the Alberta oil sands and will contribute at least \$35 billion in GDP growth and a cumulative \$3.5 trillion in long-term economic activity, in my opinion. I've defined the leverage that we have in controlling the exclusive and giant source of the only chromite in the

western hemisphere. And China needs our resource. We believe they are willing and anxious for Canada's co-operation to allow them to buy chrome and so finance it. We believe Prime Minister Trudeau only has to ask for the order.

Mr. Chairman, you and I share a friendship with a stockbroker, and that's their rule number one: you have to ask for the order. I think we are at a situation in the relationship between our countries where Prime Minister Trudeau only has to ask for the order.

I've defined for you two technologies with dramatically positive environmental impacts that will deliver to China and Canada global admiration for using clean technology to develop a new mineral supply source. I've given you a program that will benefit the indigenous people, who we've isolated in these remote territories, and which are now environmentally critical to the survival of the planet.

In closing, I would ask you to perhaps bring me back with all of the scientists, executives, and financiers who would like to participate in this kind of development of the Ring of Fire, together with the leaders of the indigenous communities in the surrounding James Bay lowlands. Then let's have a rendezvous and talk it all out. I can tell you most emphatically that they are all very, very willing. They just need to know that you care. We would hope that the Prime Minister would sit in on our rendezvous. We commit to you to also invite native son Elon Musk.

Thank you.

• (1010)

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

**Mr. Frank Smeenk:** You're seeing here a picture of the hyperlink.

**The Chair:** Mr. McEachern, the floor is yours.

**Mr. Ryan McEachern (Managing Director, Canadian Association of Mining Equipment and Services for Export):** Thank you.

Good morning, Mr. Chair and members of the committee. I want to thank you for the opportunity to speak to you today on behalf the members of the Canadian Association of Mining Equipment and Services for Export, or CAMESE. My name is Ryan McEachern. I am the managing director of the association.

In my opening statement today, I would like to first provide a brief overview of our association and its members; second, highlight some key findings from a study we participated in that shows how mining suppliers are an important part of generating employment in the mining ecosystem; and finally, illustrate important areas the government should support so the Canadian mining sector has a strong foundation for future growth and continues to be a world leader in the mining industry.

CAMESE is the national voice for Canada's mining supply and services sector. Over the past 35 years, the association has supported its members in connecting them to opportunities to grow their businesses in the mining industry across Canada and around the world. Our approximately 300 corporate members are located across the country and supply the entire mining industry spectrum—mineral exploration, resource development, mine design and construction, mine operations and refining, and reclamation and closure. Most of these companies are also small to medium-sized enterprises, or SMEs.

I will elaborate more on the demographics of mining suppliers in the second portion of my remarks, but overall it has been estimated that approximately 3,700 companies across Canada consider themselves mining suppliers.

Although I will focus on Canada today, I would like to make note of an important aspect of our efforts as an association, which is export. With Canada representing approximately 0.05% of the global population and 2.5% of the world GDP, we are by all accounts a trading nation. With that perspective, many of our members' activities include an export component, because there is great opportunity for the Canadian mining supplier network in the international market. Aside from the international customers, there is plenty of opportunity just following Canadian exploration and mining activity abroad. Currently, there are over 2,000 Canadian exploration and mining companies operating outside Canada, with projects in 120 different countries.

That said, there is considerable opportunity for significant growth inside Canada, as highlighted by the Mining Association of Canada, which identified about \$145 billion of potential new mine investment over the next 10 years.

I now turn to our study. A report by the Conference Board of Canada characterized the mining supply and services sector as “a multi-billion-dollar, widely varied industry in Canada and around the world, yet it is a 'hidden' sector that is not directly measured or tracked”. To help provide a better understanding and clarity of our hidden sector, CAMESE participated in the pan-Ontario mining supply and services sector economic impact study, which was carried out by PricewaterhouseCoopers and supported by the Ontario Ministry of Northern Development and Mines, Natural Resources Canada, and the Mining Association of Canada.

There are a few key findings from the study that I would like to highlight today. The first finding is that the mining supply and services sector is a widely varied group of companies. The study grouped the mining suppliers into three major categories: 58% were categorized as mining equipment, supplies, and services, and 13% were categorized as mining contract services. These two categories are what most people think of as typical mining suppliers. However, it is the remaining 31% that were categorized under “consulting services and other” that typically get overlooked. These are, for example, the financial services, accounting companies, law firms, environmental services, and information technology firms.

The second finding relates to this latter group, which shows that although a third of the mining supply and services are located in northern Ontario, where most of the mines are located, 20% are located in the greater Toronto area. The mining supply and services

sector is not just a northern Ontario story. Mines in the north generate economic activity in the south.

The third key finding is that almost 88% of the companies surveyed would be categorized as small or medium-sized enterprises. With that, 70% reported exporting outside of Canada. This is consistent with our membership demographic across Canada.

The final finding I would like to highlight from the study is that in terms of direct employment, the mining supply and services sector represented, at the time of the study, 68,000 employees, or two and a half times as many jobs as mining companies employ themselves, and as a result contributed approximately 77% of the same direct GDP contribution to Ontario as the mining companies.

- (1015)

This is an important point because, as mining is a great economic engine to develop remote areas of our country where many indigenous communities are located, the mining supply and services sector across Canada is and will be an important generator of jobs for these remote areas and, in particular, a generator of employment opportunities for indigenous communities.

Finally, I would like to highlight areas that the federal government should support or should continue to support, which will provide a strong foundation for future growth of the Canadian mining sector and will continue to have Canada as a global leader in the mining industry, because with a strong mining sector, there is a strong mining supply and services sector supporting it.

First, we believe there should be a continuing support of flow-through financing and the mineral exploration tax credit, as highlighted by the Prospectors & Developers Association of Canada. These are key levers to support and encourage early-stage exploration and discovery, which is the front-end driver of mine development. PDAC noted that “Finance Canada has estimated that every dollar of flow-through financing generates \$2.60 of exploration related expenditures in Canada, with much of those funds supporting exploration near remote and Aboriginal communities”.

We support the investment in infrastructure to reduce the cost of developing mines in the north. The Mining Association of Canada, in conjunction with PDAC, published a report showing how mines in the north cost two to two-and-a-half times more to develop than a similar mine further south. We also support the idea proposed by MAC of an arm's-length infrastructure investment bank, similar to Alaska's infrastructure bank, which, through its investment in the road and port, was key to getting Canadian miner Teck Resources to build the Red Dog mine.

In addition, we support any efforts to provide certainty of timelines and to reduce process bottlenecks in bringing a mine to production.



Last, to stay a global leader in the industry, we believe the government should support funding proposals such as the industry-led Canada Mining Innovation Council's "Towards Zero Waste Mining" strategy, which is asking for \$50 million over the next five years. This proposal will involve close collaboration with mining suppliers, and it will be instrumental in the creation of innovative solutions to improve how we mine deposits and for Canada to continue being a world leader in mining.

Thank you for your time and attention. I look forward to your questions.

• (1020)

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

Monsieur Lemieux, you're first up.

[Translation]

**Mr. Denis Lemieux (Chicoutimi—Le Fjord, Lib.):** Thank you, Mr. Chair.

My thanks to our three witnesses.

This is one of the rare occasions since I've been on the committee when we are actually running out of time for our witnesses. I usually prepare long questions, but my questions this morning will be short, so that the witnesses have more time to share their experiences with us. Let me start with Mr. Willy.

I am very concerned about the post-secondary education of first nations and first nations youth in Canadian universities.

Can you tell us how the Canadian government could improve the situation so that more indigenous youth pursue higher education in Canada?

[English]

**Mr. Sean Willy:** *Merci* for the question.

The easiest answer is to fund education within on-reserve schooling at the same levels as the provinces. The key to getting into university occurs in early childhood education, and the years from kindergarten to grade 4 supply that base level of knowledge that carries into university.

I would point out that indigenous young people from coast to coast are at the highest levels of post-secondary education right now, and that will only increase with more investment in early childhood and primary school education from the federal government.

[Translation]

**Mr. Denis Lemieux:** I am convinced that Canada needs more people like you, people with great ambitions for the country's economic development. Could you elaborate on your project? Your positive comments are like music to my ears.

[English]

**Mr. Frank Smeenk:** It's the first time in history that chrome, or chromite the mineral, was discovered in the western hemisphere in quantities sufficient to be mined economically, but it goes way beyond that. It is such a large deposit that we can say, even with the little information we have from drilling from surface, that there is a century's worth of mineral there for a large percentage of the world's

consumption. You don't want it all, you don't want to be the only supplier, but you want to certainly have a share of the market.

The chromite becomes ferrochrome, and ferrochrome becomes stainless steel. You can't have stainless steel without chrome. There are grades of stainless steel that also have nickel. You can have stainless steel without nickel, but you can't have it without chrome. Stainless steel is about one part chrome and four parts iron.

The world is using ever more stainless steel. For those of you who have had the pleasure of driving on the Gardiner in Toronto, you can see what happens when you use things that do rust, in rebar and... Our infrastructure just falls apart. Most of the world has gone to a standard of requiring, in new construction of high-rises, bridges, everything, a standard of using stainless steel in reinforcing bar. So it's a metal that will be with us for the foreseeable future.

Traditionally chromite was a byproduct of mining of platinum and palladium in South Africa, so they have huge reserves, but it's different from what we have. They are challenged in that over the last many decades, almost a century, they have invested in a substantial capital plan to refine their chromite into ferrochrome, using electricity. They don't have that electricity to use anymore; they're very challenged. It's an opportunity for Canada to use another method, which that particular part of our industry knew about 50 years ago, and this is what's called "direct reduction". It doesn't become gas or liquid, it stays in a solid state. The natural gas is the source of heat. Direct reduction of chromite into ferrochrome is a much, much more efficient and environmentally friendly process.

We have a chance here to create an added-value product of ferrochrome. We don't consume it here, but we can export it to where it is consumed. That's tremendously good business for Canada. We would be exporting a small part of our huge blessings of natural gas, and on an annual basis a small part of our huge blessings of chromite.

In mining, as my colleagues can tell you, you can count on the fingers of one hand the mineral occurrences in recorded history that could produce economically beyond a few decades, let alone a century, and perhaps a second century. That's the Ring of Fire. It's phenomenal.

I know, from my time spent in China, that they're very enthusiastic about developing Canada as a source of supply, as an alternative to where the supplies currently come from. They typically buy concentrate or pellets from other places, partly refined material, and then they bring it into China and they use expensive coal, expensive electricity, expensive coal-generated electricity—dirty, dirty processes—to turn it into ferrochrome in China. They're very attracted to the opportunity to participate with us in developing this much better and much cleaner alternative.

• (1025)

I was astonished and very pleased when I saw that at COP21 the leaders of our two countries signed this declaration on using clean technology. That just fit hand in glove for the Ring of Fire opportunity.

I apologize—I can go on for hours, as you can see—but that's it, in a nutshell.

[Translation]

**Mr. Denis Lemieux:** That's really interesting.

[English]

**The Chair:** Thank you.

Mr. Barlow, I believe you're next.

**Mr. John Barlow:** Thank you very much, Mr. Chair.

Thank you to our witnesses.

Mr. Willy, you talked about some ways to build relationships with first nations communities. We've had a few witnesses and stakeholders in this part of our study but also in the past. Two in particular I've dealt with over the last couple of years are Teck in southern B.C. and southern Alberta and Cameco in northern Saskatchewan. I understand you have some history with Cameco as well.

These two groups, in particular, have had some real success in building relationships with first nations communities. I'm wondering if you could speak a bit on what they are doing that's been successful, and if that is a template other companies can use. Do they share best practices? Is this something that companies hold close to their chest?

Maybe you could talk a bit about what Cameco has done specifically to be successful in its relationships with first nations communities.

**Mr. Sean Willy:** Thanks for the question. It's a very good question indeed.

You can look at Cameco, Teck, Rio Tinto diamond mines, Voisey's Bay, and Musselwhite in northern Ontario. Companies that have been at it a while I think are pushed in this direction initially, but like any good business, they start to find value in their programs.

At Cameco, for instance, one of the values they found about engaging and becoming the number one industrial employer of aboriginal people was that they broke through the myth that aboriginal people quit all the time. They had a 95% employment retention rate in northern Saskatchewan. So it's great value to the business when you have your non-aboriginal people going over to McMurray when McMurray was in its boom, and your local people are staying because they want to work with their cousins and their friends in their traditional territory. I think those companies have seen great value in this. It becomes a business driver.

But for those companies, it's also the way they engage. I mentioned briefly that communities don't want to be a regulatory check box. Some companies still go out and say, "Okay, we have to do our duty and consult. We met with the chief and council: check." That's the last you'll see of them. I think the progressive mining companies in the country engage the community. They hire local liaison people who speak the language and who are opinion leaders in that community. Decision-makers from the company go out and have coffee, with nothing to talk about other than just "Let's have coffee", and they set down some objectives and ground rules. It's really about creating a long-term relationship.

● (1030)

**Mr. John Barlow:** My colleague Mr. Lemieux touched briefly on post-secondary education. I want to talk about a different part of education. I know there's been a pilot project in the oil and gas sector with Cody Snyder of Big Bear Energy. I don't know if you've run into Cody before. They had a pilot project where they worked with a specific first nation in British Columbia. This was for a drilling rig. They brought in a drilling team. They were on reserve, and they taught a dozen men and women how to do it and what to do. Now they are employed with that company that was there. Their idea is to move from first nation community to first nation community, bring experts with them, teach them the skills on reserve, and stay there. The idea is that you leave behind some skilled people who will be able to teach and continue it on.

Is there anything like that in the mining sector? Is this something that would sound appealing? I know they've only done a pilot project in northern B.C., but would like to expand this to other sectors?

**Mr. Sean Willy:** In my opinion, I think the mining sector has led this. One of the early jobs I did was to go out and recruit and train my fellow Dene people in the Northwest Territories. We did that by doing really hands-on, practical, community-based training. Cameco did it in the eighties and nineties to build up their workforce, partnering through multi-party training plans with educational institutions, provincial governments, federal governments, and the companies. Take pre-employment welding as an example. You take welding machines out to the community and maybe you do an aluminum welding...leave some skills for fixing boats. Or there are concrete programs where you lay a slab of concrete by the elders facility.

I think the mining industry has been involved in this a long time, and really it's because you tap into the tactile learning and visual learning that a majority of indigenous people have. I had an instance where I took 12 Dene and Inuit people down to Tucson, Arizona, for three days to learn how to drive a truck. The first day was all book learning, and I thought, oh my God, none of us will pass this at the Caterpillar facility. During the next three days, I had these Texans and southern Americans saying we were the best damn truck drivers they'd ever had.

When I asked my cousins and friends why they thought that was, they said: Well, once you show us once, it's visual. We know how to do it. It's like hunting. It's like being out on the land. Grandpa shows you once and you'd better learn how to dress a moose or you're out of luck.

In training, it's the practical and the tactile that are very important.

**Mr. John Barlow:** Yes, and that's what they said too, that it's just a different way of learning. They had it there and they were showing them practical things. It wasn't book learning or it wasn't a classroom. They were actually out there and—

**Mr. Sean Willy:** There's dry book learning and then there's the practicalness of, okay, how does this work?

**Mr. John Barlow:** Yes.

We had the Saskatchewan potash corporation in here a few weeks ago. They were talking about raising some concerns on the carbon tax and the implications it will have on the potash industry in Saskatchewan. You know, it could be the difference between some projects expanding or not, or other projects not going on.

From Creative Fire in Des Nedhe Development, were you consulted at all on a federal carbon tax? I know this is something Saskatchewan is against. Have you had any opportunity to take a look at what this could mean for your company?

**Mr. Sean Willy:** From my knowledge, we weren't consulted, but it's a conversation we're going to have with our home province and with the federal government.

• (1035)

**The Chair:** Mr. Cannings.

**Mr. Richard Cannings:** Thank you.

Again, thanks to all of you for coming here today.

I'd like to start with Mr. Willy again. Thank you for bringing up various myths: the myths of first nations people quitting all the time. I've had the pleasure to hire first nations people on various projects that I've been involved with, and they were always very hard-working. When we had to meet at 5 o'clock in the morning in the bush, they were always the ones waiting for me to show up. So I appreciate that.

Another myth is that first nations people get everything for free, their education and things like that. I'm glad you brought up the underfunding of schools on reserves across Canada. It's something we've been talking a lot about in the House. There's also this myth that post-secondary education is free for first nations people, but there's been a cap on that assistance for years and years.

I know this may not relate to a lot of the employment around mining, but it does to some extent. I'm just wondering if you'd want to comment on whether we should be looking at bumping up that cap or removing it entirely.

**Mr. Sean Willy:** I don't support a cap, because I think even leaders I've met with from my traditional territory were pushing to get it even with provincial schools. In northern Saskatchewan, you will see two schools—one on reserve, one off reserve—with totally different funding structures. But to live and work in the north, there is a higher cost of living. To even get to the same level as provincial is not going to meet that gap.

I think in Saskatchewan you've seen a lot of unique, leading-edge work around programs such as NORTEP in La Ronge that have promoted homegrown teachers within the communities. Historically, you'd get a lot of teachers coming into the northern remote communities for one to two years to get their experience and then they'd go. I think communities saw this as a way to invest in their own people, to ensure they had a base level of teachers within their home community.

On the post-secondary side, I think it's supporting institutions like Indspire, Roberta Jamieson's organization. She has a plethora of resource companies, banking companies, on board to help fill that gap in the post-secondary space.

**Mr. Richard Cannings:** Thank you.

Mr. Smeenk, I just want to get some clarification around your comments on carbon credits. I've been involved in some big projects that were funded to some extent by large amounts of carbon credits, millions of dollars' worth, but in my experience it involves additive work. I was just curious as to how carbon credits with the Chinese would play into the Ring of Fire project. I'm a bit mystified, so just go ahead.

**Mr. Frank Smeenk:** Fundamentally, if we start producing ferrochrome here to get a significant share of the global market using natural gas, they will stop using the dirty methods that they're currently using over there. So in the big picture, that's what they would like to achieve, and it meets the commitments of both sides to the declaration on using clean technology.

**Mr. Richard Cannings:** Okay. Sorry, I guess I got confused, because you were talking about sphagnum bogs being carbon sinks, and then I was wondering how that played into this. I got sidetracked there.

Mr. Willy, you talked about road infrastructure. One of the witnesses from this morning mentioned kind of a conflict involving road infrastructure in some first nations because some of their funding is geared toward not being linked by road. Is that an issue, in your experience?

**Mr. Sean Willy:** The most recent example I have involves the community of Hatchet Lake Dene, which is one of the last communities not connected by road in Saskatchewan. We personally worked with them, from a corporate side, when I was at Cameco to help lobby both the federal and the provincial government to get them road access. The idea was to have a P3 partnership driven by the community. The thing about engagement is that resource companies, if they want a road, need to make sure they have the community onside with that. This was the community driving the road, which we were trying to partner with.

• (1040)

**Mr. Richard Cannings:** Another thing that came up with the previous witness, Ms. Murphy from INAC, was pilot projects, I think in the Ring of Fire area with the Matawa First Nations, around trying to smooth out some of the permitting, basically all the forms you have to fill out to do anything with first nation issues. I hear that all the time in my riding from first nations.

I just wondered if you could perhaps comment on how first nations businesses would benefit from a real streamlining of that part of the federal bureaucracy, which we here could perhaps help out with.

**Mr. Sean Willy:** On the regulatory side, yes, there's still a capacity gap with some first nations that don't have homegrown talent to handle that. They're always at the will of outside agencies and securing funding for mining issues. From the perspective of an aboriginal company, of course we'd always love less red tape and a smoother process. I think it's critical now, because there are some first nations and economic developments—Des Nedhe is of them—that have more capacity. We are prepared for the next wave of economic development and to apply for opportunities through government funding programs, but we worry about those communities that don't have resource development on their traditional territories. They're going to fall further behind, because I don't think they have the capacity or the people entrenched to apply for those same grants and applications. It does create a bit of a gap between those who have capacity and those who don't as of yet.

**The Chair:** That's all your time.

Mr. Harvey, you have about three minutes.

**Mr. T.J. Harvey (Tobique—Mactaquac, Lib.):** I want to first thank you all for coming.

We don't have a lot of time left, and I had some questions, but I think I'll just thank you all for coming and ask Mr. Willy if he wants to take the remainder of the time I have here to offer us some concluding remarks, especially around the first nations early childhood education piece.

I know that in my riding, one of the first nation communities established the Mah-Sos School. That school has grown in enrolment by double digits every year since it was founded. They have an excellent early childhood education program that's carried on in part of that school, and it's amazing to see the opportunities that have abounded from that school being in that first nations community.

If you just want to offer some concluding remarks, I would appreciate that.

**Mr. Sean Willy:** First, I want to say that a report that you should read is the joint task force on education, which my friend and my

boss behind me, Gary Merasty, a former MP in northern Saskatchewan, helped drive. It's a great baseline. Gary was tasked by Premier Wall to look at educational components. Most of the stuff I say is from my coffees with Gary.

There is a jurisdictional challenge that our politicians have in this country when 90% of the population lives within 100 kilometres of the United States border, but our resources and the key to those resources are engaging indigenous people in the northern part of the province, where you might have one MP for each of the northern regions. It creates political jurisdictional chaos, because it takes a lot of gumption to invest somewhere where there's a lack of population. We have a growing population, so as leaders you're more inclined to invest in health care for the baby boomers in Mississauga than investing in early childhood education in northern Manitoba, but these are the decisions that need to be done for the long-term benefit and the future resources and the people in Canada.

I think to accompany early childhood education, children need role models. People ask about the value of hiring indigenous people. One of the big things is that when I was three and four, I saw my Dene mother going to work every day. My kids see me go to work every day. I'm sure your kids do. You saw your parents go to work every day. It changes the context of what we see. As indigenous people, like in every culture, we all want to outdo our parents. I'll be more invested in education as a kid if I know that my mother and father are going to work all the time. That's a multiplier effect that will only spur more growth in this country and value for all Canadians.

• (1045)

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

Unfortunately, that's all the time we have. One of the problems we have with this committee is that we just don't have enough time sometimes. This day is a perfect example of that.

Thank you all for joining us today.

The meeting is adjourned.







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