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Chair

The Honourable MaryAnn Mihychuk

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• (1530)

[*English*]

The Chair (Hon. MaryAnn Mihychuk (Kildonan—St. Paul, Lib.)): Welcome, everybody.

Pursuant to Standing Order 108(2), we are looking at a study of the spring 2018 report of the Auditor General of Canada.

Before we get started, I want to recognize that we're on the unceded territory of the Algonquin people as an important tribute and recognition of our history and of our process of reconciliation with our indigenous peoples of Canada.

Welcome to our committee. We look forward to hearing from you and hearing the responses from department officials.

Go ahead, MP McLeod.

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

I note that only an hour was scheduled, and with two departments and the Auditor General, that leaves perhaps one question per person in a very limited round. I know we don't have a lot of in camera business, and I hope the officials might be available for a little extra time so that we could have a few more rounds. It is very typical practice that there's a little bit more than one hour dedicated to important departments and important reports. I hope there would be consideration of having the officials stay and continue.

Certainly 30 minutes of committee business would be plenty.

The Chair: Go ahead, MP Bossio.

Mr. Mike Bossio (Hastings—Lennox and Addington, Lib.): As much as I respect my honourable colleague's viewpoint on this, if we had discussed it previously up front, prior to sitting at the table, we might have been able to consider it, but in fairness to the officials, we've said this would be a one-hour meeting, and they are prepared for that.

We do committee business afterwards, and I think we should stick to the schedule we have already established.

Thank you.

The Chair: All right. It's time to get started with presentations.

We have three groups. Each one will have up to 10 minutes, and I'll provide you with a signal when you're getting close to the end of your allotted time so that I don't have to cut you off in mid-stream.

First to present is the Office of the Auditor General.

Welcome. You can start when you're ready.

Mr. Jerome Berthelette (Assistant Auditor General, Office of the Auditor General): Thank you, Madam Chair.

On behalf of the Auditor General, I wish to express his regret at not being able to be here today.

Madam Chair, thank you for this opportunity to present the results of two audits from our spring 2018 reports. One audit was on socio-economic gaps on first nations reserves and the other was on employment training for indigenous people.

Joining me today are Joe Martire, principal, and Maria Pooley, director.

[*Translation*]

The Office of the Auditor General of Canada has a long history of auditing federal programs and activities that affect indigenous peoples. Although successive governments have made numerous commitments to improve the well-being of indigenous people, I am sorry to report that our decades of audits indicate that the results of the programs for indigenous peoples have been unacceptable. As you will see from the findings of the two recent audits we are discussing here today, recurring issues include the lack of information and the poor use of available data to understand and improve the impact the programs have on the lives of first nations.

In the first audit, we assessed Indigenous Services Canada's progress and reporting on closing the socio-economic gaps between on-reserve first nations people 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.

[*English*]

We found that the department's main measure of socio-economic well-being on reserves, the Community Well-Being Index, wasn't 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 such as health, environment, language and culture.

We also found that the department didn't 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.

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 its 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 and information system, despite the government's commitments made in 2008 to give them access to information in the system.

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 poor results, the department didn't work with first nations or educational institutions to improve the success rate.

We also 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 didn't report on student attendance or the delivery of first nations language instruction.

We also found that the department's public reporting of first nations' education results was inaccurate.

● (1535)

[Translation]

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 use of data to improve education programs was inadequate.

Our second audit examined how Employment and Social Development Canada managed two programs: the aboriginals skills and employment training strategy, and the skills and partnership fund.

The common goal of these two programs was to increase the number of indigenous people who had sustainable and meaningful employment. For both of those programs, the department worked with indigenous organizations across the country that provided training and employment support to first nations, Métis and Inuit clients.

Overall, we found that the department could not demonstrate that these programs increased the number of indigenous people who got jobs and stayed employed. Specifically, we found that the department did not define the performance indicators necessary to demonstrate whether the programs were meeting their objectives. For example, the department established an annual target for the number of clients employed after receiving services. However, the department counted any employment obtained as a successful outcome—whether the work was short-term, seasonal, part-time or full-time. This means that it did not know how successful the programs were in helping clients find sustainable employment.

[English]

We also found that the department didn't do enough to ensure the completeness and accuracy of the data it obtained from indigenous organizations on the results their clients had achieved after receiving services. Notably, the department didn't know whether more than 20% of all clients who received services actually found a job or went back to school.

We found that the department didn't analyze the program data it collected to identify trends, problems or good practices that could help indigenous organizations improve their services and results. For example, the department spent \$130 million between the 2010-11 and 2016-17 fiscal years on wage subsidies for employers who hired clients for specific lengths of time. However, the department didn't track whether these clients continued working after the subsidies had ended.

In addition, the department didn't consistently monitor indigenous organizations to ensure that they fulfilled their obligations under funding agreements, nor did it use the information from the monitoring it did to know how well the programs were working. This means that the department missed the opportunity to explore ways to improve program delivery and to identify systemic issues requiring attention.

● (1540)

[Translation]

Following the tabling of reports in Parliament in May, Indigenous Services Canada and Employment and Social Development Canada each prepared an action plan to address our recommendations. Your committee may wish to ask them for an update on the implementation of their commitments.

Madam Chair, this concludes my opening statement. We would be pleased to answer any questions the committee may have.

Thank you.

The Chair: Thank you very much.

[English]

We'll move on to Indigenous Services Canada. I think it's officially called the Department of Indian Affairs and Northern Development, but we know you as Indigenous Services Canada.

Mr. Jean-François Tremblay (Deputy Minister, Department of Indian Affairs and Northern Development): Madam Chair, I want to begin by expressing my thanks to the committee for inviting us today to join the discussion. I want to also thank you for acknowledging that we are gathered on traditional and unceded Algonquin territory.

Madam Chair, my colleagues and I welcome the spring report of the Office of the Auditor General on socio-economic gaps and education data for first nations on reserve.

[Translation]

Indigenous Services Canada agrees with the three recommendations in the report that pertain to our department and is already working to address the concerns identified.

[English]

If I may, I will use the time that I have today to provide the committee with a brief overview of the department's progress in addressing those recommendations, after which I will be pleased to take your questions.

In offering our response, we are mindful of the Government of Canada's determination to forge a renewed relationship with indigenous people and the need to ensure that our initiatives as a department support the ultimate goal of self-determination.

[Translation]

This includes first nation control of their education—the call for which has been delivered to the Government of Canada, time and again, for decades.

[English]

As a department, we are working with first nations partners to achieve this goal by addressing the key issues, from enhancing first nations capacity to establish educational institutions that will deliver quality, culturally appropriate programs and services for children to ensuring first nations have sufficient and predictable funding to maintain and improve their education system over the long term.

Turning to the recommendations themselves, the first emphasizes the importance of working with first nations and other partners to measure and report on the overall socio-economic well-being of first nations on reserve. This includes looking at broader indicators of socio-economic well-being that have been identified by first nations themselves, such as language and culture.

[Translation]

As a first step, we are already collaborating with partners including the Assembly of First Nations and the First Nations Information Governance Centre on a proposed national outcome-based framework.

[English]

I think, actually, we distributed to you today a draft of what we call the national framework.

We want and need a mechanism that will enable us to identify with a high degree of confidence what are rightly termed the unacceptable gaps that exist in living standards, education and health between indigenous and non-indigenous peoples in this country. This is essential if we are to know whether we are making progress in closing that gap.

The framework would align with the United Nations sustainable development goals, ensuring a comprehensive dashboard of all the outcomes and key indicators associated with socio-economic well-being, including language and culture. This is crucial to informing our work with indigenous people.

Working together, we aim to have comprehensive baseline data on socio-economic gaps within three years. With a baseline in place and with the experience and knowledge gained in creating that baseline, we will have the tools we need to measure and provide meaningful reports of our progress toward closing the gaps.

I would emphasize to the committee that we are not proposing to do this on our own. We are committed to a respectful, collaborative process in developing the framework, based on the recognition that first nations' perspectives are essential to defining meaningful socio-economic indicators.

The second recommendation flows from the first. It is to work in partnership with first nations to collect, use and share data to support improved outcomes in education on reserves.

[Translation]

Again, this work is already in progress.

[English]

In collaboration with first nations, we are working to identify the indicators associated with education results that are most meaningful to first nations themselves. In some cases, and perhaps many cases, these indicators will replace what we currently measure.

I would note that this work supports the movement toward first nations' control: first nations will collect the data and first nations will report to their communities.

An essential step here is strengthening first nations' data governance capacity. As the committee is aware, as part of establishing the new fiscal relationship, budget 2018 committed to support the First Nations Information Governance Centre in the design of a national data governance strategy and in the coordination of efforts to establish regional data governance centres for first nations.

● (1545)

[Translation]

I stress that support for a national strategy for data governance does not equate to a “one size fits all” approach to first nation data, including on education.

[English]

Our focus is on regional approaches to respect the diversity of first nations communities across the country. I am pleased to say that in December of last year, the Assembly of First Nations ratified the joint policy work that had been undertaken with first nations toward the development of a new K-to-12 education policy. This policy will act as a guide for the development and implementation of regional approaches to first nations education, including improvements in data collection, use and sharing, as well as mutual accountability.

I would draw the committee's attention to the recent Tripartite Education Framework Agreement in British Columbia as an example of this approach. It is a comprehensive regional education agreement with first nations and other partners that will help to ensure everyone is on the same page when it comes to what we measure and how we measure it.

Our third recommendation underscores the need to ensure that reporting of education results is complete and accurate.

[Translation]

As the Auditor General has noted, while the department's reports on graduation rates have been accurate, there is room for improvement with regard to the meaningful aspect of data.

[English]

We agree. How to arrive at a meaningful comparison of secondary graduation rates on a national basis has been a problem for some time. Provinces have jurisdiction over their education systems, including success measurement. Each province, for example, has a different way of determining graduation rates. In addition, many first nations students finish high school somewhere other than in their home community or as mature students, which are successes not necessarily captured in the reports.

Our education transformation work includes developing a new results framework that will generate reports that are both accurate and meaningful.

In conclusion, Madam Chair, my department welcomes and agrees with the recommendations of the Auditor General, which in many ways endorse the work already under way to transform first nations education, including collaborating with first nations and other partners to gather, use and share data that will enable accurate measurement of existing socio-economic gaps and the success of our efforts to close those gaps.

[Translation]

Thank you for your attention.

I am now ready to answer your questions.

[English]

The Chair: Thank you so much.

We have the Department of Employment and Social Development, which funds many indigenous programs and individuals for education and training.

We're very interested in your update. Our next study will look at capacity-building, so you might be a regular participant in our committee.

Please go ahead.

Ms. Rachel Wernick (Senior Assistant Deputy Minister, Skills and Employment Branch, Department of Employment and Social Development): Thank you, Madam Chair.

I'm here with my colleague Stephanie Hébert, and we would like to begin by thanking you and all the members of the standing committee for this opportunity and by acknowledging that we are gathered on traditional unceded Algonquin territory.

We welcome the Auditor General's report on employment training for indigenous people. Its recommendations are about two labour market programs: the aboriginal skills and employment training strategy, which I will refer to with the acronym ASETS, and the skills and partnership fund, or SPF.

[Translation]

We accept these recommendations and have already undertaken significant measures to improve those programs for indigenous peoples.

[English]

Madam Chair, before shifting to the specifics of the report, I would like to provide some important context.

We know that skills and employment gaps between indigenous and non-indigenous people continue to persist. No one understands the effect of these gaps better than the indigenous service delivery providers we work with through ASETS and SPF. To realize results and reduce these gaps in meaningful ways, we have to move beyond a one-size-fits-all, pan-Canadian, pan-indigenous approach and respectfully recognize that indigenous people understand their own needs best.

The government has been clear and consistent in its commitment to reconciliation through a renewed, nation-to-nation, government-to-government and Inuit-Crown relationship, based on the recognition of rights, respect, co-operation and partnership.

That is why in budget 2018 we saw new investments.

• (1550)

[Translation]

Those investments amount to \$2 billion over five years and \$408.2 million per year in ongoing funding, which represents an increase of \$99.4 million a year for the new aboriginal skills and employment training strategy. That new program is based on extensive consultations and a distinctions-based approach.

[English]

We are now actively co-developing the implementation of this new approach with our indigenous partners. In my remarks, I will point to how the recommendations in the report are already being integrated into the new ISED program that was announced in the budget.

ASETSiS is a unique grants and contribution program. It is fully driven by indigenous service delivery organizations. They make the decisions on how to design delivery programming based on the individual needs and priorities of their clients and their communities, in line with the program terms and conditions.

[Translation]

The strategic partnership program has greatly benefited over 375,000 aboriginals. It is provided through a national network that represents 85 contribution agreements and more than 600 points of service.

[English]

Without any change in funding, and despite a continually growing population, the indigenous service providers have managed to deliver a program that is responsive, flexible and innovative in addressing a broad range of local economic conditions and the varying needs of their clients.

The skills and partnership program is a demand-driven partnership-based program that is designed to provide employment training for indigenous peoples for jobs identified by employers. It focuses on emerging or untapped economic development opportunities to meet the needs of high-demand sectors and areas with skill shortages.

A 2015 ASETS and skills and partnership fund evaluation, which built on 10 previous evaluations of this programming, demonstrated positive and lasting results, including an increase in average annual income of \$1,600 and improved employability for program participants.

The Auditor General's report focused on ESDC's management of the program. We take this seriously and we accept the findings, which identified areas for improvement in our management. We are pleased to see that the report did not question the department's financial monitoring and quality assurance standards, nor the management role of indigenous service delivery organizations.

[Translation]

The report's findings can be divided into two thematic areas: performance measures and program management.

[English]

The first is on performance measurement. ESDC is working in collaboration with indigenous organizations to develop a new performance measurement strategy, which will include strengthened indicators, clearly defined targets and enhanced reporting on post-program results. Just a few weeks ago, over 150 representatives from indigenous service delivery organizations participated in a national data workshop to discuss capturing indicators of success for the new ISED program. This new strategy will allow the government and partners to measure how the program benefits indigenous peoples and their communities.

The second is program management, which includes the funding allocation model, the provision of labour market information and monitoring.

[Translation]

Madam Chair, the department is working with indigenous organizations to determine the best way to allocate new funding to service delivery organizations. We are basing this on funding streams that reflect the varied needs of communities and their clientele.

[English]

We acknowledge the importance of providing accurate labour market information to our indigenous service delivery partners. We are creating distinctions-based working groups to determine the kinds of labour market information and analysis that will be most useful to these organizations going forward.

More specifically, we have already begun working with first nations on a pilot to address gaps in their information over the next three years. It will enable us to develop tailored information and skills inventories in up to 60 communities.

We are working with indigenous partners on the renewal of our risk management model to better assess and enhance the capacity of

indigenous organizations. This will ensure monitoring is consistent and can better inform program and service delivery.

•(1555)

[Translation]

In addition, the new risk management model will implement the support needed for the effective management of subsidiary agreements and the achievement of results.

[English]

As you can see, we are taking the recommendations seriously. We see this as an opportunity for all of us to continue working in partnership to ensure programs provide indigenous peoples with the supports they need to succeed.

[Translation]

Thank you once again for inviting us today.

I am happy to work with the Office of the Auditor General of Canada to reach our common objectives.

[English]

The Chair: Thank you.

We're moving to the questioning period of the hearing, and it starts with MP Bossio.

Mr. Mike Bossio: Thank you, Chair, and I thank all of you for being here today. We appreciate your presence. We know we are taking you away from your very busy lives trying to support our communities.

My first question is for the Office of the Auditor General. We know from first nations that there is a need to take a more holistic approach to understanding the overall well-being of first nations on reserve, and this applies to education through improvements in language and cultural programs for students.

It would be great to get an understanding from you, based on your work on this report, of how this could perhaps be measured or tracked for progress by partners.

Second, as part of your report you made the recommendation that the departments' reporting on first nations education results should be complete and accurate. Seeing that the key mandate of the Minister of Indigenous Services and the Minister of Crown-Indigenous Relations is the advancement of self-determination, and in this instance of first nations' control of education delivery, what do you think that looks like, moving forward, in terms of successful design and delivery of education by and for first nations and any subsequent decisions about how to measure success?

Mr. Jerome Berthelette: Madam Chair, that's a lot in a very short question. I will start with the last part of the honourable member's question, which is about self-determination and education.

It seems to me that Canada and the first nations are going to continue to go through a period of transition to self-government and a government model of education. Once the government model of education occurs, wherein the first nations assume jurisdictional responsibility for education, the relationship between the federal government and the first nations will be more akin to that between the federal government and the provinces, and the funding relationship will become more like a transfer of funding from the federal government to the first nations government.

In the interim, what we are auditing is a federal program with particular objectives attached to it, one that takes place within a contribution agreement setting that has terms and conditions attached to it. It's not an ideal situation, from my perspective, to promote self-government, as it forces the attention of the community and the people who are organizing and trying to deliver education away from a focus on the community and the children to a focus on the terms and conditions of the agreement and on meeting reporting requirements to the federal government.

In the transition, we will have to find a way. I think my colleagues at Indigenous Services are working on the transition from a sort of contribution-based agreement to more a government-based agreement and have in fact, as I understand it, signed in B.C. an agreement that, if it is not jurisdictionally based, is one that will help the transition to a more government-based agreement.

I hope that answers the second part of the member's question.

Concerning the first part of the question, perhaps I will ask my colleague Joe Martire, who was the principal responsible for the audit, to talk more specifically about the points on tracking.

• (1600)

Mr. Mike Bossio: Thank you.

Mr. Joe Martire (Principal, Office of the Auditor General): I'll start off by saying that in terms of going forward, we as auditors tend to look backwards. We can talk about what actually happened from things that didn't go well that could be improved.

When we talk about measuring well-being—the Community Well-Being Index—we recognize that it has certain components but is not a comprehensive measure. The department has known that for many years.

The other component is that despite knowing this, until the most recent initiatives—we're talking about a period of 18 years—there hasn't been any attempt to make it more comprehensive or to come up with another index that's more comprehensive. Also, as we stated in the report, there wasn't in the index any real, meaningful engagement with the first nations to develop the index. I'm glad to hear, then, that going forward they are engaging, so that both sides know what should be included and how it's going to be used.

With respect to education, the department 20 years ago basically committed to reporting on the education gap and how it was closing. They've never done that. We used their own data to show what you can see on the graph on exhibit 5.1: that in fact the gap had widened over those years. Again, this is information that the department had.

From our point of view, we try to demonstrate in the report how they can use the information going forward. I think they are using it, but time will tell whether they're successful.

Mr. Mike Bossio: Thank you so much.

I'll move to ESDC. I think it's the first time you've been before a committee, so we do appreciate your presence here today.

The Auditor General's report states:

Overall, we found that Employment and Social Development Canada did not collect the data or define the performance indicators necessary to demonstrate whether the Aboriginal Skills and Employment Training Strategy and the Skills and Partnership Fund were meeting their common overall objective of increasing the number of Indigenous people who had sustainable and meaningful employment. This is despite the fact that the Department has been delivering programs to support Indigenous employment for almost 30 years.

Can you please explain your data collection methods and what you are doing to address the problem identified by the Auditor General?

Ms. Rachel Wernick: Thank you for the question.

It is true that since 2010, we have monitored progress in terms of number of clients served, returns to work, and returns to school. We recognize the limitations of that approach, particularly with respect to measuring longer-term impacts on sustainable employment. That's why, in the new program that's co-developed with indigenous partners, we are shifting the emphasis from the objective and the target to reducing the skills gap between indigenous and non-indigenous peoples by 50%, and the employment gap by 25%.

We're responding to the Truth and Reconciliation Commission's call to action 7, which called upon the federal government to develop with indigenous groups a joint strategy to eliminate educational and employment gaps. As I mentioned in my remarks, we are also co-developing the new indicators to ensure that the outcomes of the program are meaningful to the communities and the organizations that deliver it.

The Chair: Thank you.

We will move on to MP Kevin Waugh.

Mr. Kevin Waugh (Saskatoon—Grasswood, CPC): Thank you to all the officials here today.

I'm a little disappointed we didn't get this draft, as it was presented last week in another committee. When you'd table it in front of us... Knowing that you would come to this committee today, I would have appreciated this a bit earlier. It's good information. It's a draft, but I think you can see—we got a 30-second view of it—that the news is not very good.

Your department spends more on education than anything else. You spend \$2.1 billion for 107,000 people to go to school—that we know of—in this country. We have another 24,000 or so in post-secondary education. We know this data has, for years, been flawed. I could have told you this. I've been a trustee in Saskatchewan for 10 years. I was on the school board. I didn't have to come here to look at this data here today. I knew long ago this data was flawed. It's still flawed today, to be honest with you. I see it, because I see grade 3 reading results. We haven't even talked about the reading results. It's grade 3.

Mr. Tremblay, if you can't read by grade 3, you're done. We all know that. Every school board in this country is trying to get kids to read at or above grade level in grade 3, and if it doesn't happen....

No data here supports that—nothing. Why do you think we're failing in our graduation results? It goes back to grade 3. We have no results from anywhere that would support this.

Quickly, as time is running out, why aren't we talking about grade 3 reading levels?

•(1605)

Mr. Jean-François Tremblay: Thanks, Madam Chair, for the questions.

You're right, grade 3 is important, but—

Mr. Kevin Waugh: It's the most important.

Mr. Jean-François Tremblay: I would go even before. I would go through pre-natal programs towards young adult programs. When we talk about results on education, it's not just about the system of education; it's about the socio-economic gaps, as the Auditor General pointed out. That includes a lot of different elements and factors. You can have a great education system, but if you don't have good conditions, it's not necessarily going to be great.

Mr. Kevin Waugh: It's data—data.

Mr. Jean-François Tremblay: You need data.

Mr. Kevin Waugh: You have to have it. There's no data here for grade 3.

The Chair: MP Waugh, give some time for the response.

Mr. Jean-François Tremblay: Effectively what we've been measuring in the past is a graduation level that is based on the core year 12, and you're right in saying that's not the ideal one—

Mr. Kevin Waugh: No.

Mr. Jean-François Tremblay: —and we agree with this. We also agree on our side that we need to sit down and work with first nations on what is meaningful for them to measure. We don't necessarily want to come with a one-size-fits-all approach from Ottawa and say, "This is the way to do that." That's what we've been doing.

For example, we mentioned earlier about the agreement that we renewed in B.C. We sat down with them, and we now have an agreement on a set of data that is going to be measured over the next few years that will test the success or failure of the system or what needs to be improved in the system.

That's only the education system, and we need more than that.

Mr. Kevin Waugh: We're just talking about education here today.

Mr. Jean-François Tremblay: Yes, okay. I was just referring to the Community Well-Being Index, but you're right: on education, that's the way we're going.

Mr. Kevin Waugh: Yes.

Mr. Jean-François Tremblay: In the past, we've been struggling in terms of the collection of data in the federal government, and you know that more than me.

I think we've made progress in terms of collecting the information and actually having it in our system. The problem is the interpretation, the analysis of the data. It's also making sure that the data is used by the first nations themselves, and that's where we're moving now.

Mr. Kevin Waugh: We're not even tracking students, and that's why you're getting flawed data—

Mr. Jean-François Tremblay: Yes.

Mr. Kevin Waugh: —on your graduation rates.

I might quit in grade 10. You don't know where I end up. I might have gone off reserve into an urban community. You're not even tracking anyone.

How would you know? At the end of the day, let's say it's three years from grade 10 to 11 to 12. I graduate, but it might take me five or six years. It doesn't matter. I'm still finishing over that line, graduating from grade 12.

We have no tracking of students on this.

Mr. Jean-François Tremblay: It's a very good point, and it's a challenge that we have.

When we mentioned that people don't graduate or they drop out, we potentially have cases of people—you're right—moving off reserve, going into the provincial system. As soon as they go into the provincial system and I don't fund them, it means that I'm losing track of them. I don't know what's going on. I cannot say that they have failed, but I don't want to say they've succeeded, because I don't know.

There are issues like that. You're right. We also believe that there could be people who will drop out for a few years—

Mr. Kevin Waugh: Oh, I saw it.

Mr. Jean-François Tremblay: —and maybe come back to school. The best way would be to identify the people and make sure.... To do that, we need to do it with the organizations and we need to sit down with the provinces. We don't necessarily have access to the provincial tracking system.

When I was in a provincial system—

Mr. Kevin Waugh: Well, that's a flaw, then.

Mr. Jean-François Tremblay: That's a flaw.

They were tracking me, and even if I was moving from one place to another place, they knew where I was.

However, that's not the case—

Mr. Kevin Waugh: Yes, exactly.

I saw it in urban Saskatchewan. We had students come off reserve. They come into the city; they go back to the reserve later. We tracked them, and then they were gone.

Mr. Jean-François Tremblay: Yes.

Mr. Kevin Waugh: They were just gone.

The other thing is on how we can get Inuit and Métis and first nations students engaged when we don't know if they show up or not. We have no tracking of attendance.

With everybody in Canada, the first thing at nine o'clock or 8:30, when they get there, is we'll go down by row to see if they're there.

There's no tracking of attendance. When I go up north, Johnny hasn't been there for 10 days. Does someone phone Johnny's parent or find out where he is? This is academic stuff. If we don't take attendance, if we don't track, this will never get fixed. You'll be back here time and time again with these flawed results. They'll never get fixed.

They have to show up in school, and we have to track them, and we're still not doing it. This system isn't working.

You said you have a system in B.C., but how am I going to poll their results with Nova Scotia? At the end of the day, I have to look at the whole country and say whether this program is working and that one isn't working. At the end of day, how are we going to know that this is a good system and that we can fit it in nationwide?

We do have to have a nationwide policy on this.

●(1610)

Mr. Jean-François Tremblay: At the moment, we're working at the regional level. We expect and suspect that there will be common indicators across the country at the end.

When we talked with B.C., for example, attendance and graduation were there. We think that others will come with indicators that are similar, but there could be differences, for sure.

Mr. Kevin Waugh: You should demand that.

The Chair: MP Jolibois is next.

Ms. Georgina Jolibois (Desnethé—Missinippi—Churchill River, NDP): Thank you very much.

I'm really dismayed and disheartened with what I'm hearing today from both departments and the federal government.

We are talking about the lives of first nations children and young people who aspire to become someone with the support of services. You ought to be ashamed of yourselves.

It really hurts me when I go into the constituency and go out on the reserve and I hear of a young person who has no place to live, and the school they go to is run down and they don't have enough equipment.

Canada is a rich country. You ought to be ashamed of yourselves. This is really pathetic, and it's really upsetting to me.

Have both departments read the truth and reconciliation report?

You have read it, and yet you struggle with getting measurements to improve the lives of our young children and teenagers, from education to language to culture.

How can you sit there and talk about relationship-building when you are lacking the human kindness to even make improvements? I have no faith in the system, and it's breaking my heart.

How can you sit there and even talk about the young person who is going to school and not being tracked?

What do you say to that, both of you?

Mr. Jean-François Tremblay: Let me answer that.

I won't comment on your comments on my kindness. What I will come back to is what we're doing on education regarding the funding.

For example, when you say that those people don't have the capacity, the money or the tools on reserve, we have now worked with the Assembly of First Nations and the regional chiefs. Over 14 months, we developed a funding formula for education that is provincial plus. It has been agreed to by first nation leaders. This formula guarantees that there is as much money on-reserve as there is off-reserve, as well as adopting some elements including special education, language and culture, and of course kindergarten. We are moving in that direction. That's what we're doing. We understand that there are three big elements that need to be addressed.

Ms. Georgina Jolibois: How long with that take?

The Chair: Please direct your question through the chair instead of directing it at our guest.

Ms. Georgina Jolibois: Okay.

Mr. Jean-François Tremblay: The new funding formula is going to be in place in April 2019, so that's less than a year from now. We're working with first nations on developing their own systems. We have two school boards that have been created over the last two years.

Regarding data, I agree with you that we need more data. We have to do it, we believe, with first nations, because it has to come from them. It has to be their data through their institutions that is used to improve the education system. Otherwise, I don't think we're going to break the old colonial approach of our telling them what to do. Basically, that's what we're trying to change.

The Chair: You still have three and a half minutes.

Ms. Georgina Jolibois: Back to that, before you answer that—

The Chair: Please go through the chair.

Ms. Georgina Jolibois: Sorry; you're over here.

How can I say this politely?

In the meantime, I'll come back to education in the INAC area here. You're asking young lives to be put on hold and wait for the department to get together to fix the problem. In the meantime, what are they supposed to do?

•(1615)

The Chair: The question is going to indigenous services.

Mr. Jean-François Tremblay: I don't think we're waiting. We've been working on child and family services reform this year and we've made significant progress towards the legislation. That's something we're trying to address. We have been investing a lot over the last few years on housing, which is also another determinant of what the results would be in the end on education.

As I said, the new formula is going to be coming up in 2019, but it doesn't stop us from investing in the system. We have made significant investment over the last two years.

We have to understand—and you know that as much as I do—that those results will take time to change. We've also built up 14 new schools over the last two or three years, so we have been active. It's not as fast as you would like and it's not as fast as I would like, but it's as fast as we can do it, I can guarantee you.

Ms. Rachel Wernick: I would start by agreeing with you that the gaps and the conditions for many indigenous peoples in Canada are unacceptable. I think that's why we are working so hard in our own way to change this program and make it better.

We spent a year and a half working directly with our indigenous partners at all levels, from leadership right down to the communities. We engaged on how we could make this program better and how it could achieve better outcomes. They came back to us and they said, "We're being asked for data that doesn't reflect the types of clients that we have." They said to us, "The types of clients we're working with need to move up the skill spectrum. They need to start with ready to learn, then they need to learn about pre-employability. Only then are they able to do some of the technical training." These comments are from some of the clients we work with, yet you're asking us about how many jobs they got.

We have to start here and work more on skills development, and that's what we're going to do in the ISED program. We're going to put in indigenous program delivery people and leadership, and communities and clients are in the driver's seat in this program. They will design and deliver it to better meet the needs of their clients through more emphasis on skills development, through co-developed performance indicators not just based on, as Mr. Berthelette said before, drawing attention from the community and its members to the requirements of government. No, we are co-developing with them so these indicators, this data and the way they design their program, make sense to them.

Let's be frank here. This program has been in place since 1999. Successive parliaments have not invested a single penny in it. In the meantime, population growth and inflation have gone up. This is a professional service delivery network that has had no investment in it. We're changing that by investing in the service delivery capacity.

The Chair: I know that we're very passionate. In our committee we want to see success and we want to see it yesterday. I understand completely how members feel.

Our next round of questions go to MP Will Amos.

Mr. William Amos (Pontiac, Lib.): Thank you, Madam Chair.

Thanks particularly to our civil servants for working hard both to maintain accountability and to improve our governance, and also to our department officials in responding, because it does appear there is a consequential response.

I'm aware, as I'm sure all of you are, that the 2016 budget proposed \$2.6 billion of investments over five years in primary and secondary education for indigenous communities. There are already 156 projects under way, so clearly investments are being made.

I think it's fair for Canadians to want that data collection around results to be done well. I think this is a fair conversation to be having.

I'd like to get some more information on what kind of information and recommendations indigenous representative organizations such as AFN, but not limited to AFN, have made to Indigenous Services Canada around the manner that the data should be collected and what kind of data should be collected.

We have a sense, but I'm specifically looking to hear what they are saying, as opposed to what our response is to what you heard them say.

Mr. Jean-François Tremblay: Maybe I will leave this to Paul. He has been working with the AFN on the development of the national outcomes and can discuss the relationship with our partners in terms of data.

•(1620)

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 very much for the question.

Part of the new fiscal relationship is trying to identify when we declare victory on the elimination of the socio-economic gap. In order to do that, we need a combination of many things. Some of it is additional money. Some of it is essentially acknowledging that we can't impose anymore and we need to co-develop. We have established a table whereby we have been talking about how we co-develop the right indicators, the indicators that are meaningful for first nation community members and are meaningful for tracking.... They want to know themselves how their communities are doing in terms of education outcomes. It's also acknowledging what they have been saying, which is to minimize the reporting burden, which is the collecting of all types of data that may be program-compliant and input-related but not outcomes-focused. We've been trying to deal with both of those issues at the table.

There's also been an issue of regionality in this process. While we like to talk about data collection from a national level, it's very clear that in this country education is a provincial jurisdiction, and therefore there are regional issues. Also, from AFN's perspective, there are regional frames that need to be respected as well.

Those are just some issues we are moving forward with. That is why we are using some of the budget 2018 money to work with the First Nations Information Governance Centre to work through data through the 10 regional centres across the country and start developing a national road map on data, collectively, for which education is the first out of the gate.

Mr. William Amos: Thank you for that.

I wonder if you could provide some more detail on the depth to which the department has gone to consult at the local level. I can understand that we have representative organizations and institutions commenting. For example, here in traditional Algonquin territory, the community of Kitigan Zibi, which I represent here, has been a leader on issues of education. In fact, people such as Gilbert Whiteduck have worked very hard on this issue.

Does the consultation that the department has gone through in order to determine how to improve data collection gathering gone to that local level, or has it remained more at the representative organization level?

Mr. Paul Thoppil: It's actually a two-pronged approach. On the sectoral side, if I may use that word, on a programmatic basis, there is an engagement process that is regional and national. The region is doing it with the local communities on our behalf. We're also doing it horizontally through the new fiscal relationship initiative, which also engages communities across the coast directly as well.

We're getting it two ways.

Mr. William Amos: Thank you for that.

I take note of the Auditor General's report insofar as it clearly indicates that commitments around accessing education information system data were made back in 2008. This is a long-standing promise, and clearly we're dealing with long-standing issues.

In paragraph 10 you mention that commitments to report on education results go back 18 years, so a sequence of governments has come and gone, yet this issue remains to be solved.

Now we're in 2018, and quite recently, or relatively recently, our country committed to the United Nations sustainable development goals. Agenda 2030 is part of the mix. To what extent are both departments looking at those particular goals, in a context of data collection and the closing of this gap?

Mr. Jean-François Tremblay: I will follow up on this. It's a very good question. We are building the new framework, in terms of data. The comprehensive new version of the Community Well-Being Index is based on the United Nations sustainable development framework. That's the core of this, or it will be the core once we have it.

Mr. Paul Thoppil: We've been trying to find a frame that works for both sides in terms of data and indicators. Obviously we have the historical baggage of the colonial approach, of Ottawa defining those based on what Ottawa wants and needs, and not necessarily on what the community needs. That said, there is lot of mistrust, so what we have been using is the United Nations sustainable development goals as a neutral, independent, third party frame for the data collection indicators. Those sustainable development goals have received buy-in from first nations communities to get past the historical legacy.

We have been developing indicators under that frame from a mutual accountability perspective, to identify the right indicators and not have to ask for unnecessary data related to that issue I flagged earlier, the reporting burden we created in the past through the contribution agreements.

•(1625)

The Chair: Thank you.

We're going to move on to MP Cathy McLeod.

Mrs. Cathy McLeod: Thank you, Madam Chair. Thank you to all the witnesses.

I know that the public accounts committee allotted two hours for the Auditor General and the department officials. For this committee, which is responsible for this file, and for my colleagues not to support a reasonable time is of real concern to me. I think it shows a lack of concern for a report that highlighted some issues that we needed, as parliamentarians, to.... We needed an opportunity to ask the important questions, because we have a responsibility.

I think we have two things happening. For one, we have a shift, and I think it's an important shift, in terms of first nations' control of first nations education and the government removing itself from that particular work. On the other hand, we have this need, as the Auditor General clearly showed us, in terms of the bad use of data, not using the data available, and not having indicators to do the job we needed them to do.

My question at public accounts last week—and I'm wondering if we have an answer to that yet.... With the Anishinabek Nation Education Agreement, which we all passed in this legislature, and with the newly released British Columbia agreement that you alluded to, what are the commitments around data collection so that other communities can know to what degree that self-government model will enable them to compare apples and apples and to what degree it's moving forward—or are there no commitments around that particular issue? Do you have the answer to that now?

Mr. Jean-François Tremblay: As we mentioned, in agreements like the one with the school boards or the B.C. one, we sit down with them and we agree on the set of indicators. If you look at the agreement, there's a list of indicators they had already committed to.

Mrs. Cathy McLeod: Is this within the Anishinabek agreement?

Mr. Jean-François Tremblay: Yes, this is within the Anishinabek agreement. It's hard for me to comment on all the self-government agreements, because I don't necessarily negotiate them, and each of them is—

Mrs. Cathy McLeod: Yes, but I did bring it up at the public accounts committee last week, and you agreed to get back to us.

Mr. Jean-François Tremblay: Yes, and we are working with our friends who are negotiating those agreements.

I can give you an example of what we see with the self-government agreements. For example, if you look at the Atlantic schools, you'll see an annual report that is there on the web, and it does include classic information such as enrolment, absenteeism and graduation rates.

Mrs. Cathy McLeod: I guess what I'm getting at—and I had hoped that this week there would be an answer—is that it's great that there's going to be information posted, but it's not going to mesh with information from British Columbia or from other provinces.

Let's say a new group is looking at doing the same thing as in the Anishinabek agreement. They're not going to have the ability to look at.... They'll be doing it in isolation from everything else. It will be separate, stand-alone data.

Maybe I need to go to Mr. Berthelette.

You indicated that as we get to that transfer relationship, basically parliamentarians.... Once it's like a province, we hand the money over. Do we need to continue to worry about comparing data results when we're at that stage? To what degree do parliamentarians need to be focused on this issue as we go through this transition?

The Chair: You will have a minute to give that profound response.

Mr. Jerome Berthelette: I think it would be incumbent on Parliament, Madam Chair, and the members of Parliament to always be interested and concerned about what goes on with respect to indigenous peoples' relationships with the rest of Canada.

While we may arrive at a point where we have a government-to-government relationship, I think that means there's a role MPs will continue to play in maintaining, reinforcing and sustaining that relationship.

In a short answer, I see a role for MPs and Parliament continuing into the future, and I see that role as being one of supporting the other government and helping them achieve their goals.

• (1630)

Mrs. Cathy McLeod: Thank you.

The Chair: You have 15 seconds.

All right. We're moving on to the next questions.

I understand it's split time. We're going to start with MP Robillard.

[*Translation*]

Mr. Yves Robillard (Marc-Aurèle-Fortin, Lib.): Thank you, Madam Chair.

I thank the witnesses for their presentations. My first question is for the Assistant Auditor General.

As part of your auditing method, you visited and interviewed seven first nations communities in two regions.

[*English*]

Mrs. Cathy McLeod: I have a point of order, Madam Chair.

The Chair: Sorry; excuse me. I wasn't aware that our hour was up. Our friend MP Cathy McLeod has pointed out that our time has run out. Unless MPs wish to change it, we addressed this issue when we began the meeting.

Ms. Georgina Jolibois: Can I ask for a point of order to get a chance to submit some questions to the various departments to get a chance to get written responses? I just want to submit the questions.

The Chair: We have done that before. I think that would be within the committee's general practice, absolutely.

I am so sorry; we can't continue with further questioning because we've actually hit the one-hour timeline.

On behalf of the committee, *merci*, thank you, *meegwetch* for coming out.

Obviously there is a lot of passion and interest in this topic. ESDC got off easy, but I'm sure we'll be back to you as we look at the next study.

To the Office of the Auditor General, thank you so much for raising these important issues.

We're now going to move into an in camera session.

I want to thank all of our guests and those attending for coming out.

The meeting is suspended.

[*Proceedings continue in camera*]

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