



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

Standing Committee on Public Accounts

PACP • NUMBER 112 • 1st SESSION • 42nd PARLIAMENT

EVIDENCE

Wednesday, October 17, 2018

—
Chair

The Honourable Kevin Sorenson

Standing Committee on Public Accounts

Wednesday, October 17, 2018

• (1530)

[English]

The Chair (Hon. Kevin Sorenson (Battle River—Crowfoot, CPC)): Good afternoon, colleagues.

It's Wednesday, October 17, 2018, and this is meeting number 112 of the Standing Committee on Public Accounts.

We are here this afternoon to consider “Report 5, Socio-economic Gaps on First Nations Reserves—Indigenous Services Canada”, of the 2018 spring reports of the Auditor General of Canada.

We're pleased to have a number of witnesses here on that report, but before we get to that, I would also like to draw attention to our gallery. In our public area today we are very pleased to have a delegation from the state finance accountability committee of the People's Representative Council of Indonesia. I would ask them to stand.

Some hon. members: Hear, hear!

The Chair: We welcome you here today.

We were pleased to host them at a luncheon yesterday where we heard about their accountability and transparency measures in Indonesia, their committee, as well as a commission that works hand in hand. Around the breaking of bread and while sitting at the table we learned a little bit about their system and they learned about ours.

We're also pleased and honoured to have with us today, from the Office of the Auditor General of Canada, Mr. Michael Ferguson, Auditor General of Canada, and Mr. Joe Martire, Principal.

Welcome.

From the Department of Indian Affairs and Northern Development—

Mr. Jean-François Tremblay (Deputy Minister, Department of Indian Affairs and Northern Development): It's Indigenous Services Canada.

The Chair: Department of Indian Affairs and Northern Development is still the legal name of the department. We are pleased to have Mr. Jean-François Tremblay, Deputy Minister, as well as Mr. Paul Thoppil, Chief Finances, Results and Delivery Officer, Indigenous Services and Crown-Indigenous Relations and Northern Affairs.

We also have Ms. Shelie Laforest, Acting Senior Director, Program Directorate, Education and Social Development Programs and Partnerships Sector.

We welcome you here today. We'll open today's meeting by turning the floor over to the Auditor General.

Mr. Ferguson, please.

Mr. Michael Ferguson (Auditor General of Canada, Office of the Auditor General): Mr. Chair, thank you for the opportunity to discuss our spring 2018 report on socio-economic gaps on first nations reserves.

Joining me at the table is Joe Martire, the principal responsible for the audit.

Successive governments have made numerous commitments to improve the well-being of first nations people, and Indigenous Services Canada is the lead government department responsible for meeting most of these commitments.

In this audit we assessed Indigenous Services Canada's progress and reporting on closing socio-economic gaps between on-reserve peoples and other Canadians. We also focused on whether the department made adequate use of data to improve education programs to close the education gap and improve socio-economic well-being.

[Translation]

We found that the department's main measure of socio-economic well-being on reserves, the community well-being index, was not comprehensive. While the index included Statistics Canada data on education, employment, income and housing, it omitted several aspects of well-being that are also important to first nations people—such as health, the environment, language and culture.

Mr. Chair, to close socio-economic gaps and improve lives on reserves, federal decision-makers and first nations need information about the socio-economic conditions of first nations people and program data that are reliable, relevant and up-to-date.

Indigenous Services Canada requires first nations to provide extensive data about their on-reserve members. The department also obtains data from Statistics Canada, other federal government departments, indigenous organizations and other sources. We found, however, that the department did not adequately use the large amount of program data provided by first nations, or other available data, to measure and report on whether the lives of people on first nations reserves were improving.

[English]

For example, the department didn't adequately measure and report on the education gap. Using the education data collected by the department, we calculated that the gap in levels of high school graduation or the equivalent between on-reserve first nations people and other Canadians widened between 2001 and 2016.

We also found that first nations had limited access to the department's education information system and related analysis. Since 2008, the department had spent about \$64 million on developing and operating this system. The system was intended to capture and analyze first nations education data to inform decision-making, which first nations could access as well.

Indigenous Services Canada also made poor use of the education data it collected to improve education results. For example, the department spent \$42 million over four years to prepare first nations students to enter post-secondary education programs. However, we found that only 8% of those enrolled actually completed this preparatory program. Despite these poor results, the department didn't work with first nations or educational institutions to improve the success rate.

● (1535)

[Translation]

Mr. Chair, complete and accurate departmental reporting informs Parliament, Canadians and first nations about the true extent of federal program results and whether progress is being made on closing the socio-economic gap between first nations and other Canadians.

We found that the department did not report on most of the education results it had committed to report on over the past 18 years to determine whether progress was being made to close the gap. For example, it did not report on student attendance or the delivery of first nations language instruction.

[English]

We also found that the department's public reporting of first nations results was inaccurate. For example, the department overstated first nations high school graduation rates by up to 29 percentage points because it didn't account for students who dropped out between grades 9 and 11. Moreover, the department's data showed that between the 2014-15 and 2015-16 fiscal years, the graduation rate was improving, but our calculations showed that it was declining.

We concluded that Indigenous Services Canada didn't satisfactorily measure or report on Canada's progress in closing the socio-economic gaps between on-reserve first nations people and other Canadians. We also concluded that the use of data to improve education programs was inadequate.

[Translation]

Our report contains three recommendations aimed at improving Canada's progress and reporting on closing socio-economic gaps between on-reserve first nations people and other Canadians.

This concludes my opening statement. We will be happy to answer any question you may have.

Thank you.

[English]

The Chair: Thank you very much, sir.

We'll now turn to Mr. Tremblay.

Mr. Tremblay, we look forward to your testimony.

[Translation]

Mr. Jean-François Tremblay: I would like to thank the committee for the invitation to speak here today at your 112th meeting. I would like to acknowledge that we are meeting on traditional Algonquin territory.

[English]

I will do something that I suspect is not allowed with the protocol. I will also use this opportunity to remind people who don't know that tomorrow is the one-day fasting day for the Moose Hide Campaign. For those of you who want information about this, there will be people walking around and going to see you on Parliament Hill tomorrow. That's a very good event. It's men standing against violence against women and girls. We encourage you to participate.

I'm joined today by Paul Thoppil, Chief Finances, Results and Delivery Officer, and also by Shelie Laforest, Acting Senior Director, Education and Social Development Programs and Partnerships Sector.

My colleagues and I have carefully considered the spring report on socio-economic gaps and education data for first nations on reserve. I would like to affirm that Indigenous Services Canada agrees with the three recommendations in the report that pertain to our department.

[Translation]

I will go through each recommendation and provide a brief update on our progress, after which I will be pleased to take your questions. But first, let me provide some context to our responses.

[English]

The Government of Canada is advancing a renewed relationship with indigenous peoples. We are committed to working with partners to change funding models and create opportunities for first nations to control first nation matters, including education.

● (1540)

This is not a new concept, but it has long been ignored and not implemented appropriately. It's a fact that more than 20 years ago, the then-president of the Saskatchewan Indian Federated College was quoted in the royal commission's report as saying, "Aboriginal education for self-determination, controlled by Aboriginal people, succeeds". That's what we're trying to ensure.

[Translation]

The Government of Canada is now taking important policy steps, in collaboration with its first nations partners, to support self-determination in first nations education.

[English]

Let me now explain our response to each of the three recommendations.

This first recommendation has to do with working with first nations as well as other partners to measure and report on overall socio-economic well-being of first nations on reserve, as well as to look at additional aspects of socio-economic well-being that first nations have identified as priorities. These include language and culture.

I am happy to report that we are doing exactly that. Much of this work is already under way with the Assembly of First Nations and other partners. As a first step and part of our co-development of a new fiscal relationship we are working with the Assembly of First Nations and such other key partners as the First Nations Information Governance Centre on a proposed national outcomes-based framework. I think a draft of this framework has been distributed to you.

[Translation]

Through this framework, we hope to measure gaps in things like living standards, education and health between first nations and non-indigenous people in Canada, so that we can see if we are starting to close these gaps.

[English]

The outcomes in the proposed framework are aligned with the United Nations sustainable development goals, which are very comprehensive. Taking a wide view of the kinds of outcomes we want will help us actively engage with indigenous peoples to define measures of success that are meaningful to all parties. This means we can more comprehensively measure progress on numerous aspects of well-being, including language and culture.

In all, we aim to have co-developed baseline data on socio-economic gaps within three years so that we can start to systematically measure and report on our progress.

[Translation]

Central to this reporting will be to work together at every stage—from defining mutually meaningful indicators, to integrating first nations knowledge and perspectives into the narrative. We are committed to a respectful process and to taking the time to get it right.

[English]

I will now turn to the second recommendation, which has to do with collecting, using, and sharing data on education with first nation partners in order to improve education results for first nations people on reserves. The department agrees with this recommendation, and we are already working hard to implement it.

Indigenous Services Canada has invested in relationships with first nations to manage education data. We are collaborating on pinpointing meaningful education results that could replace what we currently measure. We are also in a paradigm shift towards first nations control, which means that first nations will be the ones collecting meaningful data to report to their communities and that the government will be in the loop.

[Translation]

We know that strengthening first nations' data governance capacity is key to this work. That is why, as part of the new fiscal relationship, as I mentioned earlier, measures are planned to support the design of a national data governance strategy for first nations.

[English]

We have also been working with first nations partners to co-develop a new K-to-12 education policy, which will guide the development of regional approaches and include mutual accountability and improvements in data collection, use, and sharing. In December 2017, the Assembly of First Nations ratified our joint policy work, which reflects the aim of first nations control of first nations education. There will never be a "one size fits all" solution for first nations education. This is why we are working to strengthen regional approaches. A recent and bold example is the tripartite education framework agreement in British Columbia, which we see as our mile zero for this kind of collaborative regional work which is more comprehensive.

[Translation]

In developing regional agreements with first nations and other partners, we can all be on the same page for what we measure and how, as well as for interpretation going forward.

[English]

I will now turn to the third recommendation, which is about the integrity and accuracy of reporting on education results for first nations. Indigenous Services Canada agrees with this recommendation. As I mentioned, our education transformation work involves agreeing with first nations on ways to promote complete and accurate results. In terms of reporting on graduation rates, the department was always very clear on what we were measuring or reporting on. The Auditor General did not dispute the data but did propose an alternate approach.

● (1545)

[Translation]

I agree it is a complex situation, as each province measures graduation rates differently. Some do it over three years or over four years.

[English]

Others will give fewer years. It really varies from place to place.

[Translation]

In addition, as you know, in the case of first nations, many students may go from the reserve system to an off-reserve system.

[English]

This mobility should be taken into account if we want to measure results appropriately.

Our education transformation work will include an updated results framework and consequential adjustments to the education information system, or its successor. This will go a long way towards addressing the auditor's concerns.

[Translation]

In sum, Mr. Chair, my department welcomes all of the recommendations of the Auditor General and is well on its way to a new approach on education for first nations that will address the concerns around data and socio-economic gaps.

I thank the committee members for their attention.

We now welcome your questions.

[English]

The Chair: Thank you very much, sir. Thank you to all.

We'll now move into our first round of questioning. It's a seven-minute round, and it will be a split with Mr. Arya—

Mr. Chandra Arya (Nepean, Lib.): Apparently, it's only me.

The Chair: Mr. Arya, please.

Mr. Chandra Arya: Thank you, Mr. Chair.

I would like to thank the witnesses for appearing here and making their statements.

My first question would be for the Auditor General.

Mr. Ferguson, you have made recommendations and you heard the response from the department. Are you satisfied with the response?

Mr. Michael Ferguson: That's always difficult to say, because until we actually see the changes that they are talking about, it's hard to say whether they are going to make a difference or not.

I think in this report, we've seen that successive governments over the last 20 years have said they are going to make changes, and we keep coming back and seeing the same issues. I can't disagree with anything the department is planning on doing. I think what we need now, though, is a way of making sure that it's done and not waiting for us to come back and do another audit in another five years' time to find out it hasn't been done.

Mr. Chandra Arya: Yes, that's quite interesting, Mr. Ferguson. In 20 years, you keep reporting, and the department comes back with the same thing, saying they are going to improve, that they are going to make changes, but there's no result to see.

Did you have a chance to look at this draft national outcomes-based framework reporting timeline?

Mr. Michael Ferguson: No, we haven't looked at that. It was after our audit.

Mr. Chandra Arya: Maybe later on we would like to have your input on that.

Mr. Chair, my next question will be for Mr. Tremblay.

Mr. Tremblay, we hear the Auditor General saying that the department has been receiving recommendations from the Auditor General for 20 years and the typical response is that, "Yes, we agree.

Yes, we are going to change. We are going to do it," but year after year they have not done it. Why do you think that is?

Mr. Jean-François Tremblay: It's different, and I know for some of you it's like a broken record, and the department always says they agree with the recommendations. You want that to be more than an act of faith. You want to see results and you want to see changes. I think in what we have on the national outcomes, for example, we didn't wait for the results from the Auditor General's report.

To put it in context, the community well-being index was developed at the beginning of the century, to be honest. That was a time when the HDI was really popular internationally. You remember people were proud that Canada was scoring and ranking very high at the time. Some first nations, including the national chief at the time, said that Canada was not doing that well because there was a huge gap on reserves. People in the department at the time decided to ask if they could measure something comparable to the HDI that would allow them to see how we perform on the first nation side. That's what the community well-being index was.

Mr. Chandra Arya: Mr. Tremblay, actually, my point is that I've been on this committee for the last three years and we have gone through numerous Auditor General reports, but this is the first time I'm seeing the Auditor General saying that with a particular department this has been happening over a period of 20 years.

Is there anything unique with your department to explain why this is not getting done?

• (1550)

Mr. Jean-François Tremblay: It's being done. Let me come back on this. We have now an outcomes-based draft that is more comprehensive than the community well-being index on that. It's too early to know exactly what it's going to end up with, but this is a major step if we succeed in doing that.

On education, we've known for years. You talked about 20 years. I will talk about 50 years, if you want. The education system on reserve has been underfunded for years, and we know that. The education system on reserve has been a tool of colonization in this country since the Indian residential schools, and it's a reality. We have been also responding to that with a series of long programs that were all different, with different accountability structures. For the first time in this country we have been able to engage with first nations through a co-development approach, and in 14 months ended up with a financial formula for the education system on reserve that is actually equity-plus, which is comparable to the province in which they live, but at the same time, includes more to address specific needs of their community. That has never been done. We're addressing something that is essential.

On the colonization side, there have been attempts in the past but this is the first time that we're going this far. We're going with regional agreements with first nations, with school boards. We have created two school boards in two years. It's changing.

Mr. Chandra Arya: I apologize. I have limited time and I have a few more questions to ask.

Mr. Jean-François Tremblay: Sorry.

Mr. Chandra Arya: You mentioned there has been underfunding, but let's come to the ones where a lot of money has been invested. For example, the Auditor General mentioned that since 2008, over the last 10 years, the department has spent \$64 million on developing and operating the education information system and related analysis. He says that the first nations had limited access to it. We have invested a significant amount of money here.

Mr. Jean-François Tremblay: We have invested money in this for 633 different communities in the country. The reason we invested this money at the time was that most of the information we were getting from first nations was by paper, and it was a program. It came like that, and the questions on how you collect and how you use that money, that data was not necessarily well done. It took time to get the system in place. The system is now running. We started having discussions and we exchanged a lot of information with first nations. We're also going now with pilot projects where first nations would have direct access to the data. If you look at our statistics, you see we now have more than 45% of the first nations, which is an increase of 300% of them, that are filling out their forms directly on the Internet. There is a lot of progress in collecting data. It took time, but we're getting there.

Mr. Chandra Arya: But it's still 45% after so many years.

Once again, with respect to the funding and the announcement we have made, the Auditor General says that \$42 million has been spent over just four years to prepare first nations to enter post-secondary education programs. Only 8% of those enrolled actually completed this preparatory program.

Mr. Jean-François Tremblay: Yes.

Mr. Chandra Arya: In four years, \$42 million has been spent with only an 8% success rate. Why is that?

Mr. Jean-François Tremblay: The program is basically paying the tuition; that's what it's doing. We don't run a program in this case that says, "We're going to do everything to make sure that you're going to go to university." This program is developed by a university for kids to actually get through a process so that they can go to university. What we do is pay for the tuition and some of the books and costs like that.

It was not designed as a program that we did ourselves to actually improve the result. It was to make sure that they can have access to those services that were offered by the institution. Is it enough? No. When I look at the result, I totally agree with the Auditor General. It just tells us that more needs to be done. As you know, we are reviewing our post-secondary education programs in collaboration with first nations. That's one of the aspects we need to look at: What is that gap, and why do first nations have difficulties to actually get into university, into post-secondary education? If we want to close the gap, all the statistics are showing us that the more they get a high school diploma, the narrower the gap is.

That's where we need to go.

The Chair: Thank you, Mr. Tremblay.

We'll now move to Madam McLeod, please, for seven minutes.

• (1555)

Mrs. Cathy McLeod (Kamloops—Thompson—Cariboo, CPC): Thank you, Chair.

Thank you to our presenters today.

I'm going to start with the Auditor General and focus on the education component. I think successive governments have realized that we have some real problems, and I know that we tried to have a pan-Canadian first nations education act which would build in some of these missing measurements that you talked about. Obviously, there were challenges in moving that piece of legislation forward. We now have independent.... There's the Anishinabek Nation Education Agreement. We have in British Columbia the first nations group.

In the microanalysis of the work that you were doing, were you seeing any success with these groups that have taken over control of their education? Was that any component of the work that you did?

Mr. Michael Ferguson: We didn't analyze the data on the basis of comparing one first nation or one model to another. That wasn't the basis of how we did our analysis.

Mrs. Cathy McLeod: Would it also be accurate, as the government moves from a model of independence and transfers the money directly to...whether it's the Anishinabek education.... Does that have a different reporting system, and will we lose our opportunity to really understand what's going on? As I understand it, that creates a transfer arrangement that now is not under the Auditor General's purview. Is that accurate?

Mr. Michael Ferguson: Again, I haven't looked at that to know for sure, but I think what's important is that, whatever model is used, there is good public reporting on what the outputs and the outcomes of that are. That doesn't necessarily have to be a contribution agreement type of arrangement and reporting, but there should be ways of knowing whether these different models are achieving better graduation rates and more first nations students going on to post-secondary education, those actual measures. That's the type of information that needs to be known.

I can't tell you what the best model is to use, and in fact, there may not be one model that can be used for all the first nations. Some are very rural; some are urban. Some are larger; some are smaller. There may need to be different models, but at the end of the day, what's important is knowing whether the results are coming to a point where they are closer to what the rest of the Canadian population is achieving.

Mrs. Cathy McLeod: Under your office, do you have the opportunity to review what's happening under the Canada Not-for-profit Corporations Act and ensure that different information is coming into that branch appropriately?

Mr. Michael Ferguson: We have different ways of looking at different organizations. Sometimes in agreements, departments will build into the agreement that there's a right for an audit to be done, perhaps an audit by the department or an audit by the Office of the Auditor General. In terms of the British Columbia health authority, for example, we have the ability to look at that. Our ability to look at some of these things can be built either into legislation or into agreements.

Mrs. Cathy McLeod: Mr. Tremblay, within all the self-governing agreements around education, is there ability to still analyze what's happening and share information, or is that ability gone?

Mr. Jean-François Tremblay: Each self-government is in a specific negotiation. It would be hard for me to know, to be honest. We can check, but I would be....

Mrs. Cathy McLeod: So there's quite a bit of potential that we are doing these agreements, and we're not going to have any ability or opportunity to analyze whether we are doing a better job with these agreements.

Mr. Jean-François Tremblay: Yes, but my department doesn't negotiate per se self-government agreements, so the—

Mrs. Cathy McLeod: No, I recognize that, but we do fund through a different model.

Mr. Jean-François Tremblay: Yes.

Mrs. Cathy McLeod: What I'm asking is whether we are losing our ability to understand the impacts.

Mr. Jean-François Tremblay: I get your point on this, and it's a very good question.

Data tend to show us that the Atlantic and B.C. are doing a bit better, and they are, as you know, managed regionally by first nations on education. For example, the Mi'kmaq has a self-government agreement on education. There's more involvement and engagement. We have a tripartite agreement, as you mentioned, with B.C. At a certain point, as you know, we had a regional office in B.C. on health, and it has been transferred to First Nations Health Authority. I don't have any indication on whether they are doing better than we were doing.

• (1600)

Mrs. Cathy McLeod: There is potential, though, for us to say, "Okay, things are better as a result of what's happening." We'll be losing our opportunity to even understand if things are better with different and new models.

Mr. Jean-François Tremblay: For us, what is important is that I continue to have a lot of relationships and engagement with the First Nations Health Authority. It doesn't stop because they have created the First Nations Health Authority. We are meeting on a regular basis. They're meeting also with other departments, not just mine. They're very active in terms of advancing their files and exchanging with us. We find that what happened with those organizations is that they became more predominant partners with provinces—

Mrs. Cathy McLeod: Okay, great. Thank you.

Mr. Jean-François Tremblay: —which is actually very positive, because provinces are the experts in those domains more than anybody else.

Mrs. Cathy McLeod: You were criticized for data over-collection. Certainly, that's a criticism that we hear often, especially in terms of collecting data that's not needed.

This report came out a while ago. What have you taken off the list of things that people need to report on to you on every year? From when this report came out till now, have you removed requirements in communities, such that if I went to a community they would say, "Oh, my goodness, it's more manageable, and it's made a difference." What have you removed?

Mr. Jean-François Tremblay: This report doesn't ask us necessarily to remove—

Mrs. Cathy McLeod: Well, it says you're requiring way too much data—

Mr. Jean-François Tremblay: Yes.

Mrs. Cathy McLeod: —and you're not using the data.

Mr. Jean-François Tremblay: What we're doing at the moment, as I mentioned, is that after having negotiated the funding formula, we're negotiating regional agreements where we agree with the first nations on what is the structure and what would be the data that would be collected. We will reform that, yes.

The Chair: Thank you. I usually let the guests finish their statements, but I never go back to another question when we're over time.

Mr. Christopherson, please.

Mr. David Christopherson (Hamilton Centre, NDP): Thank you, Chair.

Before I get down to the specifics of the actual report, I have a few comments to make.

They begin with the status report "Matters of Special Importance", from the Auditor General of 2011, Sheila Fraser, in a report to Parliament. Madam Fraser said at the time, under a subheading, "Conditions on First Nations reserves":

Between 2001 and spring 2010, my reports included 16 chapters addressing First Nations and Inuit issues directly. Another 15 chapters dealt with issues of importance to Aboriginal people. I am profoundly disappointed to note in Chapter 4 of this Status Report that despite federal action in response to our recommendations over the years, a disproportionate number of First Nations people still lack the most basic services that other Canadians take for granted.

It is clear that living conditions are poorer on First Nations reserves than [anywhere else] in Canada. ...In a country as rich as Canada, this disparity is unacceptable.

That's from Mr. Ferguson's immediate predecessor in 2011.

Mr. Ferguson, in a message to Parliament on November 29, 2016, had this to say at that time, under the subheading "Lack of progress":

In just five years, with some 100 performance audits and special examinations behind me since I began my mandate, the results of some audits seem to be—in the immortal words of Yogi Berra—"déjà vu all over again."

...Another picture that reappears too frequently is the disparity in the treatment of Canada's indigenous peoples. My predecessor, Sheila Fraser, near the end of her mandate, summed up her impression of 10 years of audits and related recommendations on First Nations issues with the word "unacceptable". Since my arrival, we have continued to audit these issues and to present at least one report per year on areas that have an impact on First Nations, including emergency management and policing services on reserves, access to health services, and most recently, correctional services for Aboriginal offenders. When you add the results of these audits to those we reported in the past, I can only describe the situation as it exists now as beyond unacceptable.

Then we roll in here today with the latest report. The audit objective is very simple:

The objective of this audit was to determine whether Indigenous Services Canada satisfactorily measured and reported on Canada's overall progress in closing the socio-economic gaps between on-reserve First Nations people and other Canadians, and whether the Department adequately used appropriate data to improve education programs to close [the] education gaps.

Under "Conclusion", the report states:

We concluded that Indigenous Services Canada did not satisfactorily measure or report on Canada's progress in closing the socio-economic gaps between on-reserve First Nations people and other Canadians. We also concluded that the Department's use of [the] data to improve education programs was inadequate.

When is it going to change?

With the greatest of respect, I believe you are very sincere, Deputy, but I've been here going on 15 years, and I have heard more deputies from that department come in here and make all kinds of promises and then break them. Why on earth should we believe you today, as opposed to all your predecessors who came in and made equally lofty promises?

I'm glad you think that's funny.

• (1605)

Mr. Jean-François Tremblay: No, no, I'm not thinking it's funny. I'm just wondering if I can answer the question.

Mr. David Christopherson: You now have the floor.

The Chair: The floor is yours, Mr. Tremblay.

Mr. Jean-François Tremblay: I don't ask you to believe me. Continue to track us. Continue to look at the result. Do your work as you've been doing it, and I will be doing mine as I've been doing it since I arrived in that department. I am really committed to doing that, and I will take all the energy I have to make it happen, that's for sure. That's the only thing I can tell you.

Judge the results we're already having. As I mentioned, the community well-being index was not bad at the time. It was something that was done in response to questions at the time. What we need is a more comprehensive index. We're working with first nations and we're developing it. That's what we're doing. Paul has been negotiating this over the last years, and it's actually moving in the right direction. I just hope it will continue and we will keep the momentum on this one.

On education, as I mentioned to you, we are now.... You mentioned the underfunding. We have an agreement with first nations on the size of the envelope, on the funding formula. We have now something that is equity with off reserve, as well as dollars for language and culture, and more for kindergarten 4 and 5.

This is progress. Now we need to move to having regional discussions. If we want to exchange data with first nations, if we

want to work on improving things, we need to make it meaningful. It has to be done at the level where they will have the capacity to change the system by themselves, and that's where we're going.

Mr. David Christopherson: All right. Thank you.

I have to tell you that I'm still not overly impressed. In fact, I was a little underwhelmed. I didn't get a sense of urgency from your remarks. You kind of rolled in here like it was a regular report.

Look, I'll give you an example, and next round I'll get into some specifics. I was just so furious when I read this report. In the context of previous reports, you would have thought the department would be a lot more sensitive to the hot water they're in with this committee. I happened to be reading page 12. I assure you, I wasn't flipping through trying to find the.... There were 14 occasions of this on one page: "did not have data", "did not collect", did not "access", "still unable", "the Department did not distinguish", "did not collect", "did not collect", in our view "did not distinguish", "did not adequately use", "could have been used...but was not", "did not analyze", "did not assess", "did not adequately", "did not report".

Did not, did not, did not: You did not do the job, and so far, I haven't heard a damn thing that tells me anything will be any different.

The Chair: Thank you, Mr. Christopherson.

Just to underscore what he's saying, we see a number of big issues. First of all, data is an issue, as Ms. McLeod said, in many different departments. The department did not collect the necessary, important and complete data. The department did not adequately use the data. That is one big issue that other departments have.

We also know that the government has talked extensively about improving the relationship with the first nation community, and yet the Auditor General says in paragraph 5.18, that the department has failed to "meaningfully engage with First Nations to satisfactorily measure and report on whether the lives of people on First Nations reserves were improving". Those are big deals. Data is the big deal, but so is their life. Is their quality of life improving?

When we go to the action plan, I see the expected final dates of completion. Well, by June 2021 we're going to have one part done, and by June 2022 another part done. Typically, the expected final completion date is 2022-23.

Be certain of this: There are other timelines mentioned in the action plan, and this committee will be following it up very, very carefully. We want to see marked improvement on some of these. It's not just the data collection. It's also the measurable improvement of some of the measurements right there on first nation territory.

[Translation]

Mr. Massé, you have seven minutes.

•(1610)

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

I would like to continue in the same context you highlighted, Mr. Chair, and our colleague, Mr. Christopherson, brought up during his time.

We on the government side are of course also very worried about the findings of this audit and of past audits.

My first question is for Mr. Ferguson. Based on your experience and the expertise you have gained, as well as the numerous audits you have conducted over the past few years, how can you explain these kinds of findings beyond the difficulty of gathering data and measuring the right elements? What do you think explains the findings laid out in this document, but also in previous reports you prepared and consulted while drafting this one?

Mr. Michael Ferguson: The importance of focusing on results is something we have brought up in the past.

In this case, it's about focusing on ways to improve aboriginals' quality of life. I understand that this file, which is very complex, affects many first nations people, who all have their own needs. It's important to focus on the improvement of results for individuals. In the past, focus was placed on a few programs or on the money put into them, but this issue is really important. We have analyzed that type of data to determine whether any progress has been made in this file. That kind of information is important.

So I think those issues are caused by a lack of focus on results for individuals.

Mr. Rémi Massé: I understand the need to let results guide our actions.

As an example, in your report, the title of exhibit 5.4, which follows item 5.95, is the following:

Exhibit 5.4—Indigenous Services Canada overstated First Nations' secondary school graduation or completion rates by up to 29 percentage points.

How can meaningful results be obtained when it is impossible not only to gather the right data, but to draw from it, when it is right, accurate results? Can you explain to us how you're able to determine that the results were inaccurate in this specific case?

Mr. Michael Ferguson: It is because we looked at the data in another way.

[English]

I'm going to have to do this in English because it's a little too complicated for me.

Essentially, what the department was measuring was concerning, if a student starts grade 12, does that student graduate from grade 12. What we said was that, to really understand the graduation rate, you need to look at students who start—I believe it's grade 9—to see whether they go all the way through to grade 12, in that four-year time period. Many students drop out in grades 9, 10 or 11, so it's not sufficient just to measure who starts grade 12 and whether they graduated grade 12 because that doesn't capture all of the students that have dropped out between grade 9 and grade 11. That is a very important component to understand.

In this case, when you only look at grade 12, one out of two students was completing. When you start at grade 9, it was only one out of four students who was completing. We don't have any complaint with the analysis the department did. We just felt it didn't provide a fulsome enough picture to really understand whether students were being successful, once they got into high school.

•(1615)

[Translation]

Mr. Rémi Massé: Mr. Tremblay, I would like to give you an opportunity to respond to these concerns, beginning broadly with the message you received from all the committee members.

Our government wants to ensure that first nations, in all communities, have a chance to develop in a variety of ways, and it wants to support them in a concrete manner. Your department is an important tool for ensuring the well-being of first nations across Canada.

Given the fundamental issues raised in this report, what new approach will your department use to quickly obtain concrete results that will have a positive impact on first nations communities?

Mr. Jean-François Tremblay: The Auditor General talked about focusing on results. We used to give a lot of importance to programs and the need to respect them. So, in education, we had a long list of programs, some of which lasted two years, others five years and others even longer, with annual calls for proposals. Those programs were often underfunded.

For us, it has become important to change the perspective, to get away from those prescriptive programs and to adopt a new formula that would move responsibility for funds to stakeholders in the region and to aboriginals themselves, with discretion for them to develop their own solutions. Those solutions will come from aboriginals, as we are seeing in British Columbia and elsewhere. So, there must be awareness, but there must also be control-taking of tools by aboriginal populations, so that they can resolve those issues themselves.

Mr. Rémi Massé: I am glad you mentioned this because it is clearly a recommendation that comes from the Auditor General of Canada. It is important to make sure to inform first nations of the analyses you are conducting, the objectives you are establishing and the action plans you wish to implement.

I must not have a lot of time left. Please explain to us how you will ensure to....

Mr. Jean-François Tremblay: As I was saying earlier, we now have a funding structure into which we have integrated programs. We are making an effort to eliminate many of those programs, and so we have returned to the negotiating table with aboriginals and asked them how they intend to organize the development and the implementation of their educational programs. That is how we are proceeding.

[English]

The Chair: Thank you, Mr. Tremblay and Mr. Massé.

Mr. Nuttall, please, for five minutes. We're in the second round now.

Mr. Alexander Nuttall (Barrie—Springwater—Oro-Medonte, CPC): Thank you, Mr. Chair.

Thank you, Mr. Tremblay.

I'm going to start with some of the words of the Auditor General, which I actually think are not very relevant in the private sector, but when it comes to government, I have found this to be more and more true.

In a statement accompanying the spring reports, the Auditor General highlighted that the measure of success has become the amount of money spent, rather than improved outcomes for indigenous people. We can apply that across the government as a whole, quite frankly. It's not one government; it's many successive governments that have done this more and more.

I am going to ask you the question, what is your job in coming to committee today? I get the feeling that your job as you come here today is to say to the committee, "Don't worry, we're working on it, and we're going to get through this. I'm going to do everything I can to make sure the results are better next time we come back."

I would hope that your job coming to committee today would actually be to say, "There are some really hard issues to work through. We don't have some of the answers, but we're going to collect the data so we can get the information to come up with the answers and solutions down the road, because it's still not being done."

As I look through this report, I have found the entire education piece to be very frustrating. I'll speak to you offline about this, but I have my own experiences with trying to help some local reserves with education items.

I have a question for the Auditor General on this. If we look at the funding for education, are you able to audit each and every dollar that's spent in comparison to the results that are coming out? I know you're being fed results. Are we able to go through every dollar after we transfer it from the Government of Canada?

• (1620)

Mr. Michael Ferguson: Certainly all of those dollars are reflected in the financial statements of the Government of Canada. We would be able to compare them to any agreements that were in place with the recipients, and then we would be able to go through those to determine whether the recipients met their side of those agreements.

We would have a certain ability to audit them. It might be different in different cases, but I would say in general, yes. Because of the way things are structured, we can get to what money was distributed to whom, what it was for, what they were supposed to do with it, and whether there is some record that they did that with it.

Mr. Alexander Nuttall: Mr. Tremblay, in terms of education, it seems to be a very broad, comprehensive issue. It's stunning that we would only look at grade 12 to determine whether...but let's move past that.

Are the necessary utensils there for our young people to be successful in the education systems that are set up on reserves? Are

we dealing with everything from not having the right tools to be able to complete their education right through to not having the right system in place, or is it specifically related to the system itself?

Mr. Jean-François Tremblay: We would not have the result that we have if the system was good, to be honest. There are clearly issues. There are issues that are beyond, you mentioned, grade 9 versus grade 12. We could start with when the babies were born. We're losing people from the day the pregnancy starts, in some cases. We have to take all of those factors into account.

I'm not in the "not worried" department. I'm in the department that's dealing with big issues. I'm not telling you that we're going to keep going and everything is good.

To answer your questions on this, it is clear that not all the tools are in place. That's why we think....

Sorry, go ahead.

Mr. Alexander Nuttall: However, there are underlying poverty issues. When you're outside of reserves or in the general population, the underlying poverty issues have a humongous effect on the outcomes related to dropout statistics and to success into post-secondary education.

Mr. Jean-François Tremblay: Yes.

Mr. Alexander Nuttall: When we're looking at this issue, are there programs in place to give the very bare minimum for our young people on reserves to be able to actually achieve and get through? Are we providing those utensils, or is it just to the system as a whole?

Mr. Jean-François Tremblay: You mentioned the measure about money. Money is part of the equation, but it's not the only one.

You need more capacity. There are places where services are not there. The capacity is not there.

As you mentioned, it's not just the education system. You can have a good education system, but if you have kids who are in a community that's in crisis, you may not get a great result. There are other factors that we need to work on. It's a comprehensive approach. It's not just about the education per se.

I would not say we have a system in place that is working well at the moment. The Auditor General mentioned it. It's not necessarily a "one size fits all" approach; it's not necessarily the same solution. We have places where things are going better, but there are places where it's not going well, that's for sure.

Housing is attached to this, too. There are other factors, violence that is attached to this. There are many factors that play on the success, or not, of kids.

• (1625)

The Chair: Thank you, Mr. Tremblay. We're out of time.

Mr. Chen, please.

Mr. Shaun Chen (Scarborough North, Lib.): Thank you, Mr. Chair.

I want to start off by acknowledging that we are on the traditional Algonquin territory.

I'm a big believer that education is an incredible social equalizer. We've talked quite a bit about that today. I do believe it is an important topic for us to talk about on the path to reconciliation.

In examining the achievement gap, graduation rates were compared between on-reserve first nation students and those of other Canadian students.

Does the data on other Canadian students include indigenous students who are not living on reserves?

Mr. Jean-François Tremblay: It would include all Canadians living off reserve.

In our case, one thing it doesn't include—and that's an issue—is in some places, if I'm coming from a town and I'm moving to another town, I'm going from one school to another school, but there's a code that follows me. If I'm a first nation student on reserve in the first nation system and I go to Toronto, and I go to a public school in Toronto, we may lose that individual because they go into the provincial system.

There is an issue, in our case, for some of the dropouts. To be honest, I don't know how many of them. That's not to say the stats are necessarily better, but we're missing some individuals.

When we talk about off reserve, it's the off-reserve population in general.

Mr. Shaun Chen: In looking at other Canadian students, you are including indigenous students who quite possibly might have moved from on reserve to off reserve. To me, it's very important that we drill deeper into the data.

Coming from nine years of serving on the Toronto District School Board, I know there are key groups in the public education system that routinely are pushed out of school. That includes both the black student population and the indigenous student population. When we make that comparison, and we've talked quite a bit about comparing the same data as opposed to different ways in which you calculate graduation rate, you need to parse out the fact that there are indigenous and black students that historically and continue to disproportionately be pushed out or drop out of school. To me, it's very important, because that would result in a picture that clearly tells you there is an extremely disproportionate achievement gap between indigenous students and those who are non-indigenous across the country.

I note that in the Toronto District School Board, there were specialized programs and alternative schools created specifically for indigenous as well as black students. One is the Africentric Alternative School and the other is the First Nations School.

The concept of reconciliation is not only about ensuring that indigenous students on reserves are given the educational opportunities they need to succeed, but it is also about looking at the country as a whole and how we deliver education. Are we inclusive? Are we incorporating the lived experience, histories and cultures of different diverse communities? Only then, with that understanding of indigenous knowledge and experiences among the general public, can we as a country truly move towards reconciliation with the indigenous peoples.

I also want to follow up in terms of gender analysis. In the data that you look at, have you considered, for example, in education how girls versus boys might be performing and whether that information has been looked at?

Mr. Jean-François Tremblay: I don't have the data in front of us, but it would not be a surprise to you that the girls are outperforming the boys. I don't remember by how much, but the data I have seen in the past tends to show that girls are doing better.

Mr. Shaun Chen: You have a plan in front of us. I note that in wave three, for 2019 to 2020, you're looking at co-development with first nations governments in areas like education.

Can you talk a bit more about what that looks like and how that will lead to self-determination and enable indigenous communities to create the types of education environments that will lead to success?

Mr. Jean-François Tremblay: As I mentioned before, governments have tried in the past to do devolution. It was done in the 1970s and the 1980s. Mostly what we did at the time was to transfer programs as they were, with not necessarily the appropriate level of funding and at the community level.

What we're trying to do now is more to have a discussion at the aggregate level on how exactly you will plan for this, and also about the accountability structure. The model we have is not necessarily a one size fits all.

One model we have that is being developed now is the one in B.C. It allows for a better understanding, a better capacity, to analyze the data, create new data and actually create and change the programs. That's what we would like to see in the future.

That's what we're doing now. As was mentioned before, success is not measured by funding. You need to be able to remove the funding issue from the equation so you can focus on the rest.

I think that's where we are now. We're in a situation where we can say we are addressing the funding issue, so now it's an issue about how you organize the service: How do you do it and what do you do?

That's the discussion we are having, and it's a very different discussion from the one I've had in the past.

● (1630)

Mr. Shaun Chen: With respect to the data, I could add that it's very important to track a student as they move through the system. There are students, as the Auditor General has pointed out, who might be pushed out or drop out of school in grades 9, 10 or 11. There are also students who might not graduate in grade 12, but they might do an extra year or an extra two years and graduate.

Mr. Jean-François Tremblay: Yes.

Mr. Shaun Chen: They need to be tracked. There are students who might leave an on-reserve educational institution and complete their education elsewhere.

The Chair: All right—

Mr. Shaun Chen: Those are some considerations I would throw out there.

The Chair: You're a minute and a half over.

Thank you, Mr. Chen. They were good comments. That's why I didn't want to cut you off.

We'll go to Ms. McLeod, please.

Mrs. Cathy McLeod: Thank you, Chair.

Certainly the community well-being index, although it was not a tool with finesse—I remember using that tool, and it gave some very crude results—you recognized that there were some real issues from those crude results. I think the fact that the instrument is going to be replaced through co-development of another instrument is a positive thing—it's a good thing—although the CWB did have some value at the time to point out some huge discrepancies.

I'm much more concerned regarding your findings in the education area.

The next place I want to dive into is the \$42 million. This is a preparatory program for entry into post-secondary education. What was the name of that program? Was it equally dispersed across the country? I mean, an 8% rate of people then actually entering....

Could you give me some details, please?

The Chair: Mr. Ferguson.

Mr. Michael Ferguson: I'll start, and then I'll ask Mr. Martire to fill in some of the details.

I think the deputy explained, as well, that it was funding provided to the educational institutions to provide this type of preparatory program. Our concern was that only 8%—

Mrs. Cathy McLeod: I'm sorry, can I cut in for a second?

Was it provided to the post-secondary institutions or the first nations institutions?

Mr. Jean-François Tremblay: To clarify, it was to the students. We're paying for the students' tuition and costs to go to university. That's what it has done.

Mr. Michael Ferguson: But the preparatory program itself was delivered by the university.

Mr. Jean-François Tremblay: Yes, but we pay the students who go to the preparatory program. We don't manage the program.

Mrs. Cathy McLeod: Continue, if you—

Mr. Michael Ferguson: Okay.

What we identified was that only 8% of the students who entered into those preparatory programs completed them. It would be a whole different question of how many of those 8% who were able to complete them went on and completed post-secondary education. Only 8% of the students who started the program actually qualified to get into the post-secondary program. I don't know how many of them would have completed it.

I'll ask Mr. Martire if there are any other details to add to that.

Mrs. Cathy McLeod: Was this administered by the different bands or by the department?

The Chair: Madam McLeod, who do you want to answer that question?

Mrs. Cathy McLeod: Mr. Tremblay—

The Chair: Could you repeat the question one more time?

Mrs. Cathy McLeod: Who administered the program? Was it through transfers to the organizations and they made decisions, or was this direct government to student?

Mr. Jean-François Tremblay: I would ask Madam Laforest to go into the technicality of how the money flowed and if it was for the students—

Mrs. Cathy McLeod: Quickly, because I do want to get—

Ms. Shelie Laforest (Acting Senior Director, Program Directorate, Education and Social Development Programs and Partnerships Sector, Department of Indian Affairs and Northern Development): Funding the student is through first nations.

Mrs. Cathy McLeod: It was money that was transferred to the first nations.

Ms. Shelie Laforest: Yes.

Mrs. Cathy McLeod: Okay.

Mr. Martire.

Mr. Joe Martire (Principal, Office of the Auditor General): Mr. Chair, this issue shows up in two places in our report. The first place is when we use it as an example to show data that is available within the department. Keep in mind this is data we've received when we mined the department's education system, and how it could have been used but wasn't used to improve program results. That's under paragraph 62 regarding the inadequate use of data.

We pointed out that the department had this information and despite these consistently poor results over a four-year period, we didn't see any evidence that there was any discussion to improve the outcome.

The other area where it comes up is in how information is reported. That's in paragraph 97. There we say that in fiscal year 2011-12, the department reported that 1,017 of these students were in transition to university. It really was that's how many students received the funds. There weren't a thousand students going to university.

Yes, over 4,000 over that four-year period received funds to support themselves, to prepare for going to post-secondary, but a very small percentage, about 8%, actually went. Over that period, although the department had the data, we didn't see any evidence of any attempt to make improvements, to find out what was going on.

• (1635)

Mrs. Cathy McLeod: There was no feedback to the communities that had—

Mr. Joe Martire: That's right, and then in one year we looked at how the results were being reported. They reported that all of the thousand were going to university when in fact the thousand was how many people received the funding.

The Chair: Thank you. Your time is up. We can come back to you.

Now we'll go to Madam Yip, please. You have five minutes.

Ms. Jean Yip (Scarborough—Agincourt, Lib.): Mr. Tremblay, it's mentioned in the education results that in the past 18 years there was no report on student attendance. I think attendance is very important. It's usually the first indication of student problems. I love it when I get those calls from the school for my own kids. It usually gives me a chance to grill them.

Is that being changed?

Mr. Jean-François Tremblay: We are working with first nations on the right indicators to use, the ones that are meaningful. There has been some resistance to attendance.

I'm like you. My mother got a lot of calls in the past, and so I tend to think it's important, but I don't want to presume what the indicators would be, because we're not necessarily thinking about what we will use as indicators. We want to do it with first nations partners, so it's a discussion we have with them on what they think and what the common indicators should be, the set of indicators that are meaningful and track results.

That's one we're taking into consideration. I don't want to presume the conclusions of our discussions with our partners, but I take your point.

Ms. Jean Yip: Why are they resisting?

Mr. Jean-François Tremblay: I don't want to speak for them on this, but I've been hearing that for them it's not necessarily the best indicator.

Shelie, do you have some more information on this?

Ms. Shelie Laforest: The discussion that has occurred so far is about whether it's the attendance or tracking the students. Is it about attendance or is it more about retention? I believe it's a difference of opinion with regard to indicators around retention and tracking students versus attendance, and which one provides a better measure.

That is the comment we've received. Other considerations will come into play.

Ms. Jean Yip: What other unique needs of first nations students are being tracked or being assessed in your discussions with the first nations that are specific to their communities?

Ms. Shelie Laforest: I can speak to the B.C. agreement, as it's a signed agreement.

If you look at the agreement you will find indicators around connectivity and around literacy by grade. They have attendance rates in their framework. They have their teacher-student ratios. In the B.C. agreement there is a list of indicators. I'm going by memory, but those would be examples, for the B.C. context, that they have decided are appropriate measures to demonstrate results, from a B.C. perspective, as an example.

• (1640)

Mr. Jean-François Tremblay: This is included in the agreement, but my experience with FNHA is that they will also develop their own indicators afterwards.

Ms. Shelie Laforest: If you look at the agreement, there are many other indicators. I have given these as an example, but there are many variations of indicators, reported to committees, reported to us,

reported as well by the provinces to first nations. It's a comprehensive framework that you find in the agreement, with several indicators reported at different levels to the various players in the education system.

The Chair: Those are very good questions, Ms. Yip.

Is there a problem with these indicators? When we work together with them to develop the indicators to use, are the indicators chosen the true indicators that we need to get the answers? I think that's the question. Has the Auditor General given any idea of which indicators should be there, on the issues, for example, of school attendance and others?

Mr. Jean-François Tremblay: At the moment I don't see it as a problem. We have those discussions. You know, people 14 months ago would have said we could not agree on a funding formula, and we are progressing quite a lot on that. We will see what comes out of the discussions, but it's our experience, in our first experience at this stage, that it is easier to agree on indicators when we have a regional discussion.

The Chair: When will we know the indicators? There are some shorter timelines here. Going back to Ms. Yip's question, some of the long-term expected completion dates are 2021 to 2023, but you have some that are short-term.

Mr. Jean-François Tremblay: Yes.

The Chair: The first regional education agreement is to be finalized by December 2018. Results-based management approaches tailored to support local priorities are anticipated to be completed by December 2018.

Are you on schedule for these?

Mr. Jean-François Tremblay: Yes.

The Chair: With certainty?

Mr. Jean-François Tremblay: Are you, with certainty?

Ms. Shelie Laforest: The agreement that was signed in British Columbia—

The Chair: That's the one that was done. Has it been there for years?

Mr. Jean-François Tremblay: No, we just signed a renewal.

The Chair: A renewal?

Mr. Jean-François Tremblay: It was quite a renewal, because you have to adapt the new—

The Chair: You've given us some short-term timelines showing that they were going to accomplish this by December 2018, but you've just signed the renewal. Is it a real, hard and fast timeline that's going to be met?

Are we going to be able to actually measure that you're completing these, or are these *faits accomplis* even long before you've given us this date?

Mr. Jean-François Tremblay: No, these are not long-time *faits accomplis*. We've been negotiating the TFA in B.C. intensively during the summer. It was not necessarily a *fait accompli*. We just announced it less than a month ago.

The Chair: Thank you.

Mr. Jean-François Tremblay: It was a renewal, because it took place where we started those things, but there are other discussions currently going on in other regions, and I'm confident that we will make progress.

As I said before, we also created two school boards in two years, basically, which is actually quite good.

The Chair: Thank you.

Mr. Christopherson.

Mr. David Christopherson: Thanks, Chair.

I want to thank you for shoring up the important macro message that we had. I appreciate it. I think you were also anticipating where I may be going when you suggested that we're going to be keeping this one on a short leash.

I think that with any of these reports, given the context that we have, we should let the department know that we're going to take them up on their offer to follow them and measure them. We will. We have great staff. Nothing gets by them.

I have a straight-up question. On page 7, in paragraph 5.31 of the Auditor General's report, we read:

In 2000, Indigenous Services Canada committed to measuring and reporting on the education gap every two years. As of December 2017, we found that the Department had not met this commitment.

Pourquoi?

Mr. Jean-François Tremblay: I don't know, to be honest with you. I know what I control. I don't know why it was decided not to report—data not available, quality of data, maybe. I think we have made progress in terms of exchange of information and data.

My sense is, as I mentioned before, developing national indicators is one thing. If you really want to be meaningful in your co-development process with first nations, ideally you would go to the regional level. That's where we think we're going to get success, and for us, that's where it's going to go. National will come from that, but I think in the past we potentially took too much of a top-down approach. This is what we think it is.

We asked first nations communities, as you said before, underfunded and without necessarily with the capacity to send the information. We set them up sometimes for not necessarily success.

• (1645)

Mr. David Christopherson: Thank you.

I do appreciate your frankness, but it still leaves us with a question. I heard your answer, but I don't see a lot of nuance in any answer here.

Your department made a commitment to do something, to give reports, important reports on an important matter, and it didn't do it. You talk about it like it's the distant past—

Mr. Jean-François Tremblay: No.

Mr. David Christopherson: —but the reference point is December 2016. That means that whoever was there in 2016 also ignored it, because that's what it looks like. This is what really troubles us. It's a complex file. You have a difficult job; nobody will question that. I don't envy you your job, but when it's things like this,

this obvious, and you make a promise—it's a simple one—that every two years, you'll report this.... Seven years go by, and the department doesn't even bother.

When people wonder why Romeo Saganash did what he did in the House of Commons, it's things like this. This is just, "Yeah, yeah, we'll do it; don't worry," to get through the moment. One and done, we call it.

What it looks like, and I know it's not true, but what it looks like is a lack of compassion or caring.

It wasn't really a question, it was more of a rhetorical question.

I do want to move—

Mr. Jean-François Tremblay: I hope you don't question my caring and compassion, sorry.

Mr. David Christopherson: Sorry?

Mr. Jean-François Tremblay: I hope you don't question my compassion.

Mr. David Christopherson: No, no, you're sincere.

I'm just telling you that I've had lots of Tremblays sit here and give me the same promises; that's all. I haven't heard you say anything new, anything I haven't heard before; that's all.

Mr. Jean-François Tremblay: Okay.

Mr. David Christopherson: I believe you're sincere. I believe they were sincere. But, I also know our first nations people are still getting the dirty end of the stick in this country, and we, collectively as Parliament, are not doing enough. So, when we drill down to the points, this is where the rubber hits the road, sir.

Mr. Jean-François Tremblay: Fair enough.

Mr. David Christopherson: I'm probably rapidly running out of time. I'll turn to page 6, paragraph 5.29, regarding limited use of available data.

Before I get to the detailed question, which I may not get to, since the chair's going to give me the hook—I only have five minutes—my question is this. Are you aware, as a deputy, that the Auditor General and this committee made the issue of data one of the most important macro issues for us this Parliament? Did you know that?

Mr. Jean-François Tremblay: Yes, I know. You reminded me of that last time I was here, actually.

Mr. David Christopherson: Why, then, didn't you treat the issue of data more seriously? It's not like we're playing gotcha. We told you three years ago that this is an important issue to us. The Auditor General has said this is one of the key issues, but I don't see any sense of urgency, sir. I don't see any sense that you know this is important to us in those answers. That's why I made a reference to your opening remarks sounding like business as usual. That didn't help my attitude toward the business today.

Mr. Jean-François Tremblay: Sorry for maybe being too bureaucratic in my remarks, but it is a priority for us.

That's why Paul is dedicating a lot of time to working with first nations on this national index. That's why we're working on developing those accountability frameworks. It is capital for us, but not just for us as a government. What we're aiming for is not us having more data, it's first nation leaders and those who work in the first nation education system having the tools they need, which means the data, to make the right decisions. This is not Ottawa-centric; it has to be with the ones who manage the system.

The Chair: All right, I'll come back to Madam Mendès. We're giving a little extra time to Mr. Christopherson, because he's been so calm, cool and collected.

Some hon. members: Oh, oh!

The Chair: Mr. Ferguson.

Mr. Michael Ferguson: Obviously, the issue of data and needing the right data is important. I guess what I want to do is bring this back up to.... We used education as an example, but what we are talking about here is data to be able to analyze the socio-economic gap between indigenous people and non-indigenous people in Canada.

I don't want to turn this into an exercise of collecting data for the sake of collecting data. However, the issue about data that is important is to identify what data matters, make sure you collect it and make sure you collect it well so that it doesn't have errors in it. You need the right data, and it needs to be of the right quality, but that data needs to be leading to something. In this case, it needs to be about whether or not the socio-economic gap between indigenous people and non-indigenous people is closing.

This one is more complicated because we talk about a nation-to-nation relationship, but quite frankly, I see it as a many-nations-to-nation relationship. There are many nations when you are dealing with the first nations. They don't necessarily all have the same priorities, so that complicates the department's job of identifying what types of data matter to individual first nations or groups.

However, what we see too often is data that's collected and isn't used, data that is collected poorly so that it can't be used, or data that isn't collected when it should be collected. They need to have a very good framework. What is it that we are trying to do? We're trying to close the socio-economic gap. How do we measure the socio-economic gap? What data do we need to do that? Is that data of sufficient quality that we can rely on it, and how is it being reported? It's a simple model, but it is complex in the implementation.

• (1650)

The Chair: Madam Mendès.

Mrs. Alexandra Mendès: Thank you very much, Mr. Chair.

I'll start with you, Mr. Ferguson, and then I'd like to hear Mr. Tremblay on some of the issues.

We're talking about...and you just mentioned it, so it's actually a wonderful segue into what I'd like to talk about.

This is about nation-to-nations—plural. This is clearly not something that is done with the federal government and one group, or even the federal government and one province. This is with a

multitude of interlocutors who need to be brought to the table as full partners in this negotiation, if I understand this correctly.

However, once the agreements happen, and you have the B.C. example, where do we go with the accountability? My understanding is that once you have a nation-to-nation agreement, like you have with the provinces, the federal government stops having any accountability expectations, except, for example, with regard to the Canada Health Act. You expect the provinces to respect the framework of the Canada Health Act, but you're not asking them to show you, the federal government, how exactly each dollar of the health transfer is spent. They decide how they do it. It's the same thing with education or whatever other national program.

Once you have these agreements, you're going to be negotiating one by one, and there are going to be quite a few. Right now we don't have complete data to actually look at whether it's been closed or improved in any way. However, once it's done, how do we keep on tracking this data? If the first nations are going to be solely responsible for the management of the programs, be they in education, health, culture or all the other factors that you actually did say should be taken into account, how do we do that?

The Chair: Mr. Ferguson.

Mr. Michael Ferguson: I think that is a significant complexity. Let's remember that at least with the provinces, while they receive significant money from the federal government, most of them also have revenue-generating capacity, whereas for the first nations, how much revenue-generating capacity they would have would be very different from one first nation to another first nation.

I think it really does come down to that question of responsibility, and I think the federal government's aim in this shouldn't be to try to push responsibility to the first nations. It should be what responsibility the first nations want to take on and what they can take on. Then you need to have an agreement that reflects that.

If you could have a situation where a first nation says that if it has this funding formula, it is going to be 100% responsible for the socio-economic situation of all of the people on its reserve, and if anything goes wrong, that's on the first nation, then you can work with that type of an arrangement. However, you need to be very clear what it is, and it's not going to be the same in every case.

• (1655)

There are going to be very many cases where the first nations will say, "Yes, we will do some delivery, but maybe we don't have all of the capacity to prepare the programs or whatever help we might need."

Mrs. Alexandra Mendès: Policy development and so on, yes.

Mr. Michael Ferguson: In that case, there may need to be more reporting back to the federal government in terms of, “Okay, here's the money you provided. Here's what you were supposed to do. Have you done it?” I think it's going to be different. I think, to me, what's fundamental in that question is the question of responsibility. Who is responsible for education? That's not delivering education, but who's going to be responsible for education outcomes? Who's going to be responsible for health outcomes? Once that is decided, then you can put in an agreement that reflects that. If it comes down to the federal government's responsibility, and it's just to pay a certain amount of money based on a funding formula, and then all of the responsibility for outcomes rests with the first nations, that's fine, but I think you wouldn't expect to get to that situation in every single case.

Mrs. Alexandra Mendès: Nor right away.

[Translation]

Mr. Tremblay, do you have anything to add?

Mr. Jean-François Tremblay: I mostly agree.

[English]

The comment on one nation versus many nations is a very significant and important one. They all have different situations. Let's put it that way. There are some remote communities. There are some communities that are close to urban centres. There are some communities that are bigger than others, that may have more capacity and so on. We have to take all this into account.

I don't think the system that we have in place is great from an accountability perspective, so the status quo is not a good accountability structure. They deliver programs that we developed most of the time, and it's not actually a good way of doing things. For us, part of the discussion is actually to make sure that we agree on who's responsible for what, but we're going to have to advance at the rhythm that the partner wants to advance on this; that's for sure. In some cases it would require a regional aspect, and in some cases it would be more local.

Paul is doing a lot of work on accountability with the AFN, and he may want to jump in.

Mr. Paul Thoppil (Chief Finances, Results and Delivery Officer, Indigenous Services and Crown-Indigenous Relations and Northern Affairs, Department of Indian Affairs and Northern Development): Thank you, Deputy.

As the deputy said, there is no “one size fits all” approach. Each first nation has differing levels of capacity. There are different issues with regard to jurisdiction, with regard to the type of program, whether it's provincial or otherwise. Therefore, one has to look at establishing what is the overall principle before we get down to the outcomes.

The principle that we are co-developing is the principle of mutual accountability, which is to ensure, at least at a community level, as opposed to a provincial or aggregate level, that chiefs and council are accountable to their community members for the outcomes for the money that is transferred to them to deliver. What it needs is a community-approved outcomes framework that responds to the local socio-economic conditions at play, for which they would then measure and then report back to the community. Then, as the

principle of mutual accountability, we get that document to understand what are the results that have been achieved and then essentially establish that ongoing dialogue of how we can work together with them to move the needle on their agreed upon targets and outcomes.

Mrs. Alexandra Mendès: It's the outcomes achieved on their expectations, not on whatever expectations the federal government put on them, but the expectations they have agreed on as being the accounting measures. Is that correct?

Mr. Paul Thoppil: Right. That's correct.

Mrs. Alexandra Mendès: Thank you.

The Chair: Madam McLeod, please.

I don't see any other questioners.

Mrs. Cathy McLeod: Thank you.

I'm going to continue on this train of thought, because I think it's very important.

A number of months ago in the House we unanimously agreed to the Anishinabek Nation Education Agreement Act. The legislation passed. I can't recall, because there was the legislation, and then there were a number of co-agreements of multiple pages below it.

I'm going to start with the staff from Indigenous Services. In that legislation, do we no longer have to worry about how they're doing in the way that Mr. Ferguson indicated? Have we transferred the responsibility for the outcomes, making us strictly responsible for transferring the money under an agreed-upon formula?

● (1700)

Mr. Paul Thoppil: Yes and no. What I mean by that agreement is that the relationship is ongoing. There's not a defined end state, right? It's much like the relationship between the federal government and the provincial governments. We are a partnership trying to improve overall outcomes for the benefit of society. In the self-government agreements, there are periods of renewal, and that's where we have a take stock exercise in terms of what the accomplishments have been with the monies to date.

Mrs. Cathy McLeod: So we don't really know. When Mr. Ferguson, in five years from now, looks at what we've done and where we've gone, will he be, first, able to assess what happened within that agreement? Second, will he say, “Well, do you know what? Parliamentarians don't have to worry about it because it was sort of a transferred responsibility?”

I wonder, Mr. Ferguson, how you perceive this, because I think you articulated that.

Mr. Michael Ferguson: Again, it would depend on what the legislation or the agreement says. We'd have to go back and look at that. Again, I'm taking it to an extreme. We don't look at what the provinces accomplish from equalization funding, fiscal formula funding or anything like that. That's money that's transferred to the provinces, and the provinces have the responsibility to the people in their provinces to deliver.

Can any of that be set up that way for first nations? I don't know, but that is sort of at one end of the extreme. Then you have the other end of the extreme, which is just straight contribution agreements: You hire somebody. You get a bill. You send it to us. We pay for it. We keep doing that type of thing. It's very much going to be dependent on the relationship that's established.

Mrs. Cathy McLeod: I think I still have a couple of minutes.

I would be very interested in having a paragraph or two in terms of that particular agreement and what responsibilities there are for reporting of indicators and where we are on that spectrum of responsibility and accountability.

I'm looking at things like this education information system, which, it looks like, we've spent a lot of money on. Would that have been part of, for example, this agreement in terms of the Anishinabek or in British Columbia? Is this a system that is being used across the country for all these communities, regardless of whether they are—

Ms. Shelie Laforest: In our system we do have questions around those that are self-governing. We do have a question that seems to gather data. I believe so, but I will reconfirm. I know that I have two questions that are specific to self-governing. Definitely for the British Columbia agreement, they will continue to report through the system on the indicators that have been agreed upon in the agreement.

Mrs. Cathy McLeod: For the self-governing, our ability to understand if the model is working... To not have that ability to understand the data is probably an issue.

Ms. Shelie Laforest: Yes.

I believe they report on their student count, the information that allows us to track the number of students and the progression. There are a few other indicators, I believe, where they report to us as well under the self-governing agreement. I can confirm that for the committee.

The Chair: Thank you.

Those were good questions.

Mr. Massé, for the final question, then I have one coming from the analysts.

[*Translation*]

Mr. Rémi Massé: Mr. Chair, thank you for the opportunity to ask other questions.

Mr. Tremblay, how many members does your management team have, approximately?

Mr. Jean-François Tremblay: We will see what will happen to the department after the current discussions. Two assistant deputy ministers are working on the first nations health file—one for the centre and the other one for the regions.

Mr. Rémi Massé: Roughly, how many members are there?

Mr. Jean-François Tremblay: There are from four to six assistant deputy ministers, but their final number will depend on the outcome of the department restructuring. The rest are directors general.

• (1705)

Mr. Rémi Massé: I assume that you will share what we discussed today with your management team?

Mr. Jean-François Tremblay: Yes.

Mr. Rémi Massé: Great. I am saying this to you because it is important. I would perhaps go even further by suggesting that you share this report with all of your employees, if you haven't done so already.

Mr. Jean-François Tremblay: Yes.

Mr. Rémi Massé: I am sure that many of your employees have already seen the report, but I would like to ensure that all your employees are aware of it. We are clearly taking this report and its findings seriously. I know that you are also taking them seriously, as is your management team. However, it may be a good idea to make all of your employees aware of particularly important and difficult realities and findings.

If I may insist, I think that would be useful, as once we see each other again in a few months to follow up on this report, you may benefit from better support because all of your employees will be behind your process.

Mr. Jean-François Tremblay: I am duly noting your recommendation and will follow up on it. Perhaps I should send a message to all of my employees with a copy of the report, and remind them of the importance we give to data in general. I know that they are aware of it, but it may be a good idea to remind them.

Mr. Rémi Massé: Thank you.

[*English*]

The Chair: Thank you.

We all have our different questions, and then typically at the end of a meeting our analysts, our researchers, will hand me a question to ask. They may want some information in regard to us building a report on the study we've done.

You spoke to Mr. Christopherson's question when he talked about the education gap and not reporting it, and I think Ms. Yip also, on the student attendance.

However, the question I've been given is that the Auditor General found that the department did not report results for most of the performance measures. In particular, the strategy for 2014 contained 23 specific measures, but the OAG found that the department never reported on 17 of them. For example, as Ms. Yip brought up, it did not report on student attendance and first nation language instruction.

There were 17 of the 23 that were not reported on. Why is that?

I think he answered "I don't know" to Mr. Christopherson on the education gap. What about some of the others of the 17?

Mr. Jean-François Tremblay: I would suspect that... We can check on our side, but if the data are not good quality and we don't have all of them, we probably don't report them. That's possible.

The Chair: Lack of data: There's your answer.

Good. Thank you very much.

I'm going to ask the committee to stay, please. Mr. Christopherson has requested about five or 10 minutes of committee business.

I want to thank our guests for attending today. The moose hide has been handed out in our lobbies. I see many different ones. Maybe they're not wearing them today, but they are all instructed to be wearing them tomorrow. They are available.

Thank you, Mr. Tremblay, for bringing them.

To all of you, thank you.

I typically end by saying that if you leave here and feel that you could have answered a certain question a little differently, or you find other information as to one of the questions that was asked, please feel free to follow up with our analysts or our clerk. We'll make sure that those answers get into our study and our report.

Thank you for your attendance.

We'll suspend for one or two minutes and allow the witnesses the opportunity to make their exit, and then we'll go in camera after that.

[Proceedings continue in camera]

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

SPEAKER'S PERMISSION

The proceedings of the House of Commons and its Committees are hereby made available to provide greater public access. The parliamentary privilege of the House of Commons to control the publication and broadcast of the proceedings of the House of Commons and its Committees is nonetheless reserved. All copyrights therein are also reserved.

Reproduction of the proceedings of the House of Commons and its Committees, in whole or in part and in any medium, is hereby permitted provided that the reproduction is accurate and is not presented as official. This permission does not extend to reproduction, distribution or use for commercial purpose of financial gain. Reproduction or use outside this permission or without authorization may be treated as copyright infringement in accordance with the *Copyright Act*. Authorization may be obtained on written application to the Office of the Speaker of the House of Commons.

Reproduction in accordance with this permission does not constitute publication under the authority of the House of Commons. The absolute privilege that applies to the proceedings of the House of Commons does not extend to these permitted reproductions. Where a reproduction includes briefs to a Committee of the House of Commons, authorization for reproduction may be required from the authors in accordance with the *Copyright Act*.

Nothing in this permission abrogates or derogates from the privileges, powers, immunities and rights of the House of Commons and its Committees. For greater certainty, this permission does not affect the prohibition against impeaching or questioning the proceedings of the House of Commons in courts or otherwise. The House of Commons retains the right and privilege to find users in contempt of Parliament if a reproduction or use is not in accordance with this permission.

Also available on the House of Commons website at the following address: <http://www.ourcommons.ca>

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

PERMISSION DU PRÉSIDENT

Les délibérations de la Chambre des communes et de ses comités sont mises à la disposition du public pour mieux le renseigner. La Chambre conserve néanmoins son privilège parlementaire de contrôler la publication et la diffusion des délibérations et elle possède tous les droits d'auteur sur celles-ci.

Il est permis de reproduire les délibérations de la Chambre et de ses comités, en tout ou en partie, sur n'importe quel support, pourvu que la reproduction soit exacte et qu'elle ne soit pas présentée comme version officielle. Il n'est toutefois pas permis de reproduire, de distribuer ou d'utiliser les délibérations à des fins commerciales visant la réalisation d'un profit financier. Toute reproduction ou utilisation non permise ou non formellement autorisée peut être considérée comme une violation du droit d'auteur aux termes de la *Loi sur le droit d'auteur*. Une autorisation formelle peut être obtenue sur présentation d'une demande écrite au Bureau du Président de la Chambre.

La reproduction conforme à la présente permission ne constitue pas une publication sous l'autorité de la Chambre. Le privilège absolu qui s'applique aux délibérations de la Chambre ne s'étend pas aux reproductions permises. Lorsqu'une reproduction comprend des mémoires présentés à un comité de la Chambre, il peut être nécessaire d'obtenir de leurs auteurs l'autorisation de les reproduire, conformément à la *Loi sur le droit d'auteur*.

La présente permission ne porte pas atteinte aux privilèges, pouvoirs, immunités et droits de la Chambre et de ses comités. Il est entendu que cette permission ne touche pas l'interdiction de contester ou de mettre en cause les délibérations de la Chambre devant les tribunaux ou autrement. La Chambre conserve le droit et le privilège de déclarer l'utilisateur coupable d'outrage au Parlement lorsque la reproduction ou l'utilisation n'est pas conforme à la présente permission.

Aussi disponible sur le site Web de la Chambre des communes à l'adresse suivante : <http://www.noscommunes.ca>