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• (1635)

[Translation]

The Chair (Mrs. Jenica Atwin (Fredericton, Lib.)): Good afternoon. Welcome to the 62nd meeting of the Standing Committee on Indigenous and Northern Affairs.

We are holding our meeting today on the unceded territory of the Algonquin Anishinabe Nation.

Today's meeting is taking place in a hybrid format, pursuant to the House order of Thursday, June 23, 2022. Members are attending in person...

[English]

There's a point of order.

Ms. Lori Idlout (Nunavut, NDP): The English translation is not coming through.

[Translation]

The Chair: Is the interpretation service working now?

Right. Thank you very much.

Members are attending in person in the room and remotely using the Zoom application. The proceedings will be made available via the House of Commons' website. Just so that you are aware, the webcast will always show the person speaking rather than the entire committee.

[English]

For those participating virtually, I would like to outline a few rules to follow.

You may speak in the official language of your choice. Interpretation services are available for this meeting in French, English and Inuktitut. You have the choice, at the bottom of your screen, of floor, English or French. Please select your language now. If interpretation is lost at any point, please inform me immediately and we will ensure it is properly restored before resuming our proceedings.

For members participating in person, proceed as you usually would when the whole committee is meeting in person in the committee room. Before speaking, please wait until I recognize you by name.

If you are on the video conference, please click on the microphone icon to unmute yourself. For those in the room, your mike will be controlled as normal by the proceedings and verification officer.

[Translation]

Please address your comments to the chair.

[English]

When speaking, please speak slowly and clearly. When you are not speaking, your mike should be on mute.

With regard to the speaking list, the committee clerk and I will do the best we can to maintain a consolidated order of speaking for all members, whether they are participating virtually or in person.

Pursuant to Standing Order 108(2) and the motion adopted by the committee on April 19, 2023, the committee is continuing its study of the subject of Bill C-45, an act to amend the First Nations Fiscal Management Act.

Today we welcome the honourable Marc Miller, Minister of Crown-Indigenous Relations.

Thank you so much for being with us today.

We also have officials from the Department of Crown-Indigenous Relations and Northern Affairs: Philippe Bertrand, manager; Christopher Duschenes, director general, indigenous institutions and governance modernization; Andrea Dixon, senior policy officer; and Karine Tremblay, senior policy analyst. We also have, from the Department of Justice, Andrew Ouchterlony, legal counsel.

Minister, you will have five minutes for your opening remarks. The floor is yours.

[Translation]

Hon. Marc Miller (Minister of Crown-Indigenous Relations): Thank you, Madam Chair.

Kwe Kwe. Tansi. Unusakut. Good day to you all.

[English]

Before I begin, I want to acknowledge our presence on the unceded territory of the Algonquin people. As well, I want to thank MP Schmale for the recent motion in the House to move things along. It's truly appreciated from this side of government.

Madam Chair and honourable committee members, thank you for inviting me today to provide an overview of Bill C-45, a legislation that would amend the First Nations Fiscal Management Act. The legislation, as you know, seeks to support indigenous self-determination and economic reconciliation.

The FNFMA supports communities in exercising jurisdiction of their financial management, property taxation and local revenues, and in financing infrastructure and economic developments. The proposed amendments to the legislation before the committee for study were co-developed by the first nations-led institutions established under the act: First Nations Tax Commission, First Nations Financial Management Board, and First Nations Finance Authority, in addition to the First Nations Infrastructure Institute's development board.

[*Translation*]

Since coming into force in 2006, the First Nations Fiscal Management Act has considerably increased the welfare as well as the economic and community development and self-determination of over 350 participating first nations in the country.

As the leaders of the institutions told you on Monday, the amendments proposed in bill C-45 seek to eliminate certain impediments to the economic development of indigenous communities with the goal of increasing the support and tools given to participating communities in the area of fiscal and infrastructure management.

The most important aspect of bill C-45 is the fact that it creates a new entity, the First Nations Infrastructure Institute or FNII, which will help first nations and other interested indigenous groups, including Métis and Inuit partners, by providing them with the necessary tools, competencies and best practices to assert their jurisdiction in the area of infrastructure and asset management.

The Infrastructure Institute will help participating indigenous groups plan, acquire, own and manage infrastructure on their land.

[*English*]

You heard on Monday from Allan Claxton and Jason Calla of the first nations-led development board and technical working group for the First Nations Infrastructure Institute, or FNII. They have set up pilot projects across Canada that have helped to identify different service requirements to inform development of processes, standards and organizational designs for the FNII. It will, for example, support infrastructure services transfer to new indigenous organizations like the Atlantic First Nations Water Authority.

Another one of those pilot projects is with the Chippewas of Kettle and Stony Point First Nation in southern Ontario. Through this project, the first nation is developing a feasibility study, business case and procurement options for water and waste-water assets. They are also developing a financial model that incorporates First Nations Fiscal Management Act tools that can be used for cost recovery to support water and waste-water treatment projects and infrastructure projects, which are so crucial to economic development and to the well-being of their communities. The work is supporting Kettle and Stony Point's community vision for wealth creation, focusing on the creation of an economy for the community and its members to build housing, education and recreation spaces.

The establishment of the FNII and the success of Kettle and Stony Point are further supported by other amendments put forward in Bill C-45.

The First Nations Tax Commission's mandate would be modernized to better support first nations with their local revenue systems,

to strengthen education and capacity supports, and to offer advice to self-governing first nations and other levels of government.

Meanwhile, the First Nations Financial Management Board, which helps first nations strengthen their local financial management regimes and borrow money, would see its mandate expanded so that they could offer services and certification standards to new clients, such as tribal councils and health or education authorities.

The last amendment I'd like to highlight would enhance data collection to enhance the institutions' capacity to support evidence-based planning and decision-making.

[*Translation*]

The amendments proposed in bill C-45 are a tremendous opportunity for indigenous institutions to broaden and reinforce their mandates in order to reduce hurdles and improve access to capital and revenues, all the while supporting communities in their efforts to seek out and pursue economic development opportunities.

I look forward to answering your questions.

● (1640)

[*English*]

With that, I'm really looking forward to the questions from the committee.

Meegwetch. Thank you. *Merci.*

The Chair: Thank you very much, Minister.

We'll now proceed to our first round, beginning with the Conservatives and Mr. Vidal for six minutes.

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

Thank you, Minister.

It is a good day today when we all agreed to move this legislation forward in the House just before we entered today. I think that's a good thing.

Minister, you and I have spoken on several occasions over the last three and a half years about different pieces of this legislation. Personally, I think the concept of monetization is a very positive step for reconciliation across our country.

Mr. Daniels from the FNFA on Monday obviously agreed, and I know you know where I'm coming from here. What he said was, "We really believe that the monetization of government transfers, be it a new source of funding or an existing source of funding, will really be a big game-changer when it comes to closing this infrastructure gap." He went on a little bit later in our hearing on Monday to say, "I'm sure at some point in time that monetization will happen, but I just don't know when. The concept is sound. It works. Every other government does that."

Can you just clarify for the committee whether Bill C-45 actually includes government transfers in the context of the "other revenues" component of that, in the context of what Mr. Daniels is asking for? Also, could you answer Mr. Daniels' question as to when this concept of monetization will be available to be utilized by their organization across the country?

Hon. Marc Miller: This is a super important question.

I think you do have communities in Canada that have dedicated revenue streams that they would perhaps want to secure and pledge for a larger contribution of capital in order to build projects in their communities and perhaps outside their communities.

Just to be clear, it's not the ambit of this particular bill to address the borrowing pools that would be available for monetization or other forms of securitization. That said, the policies and tools do exist within the current confines to proceed on that basis; it is just a question of financial dedication of funds and appropriation to the proper borrowing pools to allow communities to use that type of leverage for their own development of their own communities.

Chris may have some complementary information with respect to that. This is work we need to continue with the stakeholders to move forward. We are supportive of it, but we need to have a serious conversation about the borrowing pools and the access to capital that underpin them.

MP Vidal, unless you have a question you want to ask, Chris may want to complement what I just said.

Mr. Gary Vidal: Sorry, I think I will move on. That's fair, and I appreciate your response.

In that context, again, I want to follow up a little on what Mr. Daniels talked about in the context of this concept.

If we can get this concept up and running fully, he put it into the comparison of how many houses we could build, how many water treatment plants or recreation facilities, etc. I have some examples in northwest Saskatchewan that you and I have talked about in the context of investments in an oriented strand board mill, where that equity investment would create significant dividends for 12 first nations in northwest Saskatchewan down the road.

If we can get these things going sooner rather than later, for so many people in a riding like mine, which is 70% indigenous, in northwest Saskatchewan, we can create the opportunity, create the jobs, create the economic prosperity that comes with this stuff. It is a way we're going to solve many of these infrastructure challenges. We know the gap is great. I know you've talked about it lots of times.

I just implore you and the department to say that we need to move on this. Capital streams are going up 2% a year or something like that. Inflation is going up. Pick a number at this point. We're losing ground on these things. I would just implore you to say that this is such an important concept. I think it could be a very big part of the solution. Obviously, the folks in the First Nations Fiscal Management Act organizations would agree with that.

Hon. Marc Miller: Absolutely. I think we have to understand the premises and the conclusion, obviously, to try to state something that makes sense with respect to monetization. It's not the be-all and end-all, but certainly it is a lever that we're not using or having communities use to the full extent that they could, given the current model.

There are some communities that don't have the good fortune of having those revenue streams or sources of income that they could then leverage into larger forms of financing. The basic premise of what is being advanced is that the current grant model that the federal government puts forward is not enough to close the gap in the period of time within which we all aspire to close it. There are other levers that we also have to examine, whether that's within the Infrastructure Bank, better access to equity as opposed to simply getting debt, looking at the grant model or looking at how it serves communities, especially those in the most need.

But clearly—it's a long way to go to agree—I will agree with you on that point. We have to fully understand what particular stream of money it is that people are wishing to pledge against a larger set of a financial commitment. That is not entirely clear all the time in these discussions, but it is a very important one to have, because not all revenue streams can be subject to what these institutions are looking for.

• (1645)

Mr. Gary Vidal: Do I have time for another really quick question?

The Chair: You have 15 seconds.

Mr. Gary Vidal: In an interview with Paul Wells back in February, you talked about economic reconciliation in terms of how it can become a catchphrase. Can I just ask you what you meant by that?

Hon. Marc Miller: Absolutely. That will probably take more time than the time allotted.

I think we've had a nasty habit in government of picking winners and losers in indigenous communities. When you talk about economic reconciliation, often it has become an opportunity to ignore the elephant in the room, which often is the federal government not paying its long-overdue debts, the failure of which has caused the socio-economic gaps. Trying to plug that gap with new financial instruments without addressing the underlying causes of that socio-economic underdevelopment is, I think, a warning to us all because we've all been guilty of it.

My only point is that you can't walk into the most prosperous community in Canada and say this model needs to apply everywhere else in Canada. I think that is a warning to all of us when we try to use indigenous communities to augment our own political positions.

That was the long explanation.

The Chair: Thank you, Mr. Vidal.

We'll move to Mr. Aldag, for six minutes.

Mr. John Aldag (Cloverdale—Langley City, Lib.): Minister, welcome. It's great to have you here. This is the first time since I've joined the committee that I've been able to be here with you present. It's great to see you.

Welcome to the officials, and thank you for also being here today.

Because I'm fairly new to this committee, I'd like to start with a bit of a high-level question, just to get your thoughts on why this piece of legislation is important to reconciliation in Canada. We've heard that the act itself has been in place since 2005. Now we're in 2023 and we're putting forward a number of amendments. Why is it at this point in time that this legislation is needed? Could you give us a sense of that? Particularly if there are others who are new to the table or watching who may be interested in why this legislation is before the House, it would be great to hear from you on that.

Hon. Marc Miller: Thank you. It's an excellent question.

Even though it is relatively recent in the arc of legislation that deals with indigenous communities, it has been and still is seen as one that is very progressive: namely, in what we aspire to be as a country, which is in a position of equals with indigenous communities.

One of the first things you see when you talk about that position of equals is the reality of the socio-economic gaps that have put us and particularly the Government of Canada in a position of power. You talk about nationhood, and "nation to nation" presumes a relationship of equals. When that socio-economic relationship isn't the case, it creates the outcomes that we are seeing today.

A lot of these pieces of legislation were put forward by very progressive members who were indigenous and had a vision of how their own communities, in the circumstances of being subject to the Indian Act, could get out of some of the more onerous and heavy provisions of the act and take control over their assets and over the future of their peoples. They were put in place with that spirit in mind, whether those were views on how you would get revenue from your own ability to tax or on the availability of capital. We know that in our history indigenous communities have had less access to capital than non-indigenous communities.

All these instruments were put in place with that in mind, but things have changed quickly in the last 20 years. For example, there have been demands—and I think one of the key pieces is the infrastructure institute—to have a centre of excellence for how infrastructure is built in communities and run by indigenous peoples. Also, there are some changes to the legislation that are the result of advocacy over that period of time and, very recently, in particular when it comes to the 350-plus communities that are scheduled. Not

all those communities availed themselves of every instrument under this suite of legislation, but it does represent a real consensus among indigenous communities that have signed on as to what is needed to reform it and get more access to capital through some of the legislative changes.

One of the important ones I would highlight, which we're still working on, is that we have a set of modern treaties and relationships and we need to make sure they have full access to all the levers that exist under these tools.

• (1650)

Mr. John Aldag: Thank you.

One of the things I noticed when we had the panel here on Monday was that many of the progressive councils or bands you mentioned that were drivers behind this were from British Columbia, an area I come from. I was really pleased to see that the first nations in British Columbia were at the forefront of this.

We heard from one of the witnesses on Monday about how we need to have instruments that allow the nations to work at the speed of business. That was a theme that came up. One of the issues, as I understand it, is that the legislation is an important first piece but there are regulations that will need to follow in order to fully implement the suite of tools that are available here.

In that spirit of operating at the speed of business, could you give us some reassurance or a sense of what that looks like? Once we get the legislation in place, how long will it take to fully implement the other pieces that will be needed to allow the participating nations to avail themselves of the tools they have?

Hon. Marc Miller: It's an excellent question. I'll answer it partially and then defer to Chris.

We've seen that one of the biggest points of advocacy we hear from communities is the functional inability at times to have their bylaws enforced. In this piece of legislation, there is a suite of bylaws, for example, that will allow communities to have bylaws that have teeth and to therefore access the capital that is needed and have those relationships with communities that they don't have, or that their non-indigenous partners take for granted. That allows folks to move at the speed of business when it comes to some of the regulations when they are going to be fully in place.

Do you want to speak a bit about that, Chris?

Mr. Christopher Duschenes (Director General, Indigenous Institutions and Governance Modernization, Department of Crown-Indigenous Relations and Northern Affairs): Thank you, Mrs. Chair.

Thank you, Minister Miller.

The legislation does provide for the provisions for regulations to be created. One of the very interesting and big successes of the legislation is that since it was enacted, there has been more and more interest in joining into the legislation, which then results also in the need to create more regulations specific to those target groups that are expressing interest. Modern treaty holders and self-government communities are the ones that have expressed from the very beginning the most interest in getting in on the act.

Creating those regulations is a long and complicated process. We have made great headway recently on those regulations. There will be more regulations created in the future. We hope that in relatively short order those regulations will be in place. That was precipitated by two first nations in your province, so the regulations will be very specific.

One of the challenges on the regulatory front is that each time they are created, they have to be tailored very much to the situation at hand, so our colleagues at Justice have done yeoman's work with the province and with first nations in doing that tailoring to make sure it's legally sound and implementable, but it is a slow process.

Mr. John Aldag: Thank you so much.

The Chair: Thank you, Mr. Aldag.

[Translation]

Mrs. Gill, you have the floor for six minutes.

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

I would like to thank the minister and his team.

I have many questions, as always.

The first question is about economic reconciliation for all. I asked the question last Monday. First nations can participate in the First Nations Fiscal Management Act, but not Métis and Inuit nations. We're not there yet. I was wondering where the difficulty lies in those cases.

What is planned for the future? I'm not asking for a complete timeline, but I would like to know what the possibilities are for those nations over the next few months and years.

• (1655)

Hon. Marc Miller: Given that participation is optional, it will be up to those nations to decide. Historically, this type of legislation has stemmed from our relationship with first nations and not with the Inuit and the Métis.

The federal government has only recently recognized the Métis. That means that their access to capital is even more recent. The Métis have their own financial institutions and know what they want to do. If they want to be part of the system, we will welcome them.

As to the Inuit communities, I do not foresee any obstacles, apart from two or three challenges due to the necessary coordination between the legislation and modern treaties. There's nothing insurmountable there. Political factors could come into play. There is no legal obstacle stemming from the act as it stands.

Mrs. Marilène Gill: Thank you.

I also have a question about first nations.

As you stated, participation is indeed optional. Up until now, 348 nations have participated, unless I am mistaken. You also spoke of hurdles that keep certain nations from participating or mean that they don't get the results they might have expected.

Will the proposed amendments to the First Nations Fiscal Management Act eliminate the hurdles for the nations that are hesitant to participate or would like to do so, but are not able to? Once again, I do know that participation is optional.

Hon. Marc Miller: I can only presume that that is indeed the case, obviously, because the nations are the ones who do the work and who have highlighted the existing hurdles. Out of the 348 nations, only 77 have had access to capital, which translates to about \$1.6 billion. That is the clear objective of the act as it stands.

My answer is therefore a simple yes.

Mrs. Marilène Gill: Monday, I was told that the people who had been consulted are members of first nations that were already participating under the act. This leads me to believe that some nations did participate and did not receive any funding.

We've got the nations that were consulted, but what about those that weren't. I am guessing that if those nations aren't participating, it's because of obstacles. Maybe the act isn't attractive to them either. I can't say, and it's not up to me to do that. However, I wonder why you didn't consult them, if you hope to offer them the best possible choice of development tools.

My question is basically about the nations that aren't participating under the act.

Hon. Marc Miller: There are a large number of communities listed in the schedule, but not all of them are. Some communities see the act as colonial. Some communities have another vision of their self-determination, and others are experiencing difficulties that keep them from participating.

We will indeed have to keep up our efforts to be as inclusive as possible. I think the leaders of these organizations would be the first to say so.

Mrs. Marilène Gill: Okay. These nations weren't consulted, but we still know that...

Hon. Marc Miller: Not to my knowledge. But they might have been consulted through the band.

Mrs. Marilène Gill: It would be interesting to consult them afterwards. However, I do understand that it is a huge undertaking and that some considerations, whether they be ideological or political, can mean certain communities will choose not to participate under the First Nations Fiscal Management Act. Obviously, that is also their choice.

You said in your opening statement that certain hurdles have been eliminated. Setting aside those that are linked to the infrastructure project, what are the main hurdles that have been eliminated thanks to the amendments proposed in bill C-45?

• (1700)

Hon. Marc Miller: It's mainly hurdles in terms of flexibility. The act still had a lot of impediments that gave more authority to the federal government. Now the communities will have more flexibility, more room to manoeuvre in seeking access to capital.

More services will be provided. Institutions are taking a closer look at the consultations that we have done over the past few years and aim to make changes in keeping with the needs of communities who want better access to capital.

Bill C-45 gives rise to tremendous hope. The communities have been waiting for it for a long time now, and I would be thrilled if you could speed up its passing. I know that the Senate will also have a say, but we would be most grateful.

The Chair: Thank you, Mrs. Gill.

[English]

Next, we have Ms. Idlout for six minutes.

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

Thank you, Madam Chair, and thank you to each of you for being present.

Minister Miller, thank you for your presence, for providing your presentation on the matter of the legislation, and for working with first nations organizations. This work was very important.

Hon. Marc Miller: I apologize. I'm not getting the English.

The Chair: Just one minute, Ms. Idlout.

Hon. Marc Miller: I hate to make you repeat it, but I wasn't getting anything.

Ms. Lori Idlout: I won't lose time, right?

Hon. Marc Miller: I can't tell the committee what to do, but I hope she has her time.

The Chair: You'll have your full time back, Ms. Idlout.

Go ahead.

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

Thank you, Madam Chair.

Thank you, Minister Miller, for your presence, and thank you to your colleagues, as well. I'm glad to see everyone here.

The presentation you just provided was nice to listen to. You worked with first nations organizations in creating and implementing this bill. However, we all know we need other amendments to the bill. For instance, The Hill Times newspaper had an article regarding inadequate infrastructure due to a lack of proper funding in the amount of \$349.2 billion. With the \$349.2-billion envelope, and thinking of the laws or bills that will be amended, what other infrastructure will be created? How will this envelope of funding help reduce the gap in infrastructure?

Hon. Marc Miller: Thank you, MP Idlout.

It's important to take a step back when we talk about this suite of legislation. It is only part of the conversation, for sure. Even the

discussions on monetization are ones where certain communities would benefit from it and, clearly, others might not.

The way the government has dealt with infrastructure gaps in the past has been insufficient. When it has, it was typically through a grant model. When you're talking about the vast sums of money that are needed to close that infrastructure gap, the reasoning you have heard from a number of officials is that the grant model is not sufficient. I don't know that to be the case. When you look at the suite of tools that exist for indigenous communities to access capital, we certainly have to have an equal amount, if not more than what non-indigenous communities have, particularly given the Government of Canada's direct obligation to close those socio-economic gaps, and our existing fiduciary duties.

We have seen in the last couple of budgetary cycles vast amounts of infrastructure monies. In the case of your constituency, and the people you serve, MP Idlout, that work will transform some communities, but there is so much more to do, whether it's redoing the infrastructure in Iqaluit for the water, or whether it's getting the housing built. I spoke to the premier about that yesterday. These are all things that, if we relied solely on the institutions supported by this legislation, would never happen. You need direct support from the Government of Canada in making sure that actually gets done.

How does that get done? It gets done through consistent investments from the Government of Canada and making sure we are closing those gaps in the way the Inuit Nunangat policy tells us to behave, which is in co-development and in the spirit of self-determination. That requires constant co-operation with, in your case, NTI and the Government of Nunavut. We have good relationships with them, but we know the money is still needed out there. It will have to come through grant models. Leveraging the Infrastructure Bank is one aspect. Opening up some flexibility in terms of the availability of capital is another one. We have taken some small steps in that regard.

Given the seriousness and the importance of that gap, we have to have all options on the table. This will play its part, I think, and a very important part, but it is very much only one part of the conversation.

• (1705)

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

We know that over 300 first nations organizations, or their local bands, have wanted to be included in this bill. Can you explain why other first nations people and their bands would not want to be included in this bill, although it seem to be helpful?

Hon. Marc Miller: I think there are probably a number of reasons, which I probably won't do justice to. I alluded to it a little when I answered MP Gill's question. There are some communities that don't feel they should be subject to this type of regulation from the Government of Canada, regardless of the potential benefits it offers. There are perhaps others that don't feel it's for them for a variety of reasons. There are probably others that are still not comfortable or have challenges with capacity in even getting to the table.

I think that is where Indigenous Services and Crown-Indigenous Relations play very important roles in working with communities. Those are often the stories of the have-nots. I have no particular answer to offer you, but as you can see in the number, it is not an exclusive club only for the haves. I've had conversations with leadership in these groups where they have engaged with communities that are not part of this or not scheduled, and they are eager to help and get out there.

For lack of a better word, I think there is a convincing job to do for those communities that are hesitant. I don't want to speak on their behalf, because I know that there are a variety of reasons. There is some work to do to gain more acceptance. I think because the previous legislation was seen, in that context, as heavy-handed, this will open the door to more of these conversations, but when you look at those that are scheduled and then those that have accessed capital, from 348 to 77, there is a gap there that is still to be addressed within the current group of scheduled ones as well.

I wouldn't say that for everyone in this group everything is rosy, because it isn't, but again, I do persist in thinking that this is an extremely important suite of legislation that is important to get passed and modernized, even though it's a piece of legislation that's only 20 or so years old.

The Chair: *Qujannamiik*, Ms. Idlout.

We'll now move to our second round.

Mr. Melillo, you have five minutes.

Mr. Eric Melillo (Kenora, CPC): Thank you, Chair.

Thank you, Minister, for being here.

I think it's great that we're moving this forward. It's always nice when we can agree, at least a little bit, in this place. I appreciate your being here on this.

I want to speak to some of the comments we heard from witnesses in the last meeting, Minister. It's clear that the infrastructure institute, this idea of monetization and the ideas set out in Bill C-45 have been on your department's radar for quite some time. If I'm not mistaken, the institute itself has been part of the departmental plan since 2020.

Obviously, we're all happy to see this moving forward, but I'm wondering if you can shed some light on what happened since 2020 and why it's taken so long for us to get to this point.

• (1710)

Hon. Marc Miller: I guess it's a combination of things. Building the case has been an important aspect of this. In my capacity as the current indigenous services minister, I met with a number of the proponents. They made their cases convincingly.

In the context, and looking at the priorities we had over that period, I know that a lot of you guys would say that there was a whole heck of a lot of money going out there during that time, but it was to deal with a once-in-a-lifetime, let's hope, pandemic. It is always an issue of priorities. It was very hard, actually, to get infrastructure builds done with communities shut down. That is just a fact. It is particularly a tribute to a lot of the communities that lifted their boil water advisories during that period of time in terms of the efforts that were put in to get stuff done.

Yes, there are priorities. Yes, there is getting the business case across the line and prioritizing that as part of the budgets in question. When it comes to the infrastructure institute and these institutions, there is a general perception that they are west coast-led, and I think—

Mr. Eric Melillo: I do have limited time, Minister.

Hon. Marc Miller: That's fine. I appreciate that. I did want to give you a suite of answers that were helpful.

Mr. Eric Melillo: Maybe you can get to it in the next question here.

I think you can appreciate where I'm coming from on this, because obviously there is a huge infrastructure gap. We have a lot of work we need to do. Having all these delays is definitely a concern for me, and I'm sure it's a concern for you. I would suggest that it does remain a priority for your government to move this forward. It's concerning that it hasn't been, of course, over the last number of years.

Minister, it brings to mind the situation of Grassy Narrows First Nation. I know that you're well aware of that. I want to thank Ms. Idlout for raising this concern as well in the chamber earlier today. It should be non-partisan. This community has been struggling with the effects of mercury poisoning for decades, as you know. I recall working with you and Chief Turtle shortly after I was elected, almost three years ago, when an agreement was reached. We were all excited to see some progress happen there. Now, unfortunately, we're seeing further and further delays.

Can you speak to why we're seeing delays with this project? Can you tell us when your government will keep its promise and deliver this treatment centre?

Hon. Marc Miller: When we talk about the agreement with Grassy Narrows, it was really important to sign it and commit to building a mercury treatment facility—not just a mercury treatment facility, but a new water plant. There was over \$80 million put on the table to build and operate the facility, without counting the new water plant. That's a lot of money. It took a pretty innovative approach with the community at the time to get that across the finish line.

What we've seen clearly—without speaking of the discussions that are ongoing, because those are discussions being led by Minister Hajdu—is that there has been an increase in the cost of building materials. The process that was put in place is one—

Mr. Eric Melillo: In part, it's because of the delays. I want to make that clear. Each year there's a delay, we will see construction costs increase, which is why it's so important that we move forward on this quickly.

Hon. Marc Miller: Yes, there was a 12- to 18-month window once the agreement was signed in which there were feasibility studies and full costing to be done. I think we're at a point now where we've seen cost increases. That is something on which I'll defer to Minister Hajdu's good leadership to get across the finish line.

The point to take away from this is that we're committing to making sure that the folks at Grassy Narrows get the justice they deserve.

Mr. Eric Melillo: I have only a few seconds left, so thank you.

The Chair: Thank you, Mr. Melillo.

We'll move to Mr. Battiste for five minutes.

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

Thank you, Minister, for being here today.

On Monday, we heard from several of the leaders about how important optionality is for this bill and how, when moving forward with first nations.... A lot of the time, government had a "we know best" attitude in many decades past, and that has harmed the trust between first nations and the federal government. They spoke to why optionality is a very important part of this piece of legislation and the work that they're doing.

First, I wonder if you could speak to why optionality, or opting in, for band councils is an important part of advancing reconciliation.

The other part is this: How does this help us implement some of the principles surrounding UNDRIP in terms of what we promised in Bill C-15? What does this mean in relation to what we are trying to accomplish with UNDRIP and moving forward with this legislation?

• (1715)

Hon. Marc Miller: I think, MP Battiste, you said it best when you said that it is really up to the communities to choose.

The Indian Act is not only a racist document, but one that has been imposed on communities. Getting out from under it has been the subject of a lot of simplistic thoughts as to how that happens. When you sit down, however, it is a complex web of insidious discrimination that has affected pretty much every facet of indigenous identity and experience, especially in the on-reserve scenario, for anyone who knows the history of the Indian Act.

This legislation gives the optionality to the communities to say yes, but, importantly, to say no. Whatever reason that is, we in government just need to accept it.

I mentioned earlier that going from 348 communities that are scheduled in the annex to 77 that have drawn down or received the financing under this particular regime is important, but it isn't necessarily linear for people. Some people don't want the on-reserve property taxation laws. There are only 133 that have developed and

implemented those laws as part of the tax commission. There are 256 that have enacted financial administration laws, and 210 that have received certification. Is this a natural progression? It may or may not be. Some of it is important, and some of it is take-it-or-leave-it for some communities.

As part of developing the amendments in the package you have in front of you today, that has been something that has been stressed time and time again. As progressive as it was perceived to be 20 years ago, that currently isn't the case today. It leaves partners unable to move "at the speed of business", as they said quite clearly on Monday, for example.

That is key. I think it's a matter of financial speed as much as it is the ability of people to affirm their right to determine what they do with their own selves and their communities. In that sense, it is in the spirit of the United Nations Declaration on the Rights of Indigenous Peoples and, frankly, it responds to some of the TRC calls.

Mr. Jaime Battiste: I just want to make it clear that we're looking at all of the first nations across Canada, many bands. Nothing in this legislation changes anything in those communities unless they choose to be a part of it. Is that correct?

Hon. Marc Miller: That's correct.

Mr. Jaime Battiste: With my final 30 seconds, I just want to be able to thank all of the members of this committee. We heard from Manny Jules about the lessons he learned from his father about meeting at the speed of business. I saw that we did our best as a committee within 48 hours to make sure that we were moving at the speed of government and moving at the speed of business. I just want to thank my colleagues from the various parties who are here today, as well as the Greens, who gave us unanimous consent to move fast on this. I hope we get it through and continue to meet at the speed of business for all of the first nations in Canada that want to be a part of this.

Thank you.

The Chair: Thank you, Mr. Battiste.

[*Translation*]

Mrs. Gill, you have the floor for two and a half minutes.

Mrs. Marilène Gill: Thank you, Madam Chair.

I will continue on the subject of hurdles.

Minister, you said earlier that certain nations perceive the act as a colonial. Obviously, I understand that if they don't participate in the consultations, it can be difficult to change the act. I also don't know if it is possible that the act may no longer be seen or construed as being colonial.

How do you think that the hurdles linked to the perception or interpretation of the act as a colonial instrument could be eliminated from this piece of legislation?

• (1720)

Hon. Marc Miller: What immediately comes to mind is that the government is pushing an act through its own Parliament so that levers may be used to make this a reality. These levers should exist in any event; they have been erased over the course of our rather difficult history with indigenous peoples.

In such a context, it's difficult to avoid that type of argument...

Mrs. Marilène Gill: I don't wish to interrupt you, but...

Hon. Marc Miller: In such a context, that is to say the legislative system at Parliament here in Ottawa, the act is the result of a collaborative process. We gathered the opinions of interested communities who sought to participate in order to underscore their right to self-determination. If a community wants to impose a tax, it is up to that community. It's not up to Canada to do that.

I think there is also a tremendous lack of confidence in the government within these communities, whatever the political party in power. Even when you do manage to build some up, that confidence remains very fragile. You always have to build bridges. Obviously, this means communication.

The bill is reforming certain initiatives. I think that the document before you is in keeping with the spirit of co-development, which in itself will inspire confidence and more importantly, give certain nations the desired access to capital by eliminating current hurdles.

Mrs. Marilène Gill: Quickly, do you think that the bill, once it is passed, will do what it sets out to accomplish, given what you have just said?

Hon. Marc Miller: We will see what the Senate thinks, but I believe so.

There will always be work to be done. For example, we spoke of monetization and other challenges. This is the result of in-depth work with our partners, and I am very proud of that.

The Chair: Thank you, Mrs. Gill.

[*English*]

Ms. Idlout, you have two and a half minutes.

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

Thank you, Madam Chair.

For Bill C-45, the implementation process took a long time. The partners worked on this legislation with the first nations bands. You were working with them. Through the work you did with them, this legislation was created.

You say your government is important. You say you need to work in partnership with first nations, Métis and Inuit. You have to work in partnership with all the indigenous groups.

Why is this bill only being implemented at this time, when you say it is very important? Can you answer me? Why have we been waiting for this legislation for so long?

Hon. Marc Miller: *Nakurmiik* for that.

We can always go faster. I think, in this case, it has been relatively quick. I would say, with the exception of the infrastructure insti-

tute.... I think it took some time for us to come around to it. You can create these entities, but if you don't secure the funding for them, their ability to engage and be at the height of expectations....

I want to thank the advocacy of Manny Jules for that. It's something that has been a brainchild of his. It did take some time. I think it took his advocacy and the advocacy of many others to convince the federal government this was the right thing to do.

I think that, sometimes, governments have a control problem. We don't like letting go. That requires trust and partnership. Having an infrastructure institute that would not necessarily be dependent on the federal government—or that could at least provide advice and the confidence indigenous communities require to get things built—is an element to that. This is an important day for people who have fought so hard for that.

Sometimes, governments take a little time to learn how to let go.

• (1725)

The Chair: Thank you, Ms. Idlout.

Mr. Zimmer, go ahead for five minutes.

Mr. Bob Zimmer (Prince George—Peace River—Northern Rockies, CPC): I think Mr. Schmale will be taking over.

The Chair: Sure.

Mr. Schmale, please proceed.

Mr. Jamie Schmale (Haliburton—Kawartha Lakes—Brock, CPC): Thank you, Mr. Zimmer. That's so kind.

Thank you, everyone, for being here today.

I want to echo the words, Minister, that you said at the beginning. It's great work by every member here to move this piece of legislation through: Mr. Battiste, Madame Gill, Ms. Idlout and, of course, the team here.

My question goes to the process now. I believe we're expected to do clause-by-clause on Monday, so we'll wrap this up. Do we see a sense, on the government's side, that we'll have this on the agenda in the House to debate as soon as possible, before we rise in June?

Hon. Marc Miller: There are two things. I have a list of things we'd like you guys to pass by unanimous consent, if you so choose.

Voices: Oh, oh!

Hon. Marc Miller: However, this is your question, not mine.

I really hope so. This is something we need to work with the government leadership team on to make sure it's prioritized. I think all partners want to see it. We want to get it to the Senate as quickly as possible. We know the Senate has stated quite deliberately that—particularly when it comes to indigenous matters—it wants to take the time to review it, given the level of advocacy we see there.

I'm jumping ahead of things. That's a conversation we'll absolutely have with the House leader and push to prioritize.

Mr. Jamie Schmale: You can see my concern. It wasn't even on the calendar to debate it at second reading, to send it to committee. Although it was a great sign of a unified front, it wasn't even on the calendar in the near future. I don't want to see Bill C-45 disappear into the abyss when it is a priority for everybody.

While unanimous consent is a tool that can be used from time to time, I don't think it should be the tool used all the time. It deserves debate in the committee room. It deserves debate in the chamber.

I'd like to, if possible—I know you don't control the House agenda—see it given a bit of priority on the government side, in order to get it on the table and in front of the House for debate, so we can push it to the Senate as quickly as possible.

Hon. Marc Miller: You're talking to the right guy in terms of agreeing with you, but in terms of being able to get it done, we'll need to work with our team and the House leader.

We've had some pretty good partnership on all party sides to get this done, so if that priority is articulated clearly to the House leaders, I have a lot of hope for this. There isn't a person who doesn't want to see this done.

Mr. Jamie Schmale: If you want suggestions on what legislation we can take off this calendar, I'm sure we have a whole bunch we could throw in front of you, if you need that help.

Hon. Marc Miller: We're aware of your ability and desire on those fronts.

Some hon. members: Oh, oh!

Mr. Jamie Schmale: Do you have any questions?

Mr. Bob Zimmer: I'm going to be a little more blunt. I know Mr. Schmale is trying to be nice.

I guess I question the motives of this government. You've had the opportunity to do this for the last eight years. It took an opposition UC motion to get it advanced. There is one problem with that alone, but there's another problem with the future of this bill. My colleague, Mr. Schmale, has asked what the future of the bill is. It doesn't give me, us or first nations, frankly, much confidence that it will advance. There's a lot of talk, but little action. There's a lot of hot air, but little in terms of delivery.

I would like to have some assurance from the Prime Minister and from you, Minister. It sure seems like you have the will to push this forward, but you had the will before the UC motion, too, and it wasn't advancing.

Where does it leave us now?

• (1730)

Hon. Marc Miller: Let's not pretend for a second that the UC motion magically created a priority for this bill. It would be disingenuous for anyone to pretend that. We appreciate it and absolutely would encourage it at the next stage as well. There are so many advocates who have fought to get this done, and this is important for them to see. For any of us to pretend that we're the champions of this would be disingenuous.

As a minister in this role, I can say this has been one of my top priorities. I've had a team that has pushed this through at every stage as quickly as it can go. I wouldn't say it's been eight years coming, but it has certainly been a couple when it comes to certain parts of this. I know you have the consultation record to underpin that.

To the extent that I have the power to move things, you have my commitment that we'll be moving this forward as quickly as we can and getting this across the line.

I really do appreciate your advocacy in that respect; it is very welcome. In all openness, there are a couple of other bills that we'll need your support for, which sometimes I feel really shouldn't be in front of parliamentarians because it's really about communities deciding what they want to do themselves.

I do appreciate it, and that's what I'd like to conclude on.

Mr. Bob Zimmer: Thank you, Minister.

The Chair: Thank you, Mr. Zimmer and Mr. Schmale.

Now we'll move to Mr. Weiler for five minutes.

Mr. Patrick Weiler (West Vancouver—Sunshine Coast—Sea to Sky Country, Lib.): Thank you, Madam Chair.

I'd also like to thank Mr. Schmale for tabling the unanimous consent motion, which passed.

It's actually not the first time we've been able to do that in this committee. We were able to pass the modernization of a number of self-governing agreements through unanimous consent last summer. Minister, to your point, that was probably legislation that never needed to come to the House, on how communities want to be able to govern themselves.

Minister, I appreciate your being here today. I just have a few questions about the act itself. It's really exciting that almost 350 communities have now signed on to these various measures. Perhaps the first nations that are most in need of the institutions and the powers they can provide have not signed on yet. These are also communities that can most benefit from things like access to better infrastructure, particularly in remote areas where they also have trouble with the granting process and being able to go through all that to access money that we set aside.

I was hoping you could speak a little bit to how these amendments will make it easier for smaller communities to sign on and get that better financial management system in place to be able to access some of the benefits that come along with it.

Hon. Marc Miller: I spoke briefly earlier about what this legislation is and what it isn't and what it represents for communities. It isn't a tale of haves and have-nots. It has been instrumental in making sure those have-nots are now haves—and I'm wildly over-characterizing and simplifying the dynamic that exists.

It is the case—and I'll repeat that because it is the case—that in this country there are still communities that are in desperate need of support from the federal government, usually because of some actions taken by the federal government in the past, notably, as I raised earlier, not paying our bills with respect to treaty and causing immeasurable damage in the first place, and now being in a position where we have to compensate.

The bill is premised on a number of things, particularly with the reforms and the capacity of communities to determine themselves what they need to do, and that is some of the refinement we see in the pieces of legislation you have in front of you.

It's also a reflection of the need to expand it, as you mentioned, to communities that are perhaps hesitating. Often, this legislation and the institutions that underpin it have been mis-characterized as municipalizing indigenous communities or forcing them to tax their own. The optionality of it, I think, clears a lot of the air with respect to what communities would choose or not choose to do.

There have been efforts and there continue to be efforts by the organization and by its leadership to engage with communities and, for example, now to try to pitch communities on what expertise they can bring to the table when it comes to some of the critical infrastructure that those communities have and are not optimizing, even based on the grants that have been supported by the Government of Canada.

I think it's about making it easier to access and making the institutions less Ottawa-heavy, but also giving them more funding and the capacity to engage with communities—I wouldn't say communities that are on the outside looking in, but communities that are looking to do things in a different way in their community. It's hard to pinpoint line item measures, in and of themselves, but with the totality of the package in front of people, I think this will be a lot more attractive, particularly with the crucial addition of the infrastructure institute, which really is something that could be game-changing for a number of communities in need.

• (1735)

Mr. Patrick Weiler: Thank you.

Maybe I'll follow up on that last point. There's going to be an important component of the First Nations Infrastructure Institute on

knowledge and experience sharing. I was hoping you might be able to speak a bit about that and how the nations may be able to learn from what has worked in different parts of the country and what hasn't.

Hon. Marc Miller: I think we're learning as well.

Minister Hajdu is championing a number of elements in and around infrastructure reform, and how the infrastructure institute fits into that will be key. They can complement each other, but I think that with the suite of experience that Manny Jules brings to the table and with the folks who know best how to build for their own communities and what has worked and what hasn't worked...

There is predation that occurs when it comes to infrastructure bills, particularly when people see dollar signs flying across the table in amounts that they perhaps have not seen in generations, often coming from outsiders. Having that guidance from people who have been through that experience and have navigated it, or who have even been able to leverage their own ideas and push the federal government to do things in a different way, is something that I think is invaluable. There are no people in the Government of Canada who can replace the indigenous knowledge, the experience and the trust that an institute like that brings to the table.

Mr. Patrick Weiler: Thank you.

The Chair: Thank you, Mr. Weiler.

That concludes our second round.

Next is Mr. Schmale.

Mr. Jamie Schmale: Thank you very much, Madam Chair.

As Mr. Zimmer said, I will continue my “nice” streak here.

Thank you, Minister, for staying late and finishing off that round. That was very kind of you, and I appreciate the questions and answers.

Let's try two for two for UCs today. Since the answers were good and we're agreed on this legislation, I have a motion to adjourn.

The Chair: Seeing agreement, I would like to thank Minister Miller for appearing today and, of course, his officials. We really appreciate your time.

I would also like to announce that by Friday at noon we will need all of our amendments, and then clause-by-clause will begin on Monday.

Thank you very much for doing this important work.

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