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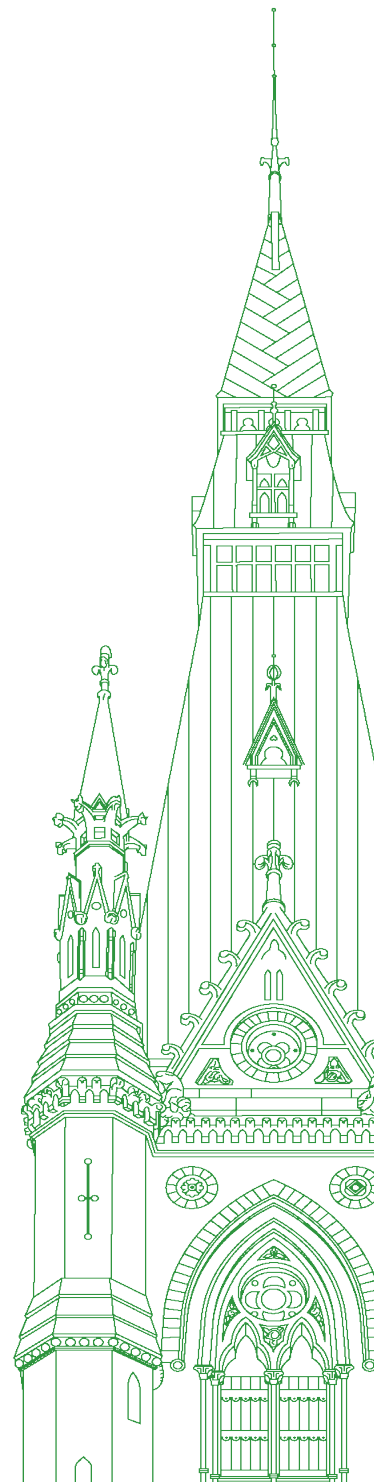
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Chair: The Honourable Marc Garneau



Standing Committee on Indigenous and Northern Affairs

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• (1530)

[*Translation*]

The Chair (Hon. Marc Garneau (Notre-Dame-de-Grâce—Westmount, Lib.)): Good afternoon, everyone.

[*English*]

I'll begin by saying that we are gathered on the Anishinabe Algonquin unceded traditional territory for this meeting.

[*Translation*]

Welcome to the seventh meeting of the Standing Committee on Indigenous and Northern Affairs.

[*English*]

We are meeting to conclude our study on barriers to indigenous economic development.

Today, we have two 45-minute panels, with time at the end to consider drafting instructions and committee business.

On the first panel, we have Robert Louie, chairman of the First Nations Lands Advisory Board; Tina Rasmussen, corporate development officer, Meadow Lake Tribal Council Industrial Investments; and Stephen Buffalo, from the Indian Resource Council.

[*Translation*]

I know that you're familiar with all the rules regarding health measures. I won't repeat them. I also know that you're familiar with the procedure. This is our seventh meeting, so I won't repeat that either.

We'll begin.

[*English*]

I will give the microphone to Mr. Robert Louie to make some introductory remarks.

Mr. Louie, you have five minutes.

Chief Robert Louie (Chairman, First Nations Lands Advisory Board, As an Individual): Thank you.

Good afternoon, honourable members of the standing committee.

My name is Robert Louie. I'm speaking to you today as the chairman of the Lands Advisory Board, representing the framework agreement on first nations land management across Canada.

We work with first nations across Canada to implement self-governance and to do away with a large portion of the Indian Act. Our

first nation communities pass land codes and take over jurisdictional control of land management.

For the most part, the land code and self-governing process has been extremely successful. We have many first nation success stories in economic development; however, there remain barriers that need to be overcome for self-governance and economic development to properly occur and to gain full momentum.

I will speak to five of these barriers.

First, there is confusion over the framework agreement and the legislation. The framework agreement was a 1996 government-to-government agreement entered into between first nations and Canada that sets out the principles for land management self-governance to occur.

In 1999, the government passed the legislation, and the intent therein was to simply ratify the framework agreement. Unfortunately, government drafters either put in extra wording or omitted wording contained in the framework agreement. This has consistently caused confusion and clarity interpretation differences to this day. We have worked with government to draft replacement legislation and expect it to be tabled in Parliament relatively soon. Once the legislation is tabled, we ask for all-party support to approve it.

Second, there are enforcement issues. While the federal government has recognized the authority of first nations to enact their own laws, there is no federal co-operation to enforce them. This includes federal and provincial court adjudication and prosecution. Government has not to this date fully directed the enforcement authorities to enforce first nation laws. This needs to be remedied. The RCMP has refused to enforce first nation laws, which has frustrated many first nation communities. Court adjudication and prosecution of first nation laws have been unnecessarily absent.

We have had meetings with various provincial attorneys general, parliamentary standing committees and relevant federal ministers; however, this process has been moving along very slowly. Toothless law does not support business or investment. Any recommendations you may make in your report to speed this process up would be sincerely appreciated.

Third, we have land registry issues. The existing Indian lands registry system, including the first nations land registry regulations, is outdated and needs a major upgrade. It is a deeds-based registry that doesn't formally guarantee ownership. There is a lack of consistent document standards and cadastral data that backs land tenure. This, in turn, limits capital and borrowing options and prevents title insurance options.

We have been working in partnership with the B.C. Land Title and Survey Authority for more than a year to establish a modern and independent first nation-operated land registry system that will remedy this situation. We are seeking the support of Canada for this proposal.

Fourth, there are Indian Act legacy issues. There is a huge backlog of outstanding cadastral data and survey uncertainties that need to be resolved. There is a large number of contaminated sites on reserves that require remediation. There are outstanding wills and estates issues going back many decades that need to be resolved. We need significant government attention and investment to resolve these outstanding barriers to economic prosperity.

The last issue is additions to reserves. Many first nations have lands that are waiting to be added back to their reserves. The additions to reserves process has been mired in complicated, decades-long, expensive and unnecessary policy. This needs to change quickly in a major way so that first nations can generate much-needed revenue. Hundreds of millions of dollars in untapped economic development opportunity have been lost.

This concludes my presentation.

Thank you, honourable members, for allowing me to speak.

• (1535)

The Chair: Thank you, Mr. Louie.

Ms. Rasmussen, you have the floor for five minutes.

Ms. Tina Rasmussen (Corporate Development and Administration Officer, Meadow Lake Tribal Council Industrial Investments): Good afternoon, everyone. Thank you for the opportunity to appear today on behalf of the nine nations of the Meadow Lake Tribal Council and our economic development corporation, MLTC Industrial Investments.

As introduced, my name is Tina Rasmussen. I'm corporate development officer for MLTC. I am a proud member of the Flying Dust First Nation, and I am coming to you today from Treaty No. 6 territory.

You may ask why MLTC Industrial Investments would be on the same stage as some of these very important indigenous organizations. I think MLTC Industrial Investments is a very good example of a "boots on the ground" company that is attempting to move our nine first nations forward in terms of economic development.

MLTC Industrial Investments exists to create successful economic development through business investment and development that will generate wealth, employment and training opportunity while improving the health and prosperity of our shareholders, the nine nations of the Meadow Lake Tribal Council.

Coincidentally, our particular tribal council not only has nine member nations, but we hail from three different treaty territories: Treaty No. 6, Treaty No. 8 and Treaty No. 10.

I'll talk today about some of the positive things that have been happening in government and some of the things that we think can be moved forward even more to improve and remove barriers to facilitation of indigenous economic development—in effect, create a better support system and a way to help level the economic playing field for our country, for indigenous people to be able to participate at a level equal to that of other companies and other communities in this country.

First, with respect to federal funding, we feel that by implementing the following outcomes we can improve a number of things for first nations' economic development in Canada. We hope that the government will maintain the current funding carve-outs nationally for indigenous-owned projects. All federal funding for economic development activities across the domains, whether it's infrastructure, renewable energy or natural resources, should maintain a special minimum 10% carve-out reserved for indigenous businesses only, specially identified, and this carve-out should not exclude any indigenous business from accessing larger-source or multiple-source funding.

Second, we'd hope that the government would maintain enhanced grant contribution levels to indigenous-owned projects. We've put forward the most recent NRCan SREPs project funding, where there was a specific \$100-million set-aside for indigenous projects, where the indigenous communities were able to access up to 75% grant funding. Just to show you the great need out there, the \$1-billion funding pool was expended in less than a year. I believe, if my figures are correct, that around \$260 million of that was expended to indigenous projects. That is a remarkable way to help indigenous economic development move forward.

Third, we'd like to see the creation of access to streamlined business start-up funding. It takes much effort from business concept initiation to fully developed, shovel-ready projects. It would be helpful if federal funding programs provided better support for the early-stage costs of project development: legal, accounting, engineering and miscellaneous expenses. Often, in order to access any kind of funding, the project has to be shovel-ready, and in many instances the first nations are not in the best position to be prepared to get that application to that point and to have the funding available to expend all of that revenue to get it to that point.

With respect to federal financing, we'd hope that the government would consider implementing the following. First is to maintain access to sizable financing or term loans with limited security. An example might be to ensure that there is financing support to indigenous businesses through term loans of \$1 million to \$5 million, where there is limited security and financing is difficult to achieve. It is often very expensive when you're going out into the regular market, especially when you're trying to lift new business opportunities off the ground.

We're hoping that the committee will recommend to government as well to expand the First Nations Finance Authority mandate to include first nations tribal council and economic development corporations. I think the tide is changing so that many first nations are moving the political side of things away from the business side of things and allowing a lot more business development to happen through their economic development corporations. However, as we currently understand, the FNFA is not accessible for tribal councils or economic development corporations. Everything has to be run specifically through the individual first nation band.

• (1540)

Another area that we feel is a barrier—

The Chair: Ms. Rasmussen, I'm going to have to ask you to wrap it up now.

Ms. Tina Rasmussen: Okay.

With respect to federal procurement practices, we encourage you to simplify the access for indigenous business to procurement opportunities. It's very cumbersome as it currently exists.

The last one is to firmly promote free trade for indigenous-owned businesses throughout the Americas, consistent with indigenous peoples' past history of widespread free trade systems. We have seen that individual small businesses, which most first nation communities have, are not considered in these larger free trade issues.

Thank you very much.

The Chair: Thank you, Ms. Rasmussen.

Mr. Buffalo, you have the floor for five minutes.

Mr. Stephen Buffalo (President and Chief Executive Officer, Indian Resource Council Inc.): Thank you, Chair and committee members, for the opportunity to speak today.

My name is Stephen Buffalo and I'm the president and CEO of the Indian Resource Council of Canada. Our organization represents over 130 first nations that produce or have a direct interest in the oil and gas industry. Our mandate is to advocate for federal policies that will improve and increase economic development opportunities for the first nations and their members.

We also play an oversight role with Indian Oil and Gas Canada, a federal special operating agency, to ensure that they fulfill their legal and fiduciary roles in the management and regulation of oil and gas resources. Right off the bat, I must say that Indian Oil and Gas Canada is doing a very bad job as a regulator and a fiduciary. In that sense, they are one of the major barriers to our economic development and energy development.

Our communities benefit from involvement in oil and gas. The relationship with mainstream industry has not always been perfect, but it's getting better. We are more involved in oil and gas jobs—in reclamation, such as the first nation site rehabilitation program, and in procurement—and in equity participation more than ever. There isn't another industry in the country that has engaged indigenous peoples as meaningfully in terms of scale of own-source revenue as oil and gas, and that's a fact. That's why it's so important to our economic development and self-determination that Canada has a healthy and competitive oil and gas sector.

However, it often feels as if Canada is trying to eliminate the sector, instead of supporting it: the overruns on TMX with indigenous groups wanting to buy it, the cancellation of Keystone XL, the cancellation of northern gateway, the tanker ban, the Impact Assessment Act in Bill C-69, the lack of LNG export capacity and the cancellation of the Teck Frontier mine.

We have lost tens of millions of dollars in royalties in the past decade due to the differential in price between Western Canadian Select and Brent Crude during the COVID-19 pandemic. These have directly harmed our communities, costing first nations millions in lost source revenue. Everyone on this committee knows that no communities can afford that.

The loss of own-source revenues and royalties is one thing, but on top of that, these missed opportunities have cost our people jobs and procurement opportunities that would probably number in the billions. If you look at the dependency of...federal funding under the Indian Act from 2010 to 2015, it rose from 33% to 36%. That has to change.

When you talk about economic development, that's what's important: getting our people well-paying jobs; getting first nations-owned businesses big contracts from trucking to catering to earth moving and reclamation, so they can grow their business and hire more people; and creating opportunities for entrepreneurs.

There's no sector—not solar panel installation, not tourism, not golf courses—that can replace the economic opportunity that oil and gas provides for first nations. The biggest barrier you can eliminate in indigenous economic development is to stop hampering or choking out the oil and gas sector. I note that the government is now considering a cap on emissions which, if not drafted properly, will in practice be a cap on production. Instead, I ask you to promote and encourage our involvement by making sure that first nations have access to the capital we need to be real partners in new projects. I know you've heard from others, and I know you'll hear...but that's an issue.

I am also the chair of the Alberta Indigenous Opportunities Corporation, which was created by the Government of Alberta to address some of the access to the capital challenge I mentioned. We've been able to provide many first nations the capital needed to participate in power plants, carbon capture facilities, pipelines and more. However, at the federal level, some people consider this government-backed loan to indigenous communities to get involved in these things to be a fossil fuel subsidy, which it is not.

If the federal government is truly committed to reconciliation and the principles of UNDRIP, it should be supportive in whatever kind of economic development we want to be a part of, regardless of the industry. The government shouldn't be picking and choosing for us. For our members and many other first nations, the oil and gas sector provides the best opportunity for economic well-being. It doesn't mean that we aren't interested in other sectors, nor that we don't want to be part of the net-zero economy. We can and should strike a balance between economic development and a net-zero economy.

• (1545)

I look forward to your questions. Thank you very much.

The Chair: Thank you very much, Mr. Buffalo.

We will now proceed with the first round of questions.

Mr. Vidal, from the Conservatives, you have six minutes.

Mr. Gary Vidal (Desnethé—Mississippi—Churchill River, CPC): Thank you, Mr. Chair.

I want to thank all of our witnesses today.

I have six minutes, as the chair said. With so many questions and so little time, I'm going to try to be brief with my questions and try to get a few in here for all of you.

In earlier meetings, we heard testimony about indigenous procurement targets and some of the challenges.

Ms. Rasmussen, I know from some of the prior meetings I have had with your organization, the Meadow Lake Tribal Council, that one of your businesses, Polar Oils, has been having some issues in getting through the procurement process. Would you mind briefly sharing that story and maybe offering a bit of a solution? I know you referred, in your comments, to some of the bureaucracy and the challenges. Could you maybe share that story quickly so we can learn something from that?

• (1550)

Ms. Tina Rasmussen: Yes.

MP Vidal is correct. We do have a company called Polar Oils. Polar Oils is a fuel wholesaling company. Right in our traditional territory, we have Cold Lake air force base and also the Primrose Lake Air Weapons Range. We have been unable to get through the bureaucracy with our company, Polar Oils, to register to be able to bid on the supply of fuel to any of those services that exist for the military in our traditional territory.

It's just so cumbersome that our management group does not have time to focus specifically on that. They cannot find their way through, or find the resources to find their way through, to get com-

pletely registered to be able to begin bidding. It's extremely cumbersome.

Mr. Gary Vidal: Thank you, Tina. I appreciate that. It's something we need to learn to make the system better.

I'm going to move on quickly, because we have two other great witnesses today.

Mr. Louie and Mr. Buffalo, I'm going to ask you each the same question and give you both a chance to answer it. It will be efficient that way.

In some of the material, and in the meetings I have had with you in the past, you both talked about the contaminated sites, the reclamation of those sites and what economic impacts that could have on many first nations across the country.

My question for each of you would simply be to expand a little bit on the impact that these sites and the reclamation of these sites could have on indigenous businesses—maybe in the short term through the process of reclaiming them, but secondly in the longer term from the benefits that would be achieved by those first nations to have access to that land as they try to raise capital and have future economic prosperity in their nations.

Mr. Buffalo, maybe you can go first, and then Mr. Louie would follow up answering the same question, please.

Mr. Stephen Buffalo: Thank you, MP Vidal. I appreciate the question.

In the territory I am from, Treaty 6 Samson Cree Nation, at Pigeon Lake we had a world-class oil field, the Bonnie Glen field. In that area, exploration started probably in the late sixties. Obviously, our community boundaries aren't getting any bigger. The oil and gas has come, and kind of gone, but the remnants are still there, so the reclamation is very important.

What is provided for us is an ability to start taking care of the land again. In the case of Pigeon Lake, when we can reclaim some of the land, then we can proceed with more housing projects. There could be some commercial opportunities as well, but for the most part we're eliminating the methane emissions from these old abandoned wells. I think that's very important and goes along with the government's issue on carbon.

It has been going very well. We had a training program for this site rehabilitation program. We put over 300 young people to work, and they are doing their part in cleaning the environment.

Chief Robert Louie: Thank you, Mr. Vidal, for your question.

Environmental contamination is a big issue for us, and I touched upon it briefly in the legacy aspect of the barriers.

First, with regard to our communities that have land codes, we have 103 operational land codes and 194 signatories that we deal with, and we're directly or indirectly dealing with 238 first nations, which represent about one-third of all first nations in Canada.

Many of our communities have environmental contamination issues that are preventing development. Not having clean water in some communities, sewage services, power energy problems—all of this is critical infrastructure. There are hundreds of millions of dollars of contamination to the sites that our communities can't develop. I know that a study in 2014, outdated now, estimated \$2.6 billion in costs from environmental contamination. Right now in our communities alone, we have over 800 reserve parcels that are contaminated and have a direct effect. These 800 reserve parcels are distracting from the economic development potential that can happen and must happen.

We need cleanup. We need remediation, and we can't have people from off-site coming to try to contaminate further.

We need laws in place, and we need those laws recognized. We have the power to put environmental laws in place. What we need now is enforcement. That is a real, significant issue. If our communities say, "Hey, this site is being contaminated. It's costing us dollars and time and so forth", we have the power to put in place environmental laws, but we're having problems with governments not helping us enforce them, provincially and federally.

It's a combined issue. It's costing the country and our communities hundreds of millions of dollars, and it's a serious barrier to economic development.

• (1555)

The Chair: Thank you very much, Mr. Vidal.

Mr. Powlowski, you have six minutes.

Mr. Marcus Powlowski (Thunder Bay—Rainy River, Lib.): Hello. I'd like to welcome Robert Louie. We've spoken a few times. If I recall correctly, it was about the First Nations Land Management Act and the problem of enforcing that act and bylaws made under that act. I think we broadened that discussion. It wasn't just about enforcing bylaws made under the First Nations Land Management Act, but in general about the problems with enforcing laws in first nations communities.

Mr. Louie, perhaps you could talk a little bit more about your problems in enforcing that law and the bylaws made under that law, and the impact on businesses in first nations communities. Perhaps, if you'd like to expand that, on the problems of enforcing laws in general...on businesses in first nations communities.

Chief Robert Louie: Thank you very much, honourable member. This is a very good question.

The enforcement issue is a big issue. Let me put it this way. We have law-making powers. Government supported us becoming self-governing in our communities. Now, government can't just say, "Here are the law-making powers. We open this up for you." We now need support for enforcement, and that support will help us to enforce our laws. Right now, the RCMP and provincial and other agencies are not stepping up to the plate.

Enforcement is a broad issue. You cannot have government—a successful government—toothless. You need a government that has powers that are backed up by courts. Right now, we have problems with the RCMP not backing up the laws that are being put forward, and they're significant laws, as well. They include trespass. They include private prosecution. They include community health matters related to COVID and things of that nature.

If the RCMP doesn't back up the laws, we have a problem. We have a problem with overall governance, because you cannot have a government that doesn't have the enforcement. You're going to miss out on economic development opportunities and all the other major things that happen. The stronger the government—particularly in law-making, with powers to a first nation to actually law-make and put jurisdiction and laws in place—the more comfort you're going to bring to those first nation communities, and support from financial banking institutions, investors and all that. It's a major problem.

I can give you all kinds of other examples that are happening throughout the country. Family courts in Ontario, for example, are refusing to apply land code laws when considering marital disputes. That stops land from being traded or dealt with, lessening our opportunities. We're seeing these issues arise, and it's a serious problem nationwide. We need government support.

We've started. We made overtures to this committee. We made overtures to the ministers and attorneys general. We are, in fact, working with various attorneys general. We have some pilot projects under way, but it's too slow. We need to get government serious enough to say, "Let's get enforcement in place, and let's support our communities."

It's deterring other communities from wanting land codes because, if you have a law and the community finds out, "Well, gee whiz, how do we know we'll have enforcement?", how do you get buy-in from community members? How do you get other first nations to want to participate? We know we can be successful with law-making, but we need enforcement backed up.

• (1600)

Mr. Marcus Powlowski: I absolutely agree, and I think most businesses want certainty in terms of rule-making and enforcement. That's important for businesses.

I think—and I'm looking over at Gary—one recommendation coming out of our study on enforcing laws in indigenous communities is that the government should report back within a year, or a year and a half, to this committee on what the government has done with respect to this. Have you heard anything from the government in response to that requirement? Have there been any overtures from anyone in government talking to you about this issue?

The Chair: We have about 50 seconds left.

Chief Robert Louie: It's very preliminary. We haven't really gotten down to the nitty-gritty of “let's make things happen”. It's slow. Bureaucracy is slow and we're having trouble getting the minister's response. Granted, there has been an election, and I think, perhaps, that's been part of the problem. Nonetheless, the one year hasn't been complied with as a recommendation. It needs attention. It needs attention desperately and it needs it now.

The Chair: You have 20 seconds.

Mr. Marcus Powlowski: Mr. Buffalo, I'm sure you're aware of the conflict that's going on in Ukraine. The Prime Minister announced on February 28 that we'd no longer be bringing in crude oil from Russia—importing it. I know you work with indigenous communities that are involved with the supply of oil and gas. Can you help the Ukrainian community and bring us some oil and gas, for the sake of both Canada and Ukraine?

The Chair: Mr. Buffalo, you have about 30 seconds.

Mr. Stephen Buffalo: They're pushing hard for the advocacy to continue, obviously, and for having our place. As Chief Robert mentioned.... We have a special operating agency, Indian Oil and Gas Canada, and they don't work for us without regulation. The land is important to us. But, by all means, if we can find a way to work with the Government of Canada to do some exporting, that would be fantastic, not only for first nations, but for Canadians in general.

The Chair: Thank you, Mr. Powlowski.

[*Translation*]

Ms. Gill, you have six minutes.

Mrs. Marilène Gill (Manicouagan, BQ): Thank you, Mr. Chair.

I want to thank all the witnesses, namely, Mr. Louie, Mr. Buffalo and Ms. Rasmussen, for their presentations.

Mr. Louie, I have a potentially broad question for you. You made quite structured and specific remarks regarding five barriers. You also explained, in the last round of questions, several components of those five barriers. Since the barriers are so well known and since you proposed solutions, what would you recommend to the committee to ensure that these solutions are implemented?

What would you currently recommend? Are there any priorities for action? Of course, several things can be done at the same time.

Since everything is so clear and obvious, why can't solutions be found?

[*English*]

Chief Robert Louie: I would love to answer that question. I found my English button way too late. I apologize.

I desperately want to answer the question. I will have to have that question posed again. I have my interpretation button on now.

[*Translation*]

The Chair: Go ahead, Ms. Gill.

[*English*]

Mrs. Shannon Stubbs (Lakeland, CPC): We will give her the time from the top, right?

The Chair: Yes, I've already decided that.

[*Translation*]

Mrs. Marilène Gill: Mr. Louie, I said thank you to all the witnesses for their presentations and remarks.

I wanted to talk about your presentation because you listed five barriers that fall under land management and that you have solutions for. I heard your discussion with Mr. Powlowski about how this has already been done and has been requested before.

Would you like to make recommendations to the committee? If we know the barriers, if we already have the solutions, why can't we resolve these situations now?

I want to know your thoughts on this so that we can make recommendations that align with your wishes.

• (1605)

[*English*]

Chief Robert Louie: Thank you very much. This is very good.

Well, let me speak maybe to something as straightforward as additions to reserves, for example. Additions to reserves are preventing many communities from accessing economic development opportunities. In Manitoba, for example, the Kapyong Barracks process for those communities that want to pass their land codes and want to have the access to very valuable lands could create billions of dollars of possibilities.

One recommendation that I believe the committee could help us with is this: We need to have a first nation-led entity that leads these additions to reserves submissions so they can be heard by relevant ministers. First nations need to have capacity bolstered to replace the Indian services bureaucracy. There have to be statutory deadlines for settlement, stronger dispute resolutions to speed up the process, and different partnerships or arrangements with neighbouring provincial and municipal governments to better tackle joint planning. These are very significant issues. There could be standard agreements for the additions to reserves transition. We need first nation entities with the capacity and the funding to succeed.

These are some of the issues that I think bode very well for additions to reserves.

Now on enforcement, of course, again, we need to have a strong body of—

[*Translation*]

Mrs. Marilène Gill: Mr. Louie, I'm sorry to interrupt you, but we have very little time.

I can see that you have a good grasp of the topic and that you know what solutions should be implemented to address the economic development challenges. However, I want to know your thoughts on why these solutions aren't being implemented.

You have everything that you need to resolve the situation, even though it may be challenging. However, why do you think that the situation isn't resolved yet, despite all these solutions?

[*English*]

Chief Robert Louie: Thank you.

I'll try to be even more specific.

Let's take enforcement. It's a big issue. As I've indicated, enforcement is not happening. We're not getting the full support. We believe a strong recommendation this committee could consider and recommend is that Canada needs to appoint a permanent special adviser to the federal Minister of Justice to help solve enforcement challenges. We would love to be involved in that process. We know where the enforcement is lacking and we know where partnerships fail. They're failing all over. That is one clear aspect.

With regard to the land registry issues, we're working on a new land registry. We're working with the Province of B.C. and their land registry system to develop a controlled and first nation-led entity. We're making advancements on that. We need a commitment of dollars. We have those discussions under way. We have some temporary funding, but this is a big issue because that's going to pave the way for a much better land registry system. That is a very significant matter.

[*Translation*]

Mrs. Marilène Gill: Thank you, Mr. Louie.

I also want to ask Ms. Rasmussen a question about businesses. She has a great deal of experience with the tribal council, of course, but also with organizations that help small businesses. We know the importance of small businesses in our communities. I'd like to hear more from her about this issue and about the challenges.

Of course, we're relatively familiar with the challenges faced by tribal councils. How do the difficulties encountered by small businesses differ from the challenges faced by tribal councils?

[*English*]

Ms. Tina Rasmussen: Thank you very much for the question.

The majority of opportunities are held back by investment and access to financing. It's very difficult sometimes in first nations communities to be able to lever access to finance to do business expansion. For us in business development, all of our money is intended to go directly back to serve our first nations communities and benefit the first nations communities individually to support all of those social programs.

When we're trying to do business development, sometimes we're not on an even playing field with organizations. For those of us in the forest industry, the companies we go up against are often international companies with very large bankrolls and often many site locations in comparison to our mom-and-pop operation as a sawmiller. We're just not on the same playing field, basically. The opportunity is not there for us to access the same amount of financing, to go to the bank in the same way, to stockpile those reserves, or to make increases, advancements or changes. It's just not there.

We're not paying an individual family here. We're supporting entire communities through economic development.

● (1610)

[*Translation*]

The Chair: Thank you, Ms. Gill.

Ms. Idlout, you have the floor for six minutes.

[*English*]

Ms. Lori Idlout (Nunavut, NDP): [*Member spoke in Inuktitut, interpreted as follows:*]

Thank you.

First of all, I wish to welcome you all. Your presentations were very interesting.

I have to ask Mr. Buffalo a question. I take note of your comment that to support UNDRIP is to support indigenous communities, regardless of industry, including oil and gas. This is a critical issue of consent—the duty to consult and to ensure consent—which is so often overlooked.

With this in mind, how is free, prior and informed consent central to IRC's process and approvals for oil and gas projects?

Thank you.

Mr. Stephen Buffalo: Thank you for the question. I truly appreciate this discussion on UNDRIP. There are a lot of articles, such as article 3 and article 4, on communities determining their own rights and political will in terms of moving to sustain their culture and their heritage. We obviously support that.

We've found with a lot of these bills that have come forth from the federal government that they've always been one-sided. With regard to Bill C-69, the Impact Assessment Act, a lot of the communities under the Indian Resource Council were not consulted, but yet the act passed. There was the tanker ban as well. A lot of the communities that did support the initiative were not consulted, but the act passed.

In free, prior and informed consent, it is definitely up to the community. I have even asked our good colleague here, Chief Robert Louie, for his opinion on it. It's something that needs to be further discussed as we move toward really having the United Nations declaration as the staple.

Some communities have the process of electing a leader through democracy. We're hearing in the House today how important democracy is. With communities that have their own hereditary leadership, it's up to them to figure that part out as to who decides for the community.

I hope the best for everyone, but at the end of the day, regardless of what happens, this tool of UNDRIP is definitely an opportunity for first nations to get out of poverty. As we all know, we want our own dependency. We want our own sovereignty. I call being under the Indian Act "soft communism". It doesn't help being told how to spend money and what to do.

Despite some of the issues with regard to climate change and everything like that, trying to find a balance of economic development and protecting the environment is what we should be striving for to get ourselves, as I said, out of poverty. A lot of communities are very fortunate with their geographic location. They are very fortunate to be beside major infrastructure and be part of it. Their communities benefit. But a lot who aren't by a major centre struggle with getting to the hospital, struggle with having clean water and struggle with having proper health care and everything else.

We just hope that in utilizing this sector, in utilizing UNDRIP, we find that balance for not only first nations to benefit but all of Canada.

• (1615)

Ms. Lori Idlout: [*Member spoke in Inuktitut, interpreted as follows:*]

Thank you.

I have another question. Your company is called the Indian Resource Council. If you were to consult with the community and they wanted the project to go ahead...but if they refused the project, how would you go about dealing with the communities that are not in favour of the project?

Mr. Stephen Buffalo: Of course, it's really up to the community to decide. We do not have any influence either way. At the end of the day, we want to present the opportunities themselves. We don't

try to force any community to get into something they do not want to get into.

The current state we're in is that the alternative is to rely on the Indian Act, to rely on being told what to do. That's the current state. Again, I'm hoping some leaderships can find the unique ways of utilizing economic development to sustain themselves.

The communities have to decide themselves. Again, we do not try to persuade them or influence them either way. If they require information as to data, as to what's happening in the real world, then that's what we're there for. It's to provide that capacity support.

The Chair: Thank you very much, Ms. Idlout.

That brings this panel to a conclusion.

I want to thank Mr. Louie, Ms. Rasmussen and Mr. Buffalo for taking the time to come and speak to us and answer our questions. This will help us in our examination of the barriers to economic development. Your testimony is very important. Thank you very much.

If the second panel is ready, we will proceed in the interest of time.

[*Translation*]

Our second "panel" today consists of Marie-Christine Tremblay from the First Nations of Quebec and Labrador Economic Development Commission.

[*English*]

We also have Ms. Gladu, principal of Mokwateh, and Chief Gregory Desjarlais from Frog Lake First Nation.

[*Translation*]

Ms. Tremblay, you have five minutes.

Ms. Marie-Christine Tremblay (Strategic Advisor, First Nations of Quebec and Labrador Economic Development Commission): Thank you, Mr. Chair, for the opportunity to speak to your committee.

I'll use this platform to address four topics, if I have enough time, of course. Five minutes is quite short.

The first topic is postage rates, which adversely affect the first nations of Quebec and Canada.

The first nations businesses and members in some communities pay much higher rates to ship packages than residents of neighbouring cities and towns. The situation is partly the result of how the major shipping companies determine their pricing policies. This creates an additional barrier to economic development in first nations communities, particularly given the rise in popularity of on-line commerce.

The postal code system established by Canada Post is composed of two sequences of letters and numbers. The first sequence, called the prefix, corresponds to the forward sortation area. The second sequence, called the suffix, refers to a specific geographic location. In Quebec, postal codes all begin with the letters G, H or J and are followed by a number between 0 and 9. Rural and remote areas are automatically assigned a 0 in the second position of their prefix. As we know, indigenous communities were voluntarily established by the Government of Canada in rural and remote areas. As a result, they have postal codes with a 0 in the second position of their prefix.

However, with population growth, communities once categorized as rural have become urban. These include Wendake and Kahnawake, two Quebec communities with many businesses. Nevertheless, the postal codes of the communities have never changed.

In Canada, major shipping companies such as Purolator, UPS and Fedex determine their pricing policies based on six criteria. Three of these criteria take into account only the shipper's postal code prefix. These criteria are distance from the place of origin to the destination, distance from a sorting facility and population density. The criteria don't take into account the entire postal code. For a postal code that includes a 0 in its prefix, the delivery and shipping costs are automatically higher, even if the community is actually located in an urban area.

For example, it costs \$14.77 to ship a package from Wendake to Sherbrooke. If you want to send a package from Quebec City—a city that surrounds the Huron-Wendat community—to Sherbrooke, you must pay \$12.02. This constitutes a price difference of 23%. I'll give another example. To ship a package from Wendake to Wendake, within the community's own territory, it costs \$14.06. It costs \$9.41 to ship a package from Quebec City to Quebec City. This amounts to a fairly substantial difference of 49%.

A package sent from Wendake to Wendake costs more than a package sent from Quebec City to Baie-Comeau, which must travel 400 kilometres and take a ferry to reach its destination. This comparison is quite significant.

For a business that runs primarily online and that must ship several packages a day, this extra charge can add up to several thousand dollars a year. This situation also affects individuals who pay higher delivery rates for their everyday purchases. The financial losses associated with this inherent racism in shipping company pricing policies can amount to millions of dollars for first nations businesses and members.

To ensure that indigenous businesses are on a level playing field with businesses located outside the communities, this situation must be addressed. In our opinion, there are two possible solutions. The first solution is to change the postal codes of indigenous com-

munities identified as rural when, in reality, these communities are urban. At first glance, this solution is quite complicated to implement, since it requires different levels of government to work together with band councils, businesses and individuals. This process would be time consuming and complicated. However, in the end, it would solve the problem once and for all.

The other solution is somewhat simpler. It could be implemented alongside the first. The government could require shipping companies to take into account the full postal code, meaning the prefix and suffix, when establishing pricing policies.

• (1620)

As I said earlier, given the increasing popularity of online commerce at this time, this situation must be addressed. It's important to ensure that indigenous businesses can be as competitive as non-indigenous businesses, and that a dollar earned in one community can be worth as much as a dollar earned one town over.

If I have time, I'll speak about my second topic—

The Chair: Actually, you have gone over the five minutes, Ms. Tremblay. If you can finish in 30 seconds, I encourage you to do so. If not, there will be questions later. You may have a chance to add to your remarks while answering them.

Ms. Marie-Christine Tremblay: Okay. No problem.

The Chair: Thank you, Ms. Tremblay.

[*English*]

Mr. Gladu, let me apologize for calling you Ms. Gladu. You are evidently not Ms. Gladu.

Please, you have five minutes.

Maybe I'll give you an extra 15 seconds, considering my faux pas.

Mr. Jean Paul Gladu (Principal, Mokwateh, As an Individual): Wonderful.

Thank you for having me, honourable members of the committee.

My name is Mr. JP Gladu. I'm calling in from Sand Point First Nation, which is actually just northeast of Thunder Bay.

I want to give you a little bit more of what I'm doing so you'll understand more where my comments are coming from.

I'm also on the board of Suncor and a couple of mining companies; chair of Boreal Leadership Champions, an environmental group; and chair of the Energy Futures Lab around the future transition of energies, as well as Canada's Forest Trust, an organization to meet the two-billion-trees commitment. The reason I tell you this is that I'm around a lot of our indigenous issues.

I'm incredibly grateful to the government. I'm going to go back to the time when I was the CEO of the Canadian Council for Aboriginal Business and Mark Little from Suncor and I came to the Hill to express the success that Suncor was having in our procurement work with indigenous communities.

Today we're encroaching on a billion-dollar spend with local indigenous businesses. It was great to see the government commit to a 5% target, and I encourage the government to keep on this track. When talking to my colleagues, I know there are plenty of challenges ahead. We have to drive that down the supply chain. As communities get access to business activity, you build the experience, and experience is a great teacher. That's how we actually build our economies. Without access to those business opportunities, it's very difficult to be on economic par with the rest of the country; it's incredibly important.

It's also incredibly important that Canadians understand that the success of our country is closely tied to the relationship with indigenous communities. When we start to comprehend this more, we'll see there's a big education piece. There is ignorance that still exists in Canada, and we have to get over the ignorance that still exists. In my last point, when I come back to this, you'll understand why.

Capital pools have been spoken about a number of times, I'm sure. The fact that the Canada Infrastructure Bank has the billion-dollar fund is amazing. Don't stop there. There is a \$35-billion deficit in our communities alone, never mind this net-zero energy transition that our country is talking about. If we're going to get there in a successful way, we need to deepen and widen the capital pools so that our communities can be equitable members in any activity in our traditional territories.

With UNDRIP unpacking, if we don't get the relationships right.... As I mentioned, Canada's success is closely tied to our indigenous communities. I can point to countless numbers where, due to the poor relationships, we've lost opportunities because we're such a naturally richly endowed country.

I want to see more backstops or loans for communities to access to be able to participate. It was brought up in the previous panel, so I won't go too deep there. I'd love to see stronger relationships with provincial governments, with availability payments to support infrastructure projects so communities can rely on cash flow as they develop their relationships and partnerships in all sorts of infrastructure projects that are going to continue to go on in our country.

The last thing I want to address is that we need an overall strategy on the indigenous economy. There are lots of great ideas and there are incredible indigenous leaders at the table giving you ideas, but until you have a strategy that you can rely on, you're going to be all over the map. Work with organizations like the Canadian Council for Aboriginal Business or the National Aboriginal Capital

Corporations Association to help develop those strategies and [*Technical difficulty—Editor*] nations to do it alongside you.

I'm a big fan of Minister Ng, Minister of International Trade, Export Promotion, Small Business and Economic Development—I have to find shorter organizations; it's going to take me half my time to get through it—and it was great to see the economic development support for the BlackNorth Initiative. That's fantastic. There's north of \$20 million being committed to a number of Black organizations. That is not happening in our indigenous community. We need to care, we need to believe, and we need to do.

I think the government cares. As an example—and I'm going to leave it here—when I was at the helm of CCAB, the government cared enough to ask us to submit a proposal for the budget to support indigenous entrepreneurs. We submitted it. The budget came out in 2019 and not only did we not get it in the budget, and that happens, but the government committed \$3 million to Futurpreneur Canada to actually support indigenous entrepreneurs. That's not the belief that I expect from our country to believe in indigenous people. That is not the way we're going to build relationships. You need to empower indigenous organizations that have proven track records to support our own people. Why do we have to go back to the non-indigenous organizations to beg for resources to support our own people, when we have that capacity?

• (1625)

You have to care, you have to believe, and you have to do it by supporting our indigenous organizations, or we're going to be back-spinning our wheels.

Thank you for your time, honourable committee.

• (1630)

The Chair: Thank you, Mr. Gladu.

We now have Chief Gregory Desjarlais.

Mr. Desjarlais, you have five minutes.

Chief Gregory Desjarlais (Frog Lake First Nation): Greetings, everybody. I'm thankful for this opportunity. I want to say I'm grateful to the Creator, first and foremost.

What I want to talk about and what I want to share is economic sovereignty, first and foremost, with indigenous people.

I looked at Alberta and I did some research. I looked at the NR-TA that was transferred from the federal government to the Province of Alberta. First nations don't benefit from natural resources. It's almost been a hundred years; it's time for us to get it right.

How do we, as first nations, assist Canada in becoming good treaty partners? We have to remember that handshake back in 1876. First nations are part of the solution. First nations were never part of the problem. We have to remember that, my friends.

I look at the economic support that first nations require and that industry has benefited from over the years and decades. That's the kind of involvement in capital that first nations need. If you want to help first nations become sustainable and remove poverty, you have to offer them that seed capital that has been beneficial to industry over the years.

With first nations-led projects, look at these pipelines. Look at these refineries in the heartland of Alberta. Look at the power of the heartland community. Frog Lake and Kehewin have the only first nations-led proposal for carbon sequestration. It's like David and Goliath, but we have no choice but to get involved with the parade, instead of watching it go by.

The participation of first nations allows environmental oversight on these projects. I am a businessman as a chief, but I'm also a sun dance person who picks medicines and who goes to ceremonies. I had to find a balance because ceremony won't sustain my people. Business will, but how do I build homes on an outdated CFA? I have to get involved in economics. That's what we need to do as first nations people.

Look at these projects. An example again is the Trans Mountain pipeline. Look at indigenous ownership. If you involve the first nations, you allow them to build homes. You allow them to send kids to school. You allow them to send people to treatment. You allow them to deliver water to these homes. You allow them to remove mould. That's problem-solving. That's a takeaway, instead of all the money leaving Canada and still having poorer first nations living on CFAs and begging for handouts.

We need to look at what is happening across the world. With our friends in Ukraine, it's about world power. It shouldn't be about power. Our children are learning these things. We need to have economic reconciliation with the first nations, and we have to be involved in these major projects. I'm offering solutions.

Look at what was given here just recently, the SRP, the site rehabilitation program of Alberta and Saskatchewan. Many companies went through our nations and made millions of dollars, but left their liability behind. I am thankful for this program. It put people to work. We almost went bust, even during COVID, with this negative oil price. At the peak, Frog Lake was at 10,000 barrels, but today, we are at 400 barrels a day.

We are trying, like many first nations, to be oilmen and businessmen. We're trying different things. We created a concrete company out of nothing on the reserve here, and many first nations are doing this. It depends on your geography, where you are in Canada, how close you are to cities and what you're able to grow in your backyard.

• (1635)

I think that needs to be in the minds of our leaders as well.

We're asking in Alberta, also for that program, for an extension. I wanted to get that out there, because it's needed for all sectors to strive and to do this program properly. We're able to put these leases back to the natural grass state, or as close as possible, where we can grow medicines again.

I wanted to share some of these highlights that we need, as first nations people, because we cannot live in this poverty. It's 2022, and many nations don't even have fresh water.

Some of the barriers are the seed capital, the investment side that we don't have. If you're a CFA band just living on your CFA, your contribution funding agreement, how can you be involved, first and foremost? That's part of the picture I want to paint. If you don't have a willing partner or the natural resources beneath you, how can you be involved?

The solutions that Canada has to realize are ownership and revenue sharing of major projects across Canada. Keep the money in Canada, help the first nations stand on their feet, and have economic reconciliation.

Look what's happening across—

The Chair: I'll have to ask you to wrap it up, Chief Desjarlais.

Chief Gregory Desjarlais: Okay.

I want to thank everybody in the House for listening. I want to thank my MP, Shannon Stubbs, for allowing us to come and to share, and to watch Frog Lake and many first nations who are trying to be at these tables, and to help solve the problem of poverty across Canada and make the life of the unborn a better life, the way it was supposed to be on the shared land when the treaty was signed.

Thank you.

The Chair: Thank you, Chief Desjarlais.

We'll now proceed to the first round of questions.

Mr. Gladu, I'm told that you are currently on the microphone for the computer, as opposed to the microphone for the headset. I don't know if you know how to switch that on Zoom. It helps the interpreters to understand a little bit better.

While you're doing that, we'll proceed to the first six minutes for the Conservatives. I have Mrs. Stubbs here on the list.

For the Conservatives and the Liberals, given that we only have limited time, if you want to share it with another member, feel free to do so, but you have six minutes.

It's over to you, Mrs. Stubbs.

Mrs. Shannon Stubbs: Thank you, Chair. I appreciate that.

Thank you to all of the witnesses for being here, and to Chief Desjarlais for always reminding me in Treaty No. 6 that we're all treaty people and we should always have that in our mind as we work together.

I know that JP has said multiple times that it is important for indigenous communities to be able to move from systemic poverty to exactly what you're talking about, Chief—economic reconciliation and self-determination through economic self-sufficiency.

I wonder, Chief Desjarlais, if you would like to tell Canadians and the committee a little bit more about all of your accomplishments and achievements as a community through your many years of responsible resource development, as owners and partners in this sector, as well as recent initiatives you've undertaken—of course, no surprise—leading the way on innovation and environmental responsibility with some future aspirations.

Chief Gregory Desjarlais: I can remember back in the 1980s, when some chiefs and leaders had a vision to create Pimee Well Servicing, which employs about 150 first nations people, and we own jointly with seven bands 13 service rigs. Also, with the creation of Seven Lakes, we employ over 400 people, with 52 bands in western Canada represented. We serve Cenovus, Imperial and different industry companies around the federal bombing range.

Just recently, we had one of our councillors create LEAP, and that's a huge project we're leading the way on. We were successful in some grants, and we're trying to look at carbon capture. As I shared earlier, we're one of the 58 proposals in the heartland, by Edmonton, in Fort Saskatchewan, that are indigenous-led.

We talked about the Western Indigenous Pipeline Group. I want to say to everybody—and many of you have probably heard the name—that we seconded Joe Dion to the group to formulate a plan to bring all the nations along the corridor to try to buy for ownership.

I said Frog Lake was at 10,000 barrels at the peak. Whoever had the insight to drill the first well in Frog Lake in 1967, I think about him today. They're probably not with us, or they're in the spirit world, but that's the kind of insight...and that's what I was left to deal with here as the chief.

We're trying our best to create these opportunities for our people, and with that came the creation of FLERC, Frog Lake Energy Resources Corp. Just recently, we signed another deal with West Lake Energy. Instead of punching holes on top of the ground, with this technology we'll be putting many fingers—I think that's what they were called—down below the surface.

When we look at carbon sequestration and we look at air quality, the emitters pollute the air. How do we leave Mother Earth in this

state for our people and the ones who are yet to come? You look at fresh water. All these things are for all of us and everybody on the call. It's not just for first nations. You look at the polar caps that are melting. You look at the call to have zero carbon emissions by 2050, but how do we get there together?

I think we're trying to lead the way. We've always been part of the solution as first nations people. We've been talking about this, because somebody's weed is somebody's cure for cancer. When industry says that's just a weed, it's not true; it's somebody's cure for cancer or some major illness. I just wanted to share that much with you.

Thank you.

• (1640)

Mrs. Shannon Stubbs: Thank you.

Chief, the revenue from your resource companies over decades was used to build homes, to offset tuition for hundreds of college and university students, and to build an arena, a field house, and a chuckwagon racetrack. You've provided jobs for indigenous people in your community and for people in the entire region, non-indigenous and otherwise.

Of course, a lot of that work is dependent on sufficient pipeline infrastructure. Would you like to speak to the experience so far of any barriers you've faced in terms of being involved in the indigenous-led group to purchase TMX?

Chief Gregory Desjarlais: I think what needs to happen is better communication. We have to have a vision about making Canada a better place for all people, all first nations, and owning up to the wrongs, decades of wrongdoing against the first nations people.

Look at what happened in Grouard. I was born 20 miles from Grouard, in High Prairie. There was an announcement today of these graves.

Let's not hide the wrongs; let's make it right and let's have better communication. Let's take first nations seriously. Let's help them become owners of major infrastructure so that we can help them build homes and we can help them send more kids to school.

I have a population of 900 kids from 18 to 30 years of age. What do the other 800 do? They start a family young, maybe join a gang, maybe sell some drugs or leave the reserve. These are the only options. If you don't have an economy on a first nation, you have to think of something, or you live on welfare and show your kids that.

Why can't we work with the first nations to stand them up where they can show their kids a generation of hard work? In terms of some of the barriers and what needs to really happen, we need to be offered the capital and these loans that we could pay back over time, but we could benefit and get into these major projects that would help.

You know what? We need to have the oil leave Canada and we need to have this sector. For many years, Canada has benefited from the "dirty tar sands", as people call it, but they will graciously take the dividend. However, the first nations don't get that dividend. You know where the first nation starts, because the county grader turns around and goes back and grades towards the taxpayers per se. That's what the NRTA has really done to our people; it really has put us at the poverty level where we're begging, whereas we should be working together to try to make a better Canada for us.

The biggest barrier is not having that capital, but we are serious and we want to own this infrastructure, such as the TMX. With the Western Indigenous Pipeline Group from Treaty No. 6 all the way to the coast, some of these chiefs say they watch these tankers leave but they also watch these whales flip. However, they don't get a dime off that tanker. How do we come together and make this a reality?

Thank you.

• (1645)

The Chair: Thank you very much, Chief Desjarlais.

Thank you, Mrs. Stubbs.

We'll now go to Mrs. Atwin.

Mrs. Jenica Atwin (Fredericton, Lib.): Thank you, Mr. Chair; and thank you to our witnesses today.

[*Translation*]

I want to give Ms. Tremblay the chance to continue her presentation and speak about her second topic. I think that it concerned jobs and growth.

Ms. Marie-Christine Tremblay: Yes. Thank you for giving me the chance to continue.

The second part is much shorter and deals with access to the jobs and growth fund, which is managed by Canada Economic Development for Quebec Regions. The fund seeks to prepare businesses for the future, strengthen their resilience and prepare them for growth.

The program documents clearly state that indigenous-led organizations and businesses are strongly encouraged to apply. However, when you dig a little deeper and check the applicant's guide, at the end of the list of ineligible clients, a note states that exceptions may be made for indigenous recipients. No details are provided regarding the nature of the exceptions. This lack of clarity discourages indigenous businesses from applying to the program.

We want Canada Economic Development to show more transparency, particularly by clarifying these exceptions and the eligibility criteria for the program. That way, by simply reading the information document, applicants could determine whether they're eligible. In our view, the changes would also ensure that applicants don't think that decisions are solely based on an official's judgment in

stead of on specific criteria. All this would help build the trust of first nations members in the government.

Mrs. Jenica Atwin: Thank you for your comments.

Ms. Marie-Christine Tremblay: Thank you.

[*English*]

Mrs. Jenica Atwin: I'd like to ask Chief Desjarlais a question. We had Stephen Buffalo from the Indian Resource Council here just before you. He set up this kind of dichotomy of choice. He said that it's between oil and gas or the Indian Act.

I'd like to hear your comments around that. Are there other sectors you would feel you'd like to get into, or do you feel that oil and gas is the main contributor and the main opportunity for your region and your community? Is there really that dichotomy or are other options available?

Chief Gregory Desjarlais: I think there are other areas.

I don't just speak for Frog Lake. I look at the fisheries. I look at the salmon. I also look at the wind projects. We've talked with Northland before. We tried to get one of the projects that were in southern Alberta because we have no choice. You either try to find a partner and get involved, or you just sit back and do nothing.

Oil and gas fluctuate, as we all know. There was a time when we were getting an invoice instead of a dividend.

Look at solar. Without the federal and provincial programs, you can't get involved if you don't have the capital. We look at logging, but at the same time, as a first nation, we look at the air because we all know trees give off the natural oxygen for the air for us to breathe. By removing all the trees, we're cutting our lives short over there and for the unborn.

We're just trying to be diverse in the best way we can and looking at different ways to offset first nations.

Look at the announcements in the province of Alberta about paving and job stimulation. How come Frog Lake or other first nations can't provide pavement and the infrastructure? Instead of just providing two flaggers on a paving of 50 kilometres, why can't we be the lead and the prime contractor?

Those are the kinds of things that we have to look at as leaders of Canada. How do we solve these problems? We have to look bigger and believe that we can do it, because we can do it.

I sell power. We have a cogen here called Strathcona. We own the cogen facility. We own 140 acres of land in Lloyd. When I got in as a chief, we had very little revenue, but we did not sell anything. We adjusted. I don't have a business degree, but I have a lot of common sense.

We have to be cognizant of that. We have to trust each other, communicate with each other and give each other the chance to succeed, because the government has the ability to impact the lives of thousands of first nations people in a good way or in a negative way. Let's choose to impact them in a good way, because we're all treaty people. When our ancestors signed that treaty, it was to share. There was no inclusion of our resources, so that we can't even benefit after almost a hundred years.

Maybe when those kinds of discussions happen, I would have a better, clear and concise answer to what more is available to the first nations besides oil and gas.

• (1650)

Mrs. Jenica Atwin: Thank you very much. That was excellent.

The Chair: You have 18 seconds.

Mrs. Jenica Atwin: I think I'll just use the time to thank you all so much again.

Mr. Gladu, I didn't get to ask you a question, but I really appreciate what you've shared with us today.

I wish you all well, and I hope you have a good rest of your day.

The Chair: Thank you very much, Mrs. Atwin.

[*Translation*]

Ms. Gill, you have the floor for the next six minutes.

Mrs. Marilène Gill: Thank you, Mr. Chair.

I also want to thank all the witnesses, Mr. Gladu, Mr. Desjarlais and Ms. Tremblay, for their enlightening and, unfortunately, very short presentations. We would have liked to hear them speak for longer.

Ms. Tremblay, you started out by talking about Canada Post, which really caught my attention. For me, this is a case of discrimination. A right isn't being respected when it comes to first nations. You referred to Wendake several times. However, I want to know whether you agree that this applies to all first nations in remote areas. You spoke about Baie-Comeau. We can go even further, to northern Quebec, where things are difficult. There isn't any road infrastructure, for example. I imagine that your comments apply to these places as well.

I'll let you answer the question while you continue talking about Canada Economic Development for Quebec Regions, or CED. In my opinion, this matter also involves discrimination. There's talk of exemptions, but no transparency. A right is being taken away arbitrarily. The committee must hear about this so that we can make a recommendation on the issue.

I also want to hear your thoughts on indigenous procurement, Ms. Tremblay.

Ms. Marie-Christine Tremblay: Thank you for all these questions, which I'll try to answer quickly.

The situation isn't limited to Wendake and Kahnawake. Certainly, in Quebec, these communities have many businesses. They were very good examples to highlight.

That said, in our Canada-wide study, we found about 100 indigenous communities with postal code errors that identify urban communities as remote.

It's really a Canada-wide situation, not just a Quebec issue.

Mrs. Marilène Gill: Sorry, but I'll interrupt you for a few seconds.

There's the postal code issue, but I wanted to further explore the topic with you. However, I misspoke in my introduction.

Canada Post is also charging truly outrageous rates to some very remote first nations communities engaged in online commerce, in comparison with other regions. We can agree that many first nations communities live in remote areas.

Could this be an additional recommendation that wouldn't necessarily target the private shipping companies, but Canada Post?

Ms. Marie-Christine Tremblay: Yes, I truly believe so. We live in an era where online commerce plays a huge role and gives businesses a really good opportunity to look beyond their communities and do business across the country, even abroad.

Clearly, this recommendation could also apply to Canada Post.

• (1655)

Mrs. Marilène Gill: I didn't give you time to answer the question about procurement, in general, for first nations and their businesses.

Can you elaborate on it?

Ms. Marie-Christine Tremblay: I'll try to keep it short.

You all know that, in 2019, the Government of Canada set a goal of awarding 5% of federal contracts to indigenous businesses. These contracts provide significant economic development opportunities for businesses.

I don't know the situation across the country. Here, for various reasons, few businesses manage to seize these opportunities. On the government side, the procurement officials want to reach the target. However, they don't know the indigenous businesses or the intermediaries through which to connect with them. On the first nations side, admittedly, not all business owners know where to find calls for bids. When they do manage to access these bidding processes, they're often discouraged by the amount of paperwork involved. In addition, these businesses have had mostly negative experiences with procurement. For example, many calls for bids have been issued without any contracts actually being awarded to indigenous businesses. As a result, this has contributed to an atmosphere of mistrust.

We've been looking at the procurement issue for a number of years now. We've identified a significant way to potentially address this issue. For example, we know that procurement officials can award low dollar value contracts of \$25,000 or less without requiring businesses to go through the bidding process. To award these types of contracts, the officials often refer to a list of suppliers with which they do business on a regular basis.

These low dollar value contracts could be good opportunities for indigenous businesses. The businesses wouldn't need to fill out all the paperwork involved in the bidding process. Again, the officials aren't familiar with the indigenous business community and they don't know where to turn.

For this option to become a reality, the offerings of indigenous businesses must be well identified, structured and categorized by business line, so that this information could be passed on to federal department procurement officials for consultation purposes, as required.

The goal of this approach is to start with low dollar value contracts. This would create models that show communities that an indigenous business could obtain a contract through the federal procurement system. This would help to restore their trust in the system. That way, as businesses win contracts, they would gain confidence and develop skills for the overall process, and eventually bid on higher value contracts.

Basically, that's what I wanted to talk about in terms of procurement.

Mrs. Marilène Gill: Thank you.

The Chair: Thank you, Ms. Gill.

We'll now turn the floor over to Ms. Idlout. You have six minutes.

[English]

Ms. Lori Idlout: [Member spoke in Inuktitut, interpreted as follows:]

Thank you.

First, I'd like to thank all of you for making your presentations today.

I have a question for Marie-Christine Tremblay.

You mentioned that you order supplies through the post office. It is a barrier in Nunavut especially. If I could, I would like to have the option, number one, that the federal government support cargo or the ordering of items from outside. Nunavut-wide, that's the only way we get things.

For Métis and Inuit who live in faraway communities, it's very different from living in your average Canadian city in terms of the cost of living and the distance. When you compare ordering through Amazon, how are you able to balance the high cost of cargo? What are your recommendations?

• (1700)

[Translation]

Ms. Marie-Christine Tremblay: I'm not familiar with this situation, because the nations that we work with don't receive many cargo deliveries.

However, I've heard that delivery fees are quite high in Quebec as well. This hinders economic development in the same manner as shipping costs. Cargo delivery fees should also be reviewed. That said, I'm not very familiar with this area since the commission does very little work with the Inuit nation.

[English]

Ms. Lori Idlout: [Member spoke in Inuktitut, interpreted as follows:]

Perhaps I will clarify.

[Translation]

Ms. Marie-Christine Tremblay: I hope that this answers your question. Thank you.

[English]

Ms. Lori Idlout: [Member spoke in Inuktitut, interpreted as follows:]

I really appreciated your focus on shipping costs as a barrier. The federal government should be able to help with orders that have to come from outside their communities. In Nunavut, the high cost of cargo and shipping is a barrier. Many businesses in Nunavut rely on shipping to get their product, but Nunavut is a remote part of Canada. The cost of cargo is very expensive.

What if the federal government were to pursue and support different ways of shipping items to the communities? Inuit, Métis and first nations also have businesses, which is to suggest that the federal government requires shipping to be taken into account. How would you balance the difference between Inuit, first nations and Métis and specifically remote shipping businesses as compared to corporations like Amazon?

The Chair: Was your question for Ms. Tremblay, Ms. Idlout?

Ms. Lori Idlout: Yes. I was clarifying my question for her.

[*Translation*]

The Chair: Ms. Tremblay, did you hear the question?

Ms. Marie-Christine Tremblay: Yes, I heard it.

If the Government of Canada were to take steps to make shipping costs more affordable for businesses, it would certainly help promote local trade and avoid the need to rely on outside suppliers. It would also provide a great opportunity for businesses to ship their goods. They not only want to ship their products, but they also want the necessary materials to reach the communities.

For example, construction companies in remote areas must bring in materials at an exorbitant cost. If the federal government were to help by ensuring that shipping costs are lower, it would be a tremendous boost for these companies, which often struggle to cover all the costs involved in purchasing materials and equipment.

We strongly recommend that something be done about this.

• (1705)

[*English*]

The Chair: Thank you, Ms. Idlout. That concludes your six minutes.

I want to finish by thanking Jean Paul Gladu, Chief Desjarlais and Marie-Christine Tremblay for their presentations and for answering our questions on this very important subject. This is the last of our meetings concerning economic barriers. Your input is very important. We appreciate it very much. Thank you very much for appearing today. I wish you all the best.

For committee members, we're going in camera. For those of you who are there virtually, we're going to stop for five minutes so that you can connect to the other link, and we'll resume in five minutes.

Thank you.

[*Proceedings continue in camera*]

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