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# Standing Committee on Indigenous and Northern Affairs

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Chair: Terry Sheehan





## Standing Committee on Indigenous and Northern Affairs

Monday, November 17, 2025

• (1530)

[English]

**The Chair (Terry Sheehan (Sault Ste. Marie—Algoma, Lib.)):** I call this meeting to order.

Welcome to meeting number 11 of the House of Commons Standing Committee on Indigenous and Northern Affairs. We recognize that we meet on the unceded territory of the Algonquin Anishinabe people.

Pursuant to Standing Order 108(2) and the motion adopted by the committee on Wednesday, September 24, the committee is proceeding to a briefing on budget 2025.

To adopt the budget for today's briefing on budget 2025 in the amount of \$500, we need a little housekeeping here. I would ask for consensus to adopt this budget.

**Some hon. members:** Agreed.

**The Chair:** Before we continue, I'm going to ask for unanimous consent to allow Lori Idlout five minutes in the last spot in the first round.

**Some hon. members:** Agreed.

**The Chair:** Thank you.

Mr. Lemire, please go ahead.

[Translation]

**Sébastien Lemire (Abitibi—Témiscamingue, BQ):** Mr. Chair, I just want to make sure of one thing. This applies to both hours of the meeting, meaning both panels of ministers, and not just to the first hour. Is that right?

[English]

**The Chair:** Please say that again, as I couldn't hear that.

[Translation]

**Sébastien Lemire:** I just want to make sure that Ms. Idlout will be given time to speak in both the first and second hours, and not just in the first hour.

**The Chair:** Yes, exactly. Thank you.

[English]

Appearing today, we have the Hon. Rebecca Alty, Minister of Crown-Indigenous Relations, and the Hon. Rebecca Chartrand, Minister of Northern and Arctic Affairs.

From the Department of Crown-Indigenous Relations and Northern Affairs, we have Valerie Gideon, deputy minister; Georgina Lloyd, assistant deputy minister, northern affairs; and Manon Nadeau-Beaulieu, chief finances, results and delivery officer.

Ministers, you each have five minutes. Please proceed.

**Hon. Rebecca Alty (Minister of Crown-Indigenous Relations):** Thank you.

I want to begin by acknowledging that we are gathered on the traditional, unceded and unsundered territory of the Algonquin Anishinabe people.

• (1535)

[Translation]

I'm pleased to be here today to talk about the generational investment introduced by our government two weeks ago and to explain why this budget must be passed later today in order to build a strong Canada.

[English]

This is an investment budget. We're building homes. We're building infrastructure. We're protecting our communities. We're empowering the people of Canada.

Budget 2025 reflects our commitment to reconciliation, equality and respect. That commitment is seen in the investments we make and in the tools we create to support growth.

[Translation]

It makes generational investments that strengthen our social fabric and support healthier and more resilient communities.

[English]

As part of this plan, we recognize that the need for first nations, Inuit, and Métis housing is acute. We are working together with first nations, Inuit, Métis and modern treaty holders to support a self-determined approach to increasing housing and community infrastructure. Budget 2025 confirms \$2.8 billion for urban, rural and northern indigenous housing. Alongside my colleague, the Minister of Indigenous Services, we will deliver a cross-government indigenous housing strategy.

[Translation]

To promote economic growth and shared prosperity, we're investing in the major projects office. This office will speed up the implementation of infrastructure projects that create jobs, increase family incomes and generate revenue for governments.

These projects will be guided by reconciliation. Each project must respect indigenous rights, fulfill the crown's duty to consult, honour modern treaties and self-government agreements and follow the principles of the United Nations Declaration on the Rights of Indigenous Peoples.

The projects will be carried out only after extensive consultations and, if necessary, adjustments.

To this end, the indigenous advisory council guides the major projects office. It provides expert advice on policies, operational practices and process improvements in order to fully integrate indigenous perspectives and interests into each project.

[*English*]

Supporting this work, budget 2025 would provide \$10.1 million for the federal initiative on consultation to fund co-developed consultation protocols and resource centres to ensure that indigenous rights holders are properly engaged in national projects. Consultation protocols set out how indigenous groups want to be engaged, creating clear, mutually agreed processes that make consultation more efficient and respectful. Developing these protocols also builds relationships and deepens understanding of community perspectives.

Resource centres based within indigenous organizations provide support, research and knowledge to help communities participate meaningfully. This budget would continue supporting existing protocols and resource centres and would establish three new targeted centres to strengthen indigenous participation.

Budget 2025 also proposes changes to the First Nations Fiscal Management Act. These changes would allow the First Nations Finance Authority to lend to special purpose vehicles. Special purpose vehicles are stand-alone companies that manage and finance a single project, keeping risks separate and making it easier to raise capital.

For indigenous communities, special purpose vehicles allow multiple nations to work together to borrow as a group and reduce paperwork and costs. With a small legislative change, the First Nations Finance Authority could lend directly to these special purpose vehicles, giving communities access to lower rates and more opportunities to take equity in major projects. With better access to financing, communities could create jobs, grow local businesses and build long-term prosperity.

Another financial and economic empowerment tool in budget 2025 is the bonding and surety pilot program. Smaller, community-based indigenous contractors are often the backbone of local economies, but they face barriers like bonding requirements that larger firms can navigate more easily. Without access to financial tools or large administrative teams, these smaller businesses are at a disadvantage.

That's why we're also building a bonding and surety pilot with first nations partners, including the First Nations Finance Authority. The bonding and surety pilot fund would act as a guarantor of last resort, helping smaller contractors overcome limits under section 89 of the Indian Act and access bonding without complicated arrangements.

The model would be scalable and renewable. Once a project wrapped up, the security could be used again, ensuring smaller firms would have equal access to opportunities. This pilot would help first nations lead their own infrastructure projects, creating jobs, building skills and strengthening communities.

• (1540)

[*Translation*]

Honourable members, the time has come. The time has come to build a stronger, fairer and more prosperous Canada for everyone. A Canada where reconciliation is a daily reality, where first nations, Inuit and Métis people are empowered and where all Canadians, indigenous and non-indigenous alike, can look to the future with hope.

*Meegwetch, mahsi cho, thank you.*

[*English*]

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

Now we have Minister Chartrand for five minutes, please.

**Hon. Rebecca Chartrand (Minister of Northern and Arctic Affairs):** Thank you.

Hello. *Tansi. Aaniin.*

I'd like to thank my colleague, Minister Alty, for her opening remarks.

[*Witness spoke in Ojibwa and provided the following text:*]

Boohoo. *Tansi. Aaniin. Wapinoong. Anishinaabe Ikwe. Ojibwe Nidishiniicaz. Ojibwe Pine creek, duck bay, vogar nindoonjii.*

*Kwe kwe.Ullukkut. Tansi. Boozhoo.*

[*English*]

Thank you, Chair.

I would like to first acknowledge that we are gathered on the traditional unceded territory of the Algonquin Anishinabe people. I am pleased to be before you to discuss the budget, in my capacity as Minister of Northern and Arctic Affairs and the Canadian Northern Economic Agency.

Released just a few short days ago, budget 2025 is clearly good for northerners. The budget reflects a shift in how we approach the north. Canada is an Arctic nation, with the true north strong and free as a central part of Canada's identity. The world sees that, and budget 2025 affirms this. It is our commitment to a renewed Arctic agenda, one that places northerners and indigenous rights at the centre as partners, from vision to results. This renewed agenda recognizes that the leadership and stewardship of northerners and indigenous peoples drive lasting change.

Many major projects today include indigenous and territorial governments, northern communities, financial institutions and development corporations in designing, financing and leading. Our role is to make certain that we support indigenous communities in their involvement.

We introduced the federal initiative on consultation for the meaningful participation of indigenous rights holders in consultation processes throughout the review cycle of national interest projects.

To advance the new \$1-billion Arctic infrastructure fund's support for northern projects, we are providing funding to speed up regulatory processes through consultations with indigenous governments and organizations, and with local northern communities.

This means enhancing the roles of Crown-Indigenous Relations and Northern Affairs Canada, and the northern projects management office through the Canadian Northern Economic Development Agency, to coordinate the Government of Canada's role and relationship with the regulatory regimes and with indigenous partners in the three territories, while developing critical infrastructure in the north and closing that gap with the rest of Canada.

In addition to infrastructure, building the north means investing in people. Providing access to high-quality education is critical to individual success and to our economic success as a whole. Education that is close to home will support resilience and self-determination. Budget 2025 will build on investments to support indigenous and territorial partners with post-secondary institutions.

Budget 2025 is good for the north. We're investing in the creation of an Inuit Nunangat university, which is long overdue. This will be Canada's first university in Inuit Nunangat.

Access to health care, food security and affordability remain urgent priorities, so we're here to listen. We're here to learn, and most importantly, we are here to work together. We want to create change that bolsters a "made in the north" solution.

We will be collaborating on an assessment of health care and infrastructure needs in the north to improve access and to reduce medical travel costs. In partnership with northern and Arctic indigenous peoples, we will work together to identify solutions that strengthen delivery and available services in northern communities.

To meet the high cost of living and affordability challenges faced by northerners, we will co-develop evidence-based food security approaches informed by the external reviews of Nutrition North Canada by the minister's special representative.

Internationally, Canada's Arctic ambassador is working alongside circumpolar partners to advance co-operation in Arctic governance. We're active in Arctic Council working groups and multilateral forums because climate change, energy security and sustainable development are shared and urgent priorities.

We will work with indigenous peoples and northerners to uphold their rights, to advance their priorities and to make certain that they are at the table in decisions that affect their lands, waters and communities.

Our work must continue to reflect both the environmental realities facing the north and the priorities voiced by communities them-

selves. This budget is a step forward. It reflects a shift toward partnership, place-based policy, and a future where the north and the Arctic play key roles, and where their voices are heard and valued.

Thank you. I look forward to your questions.

*Meegwetch. Marci. Ekosi.*

• (1545)

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

Now we go to the first round. This round is six minutes. First up is MP Schmale please.

**Jamie Schmale (Haliburton—Kawartha Lakes, CPC):** Thank you very much, Chair.

Thank you to our witnesses for attending here today and answering some pretty important questions regarding the budget.

Maybe I'll start with Minister Alty, if I could.

On average, just an estimate number, how many employees does your department have?

**Hon. Rebecca Alty:** We have 1,931 employees right now.

**Jamie Schmale:** Perfect. When you were separated in 2017 when Indigenous Services was created, how many employees were employed there at that time?

**Hon. Rebecca Alty:** That is before my time, however, Deputy, do you have that information?

**Valerie Gideon (Deputy Minister, Department of Crown-Indigenous Relations and Northern Affairs):** I don't have the global number at that time of 2017 because it included not just Indigenous and Northern Affairs, but also the first nations and Inuit health branch that was part of ISC. The separation process did take about two years until the final legislation to establish both departments was passed. We can get that number for you.

**Jamie Schmale:** Okay, no problem.

There was a question a few weeks ago in the House of Commons regarding the theft of over 130 pieces of indigenous art—not "theft", missing pieces of indigenous art. What has been done to rectify that situation? There were severe gaps and a lack of security and monitoring. Really, your department had no idea it was even gone until the audit happened. What has changed?

**Hon. Rebecca Alty:** I do think it was probably more dramatic after the art heist in the Louvre.

What was there? We were missing artwork, and that's in the Auditor General's report. Pieces of art were lent back in the 1980s to a variety of offices. Some of them have been found. Some of it was sloppy paperwork and it was actually a duplicate; we actually had the piece.

The department has accepted all of the Auditor General's recommendations, and we have taken additional measures to enhance the record-keeping and inventory management systems. Today the collection is stored in a secure place. It's a restricted facility with 24-hour monitoring, motion detection and environmental controls to preserve these cultural treasures, under the proper humidity and temperature controls. The practice of lending out pieces to offices was discontinued. There have been a number of steps that we've taken to ensure that the artwork is protected.

**Jamie Schmale:** Going back to my first question on the size of the department brings us to Bill C-10 and the commissioner. In the Auditor General's report and many reports since the one that we just had a few months ago, the auditor points out that departments, and this includes Indigenous Services Canada as well, have gotten bigger. According to the numbers I'm able to find in the departmental plan, not your department...basically doubled in size...the results aren't getting any better. There are still issues coming from your department, including a lack of monitoring and accountability for some programs, and slow response times for emergencies and crises.

We've had groups mention frustration with the progress on the truth and reconciliation calls to action. I need to know that your department is actually focused on that, given that we just seem to be getting more growth and the outcomes are getting worse.

**Hon. Rebecca Alty:** I have a municipal background. Budget time is that annual opportunity to continue to review current programs and services that the government's delivering and to make sure that those are the services and programs that residents expect us to deliver and that they want their tax dollars to go to. That is the way that I'm approaching our department's budget, as well as reviewing all of our current systems and processes to ask, at each step, is this required? It's that red-tape reduction opportunity. Perhaps we've put something in, in the 1980s, and either technology's changed and we should be using that or there's an opportunity to discontinue doing that because it's been over-architected.

• (1550)

**Jamie Schmale:** That's good. I want to continue on BillC-10, and the failures within many departments to live up to the word of the government. You sign a modern treaty and we're still having departments failing. Is there any kind of accountability that's taking place to ensure that there are consequences for the departments that are not living up to their word?

**Hon. Rebecca Alty:** It is a continuous review of the process, so we do have the annual reports that go out on a variety...whether it's the public accounts—

**Jamie Schmale:** We get the reports that come out and many times the department fails to meet its own standard that it sets. We're growing here. The department is getting bigger, but nobody's being held accountable here.

When are we going to see some consequences for those who aren't doing their jobs? I'm not pointing any fingers at people or the deputy minister. I'm sure they're doing their best, but there are people who are not living up to their word.

Has anyone been fired, reprimanded or anything? Have they been told they have to come to the office five days a week for not meeting their treaty obligations?

**The Chair:** We need a brief answer, please.

**Hon. Rebecca Alty:** I wouldn't be able to discuss any personnel issue, but it is about reviewing all of the targets that we haven't met and really taking a look at why that is. Perhaps a pandemic hits and X, Y and Z have to happen.

It is about reviewing those results on an annual basis, but whether somebody is reprimanded for X, Y and Z would be a personnel issue that I wouldn't be able to discuss.

**Jamie Schmale:** The department's getting bigger—

**The Chair:** Thank you very much. That's time.

We have MP Lavack for six minutes, please.

[Translation]

**Ginette Lavack (St. Boniface—St. Vital, Lib.):** Good afternoon.

I would like to welcome the honourable ministers and thank them for participating in the committee today.

I'll start with a question for both ministers.

Since the tabling of the budget, you have undoubtedly met with indigenous leaders, chiefs and partners. Could you share the feedback received on the ground so far and the reaction to the 2025 budget?

**Hon. Rebecca Alty:** The budget is over 400 pages long. People like so many different things about this budget. However, I can think of a number of things in particular.

[English]

It's a bit of a financial, economic, autonomy and growth package that I would say is the monetizing of federal transfers, the bonding and surety, the special purpose vehicles, as well as accelerating the additions to reserve process.

In my speaking notes, I talked a little bit about the benefit of the bonding and sureties. I can't underscore that enough. We can have a target of 5% of procurement, but if indigenous businesses can't bid because they can't get bonding because they don't have assets that they can use as collateral, then we're never going to meet that 5%. In discussions with a number of leaders, this issue was raised and a suggestion was made.

It's the same with the special purpose vehicles. They allow a number of first nations, Métis and Inuit businesses to be able to actually come together as one company. That reduces the risk because the loan is actually looked at from a project perspective as opposed to the individual nation's health. If they're looking to buy equity into X, Y or Z project, it's actually the review of the project.

Monetizing federal transfers is frequently what municipalities are able to do with stuff like the Canada community-building fund. They're able to get a loan from the bank by showing that they have annual funding coming in from the federal government. Instead of having to save up all their money to be able to buy their water, to install the water treatment plant or...the school or houses, they're actually able to get a loan with those federal transfer payments as a monetization.

There are some of those policy things. Of course, there are also the tax cuts, the consumer carbon price reduction, the automatic tax enrolments, the housing and the infrastructure.

I would say there are a bundle of packages to increase the financial and economic opportunities, as well as just the taxes, infrastructure and budget.

● (1555)

**Hon. Rebecca Chartrand:** I've had the opportunity to meet with a number of our leaders throughout northern Manitoba and have ongoing discussions with some of the leaders in the territories, as well. I think this budget brings new opportunities like never before, so those are the discussions we're focusing on.

Some of the things in particular are major projects. We're really happy that Grays Bay is on the major projects list, as well as Churchill Plus.

There is an ongoing conversation about how we will continue to engage indigenous peoples in conversations. A number of those conversations are happening right now. Those are engagement sessions happening across the provinces and the territories.

Those aren't consultations. One of the things we're clarifying with indigenous rights holders is that these are engagement sessions. Once projects get referred to the major projects list for approval, we will continue to engage and pull together a conditions list that will give indigenous leaders the opportunity to ensure that their requests are being met and included on those conditions lists.

We're also hearing about procurement. I know that with the increase in budget, northerners are really excited about the opportunity for enhanced procurement. That's something we continue to discuss. We continue to have those conversations and, as Minister Alty said, we are looking at ways to enhance those opportunities to ensure that northerners have access to those procurement opportunities in the north.

Housing is a big one. A lot of our communities, as you know, are looking for more housing opportunities. I think Build Canada Homes and the \$13 billion that was set aside for it is going to allow us to double housing, so we're working effectively with northern and indigenous communities. With the Nunavut Housing Corporation, for example, we're looking to fast-track.

We'll continue to meet with indigenous partners, indigenous leadership and northern territorial governments to ensure that their voices are heard and we're working collaboratively as we move forward.

**Ginette Lavack:** Thank you.

I've almost run out of time.

**The Chair:** That's perfect.

[*Translation*]

Mr. Lemire, you have the floor for six minutes.

**Sébastien Lemire:** Thank you, Mr. Chair.

Ms. Alty, thank you for joining us.

Your government announced \$14 million in the budget to re-structure the additions to reserve policy. Obviously, this includes the remainder of the \$43 million in funding over four years announced in 2021. I'm saying this because it seems that a great deal of this budget consists of recycled revenue rather than new money.

In my region, the Long Point and Wolf Lake first nations still don't have reserve lands. Despite the good will, no progress has been made in four years of negotiations with your department. I feel strongly about this key issue. The lack of land bases directly affects the population, which will suffer as a result.

Why, in 2025, are these communities still not recognized by Ottawa?

**Hon. Rebecca Alty:** That's quite a technical question.

Can you answer that question, Ms. Gideon?

**Valerie Gideon:** Yes, thank you.

We were also asked this question at the special assembly of first nations chiefs in Winnipeg in September. We're in talks with our Indigenous Services Canada colleagues to follow up on this issue.

**Sébastien Lemire:** Are you committed to meeting with these communities? How does this work? What are the processes? How can this money be invested in communities that lack access to reserve land?

**Valerie Gideon:** We usually have negotiation tables with the community. When it comes to the recognition of a community or a separation from another community, we work with our colleagues at Indigenous Services Canada.

So, yes, we could commit to meeting with them.

● (1600)

**Sébastien Lemire:** Good.

Minister Alty, will you commit to meeting with them within 90 days? I'm saying this because Mr. Anandasangaree gave us that figure two weeks ago when he appeared before our committee to discuss the situation regarding indigenous policing, an issue that also affects the Long Point community.

**Hon. Rebecca Alty:** I'll speak with the chiefs to see when it would be a good time to visit them. If it isn't before the end of the year, it might be in January. It's really important.

In terms of additions to reserves, not all indigenous communities will benefit from them. However, this major issue comes up in my meetings with many chiefs, particularly chiefs in the Prairies and Ontario. We must work together, look at this issue at every different stage of the process and consider whether we need to do this. Perhaps we can do this after the addition to reserves.

**Sébastien Lemire:** I can confirm that this request was made by these two indigenous communities. I would be happy to welcome you and to join you in meeting with them, if I can be of assistance.

In its budget brief, the Assembly of First Nations Quebec-Labrador, or AFNQL, requested funding to provide interpretation and translation services within its organization. The two main language families in Quebec, Algonquian and Iroquoian, include many indigenous languages. As you know, the unique reality of the first nations of Quebec and Labrador means that some communities speak French, some speak English and some are bilingual.

As a result, the AFNQL requested that its budget be increased by \$225,000 to reflect this reality and to ensure the professional translation of documents and an interpretation service during major meetings.

However, the budget fails to provide for this. Do you plan to resolve this issue, especially since Canadian Heritage recognizes the unique reality of the first nations of Quebec and Labrador and is calling for an adjustment to this funding formula?

**Hon. Rebecca Alty:** This key issue has come up in my discussions with the chiefs.

On that note, I must also work with my colleagues at Canadian Heritage. This isn't just about funding for meetings. This plays a significant role in all aspects of life.

The deputy minister can tell you a bit more about the funding.

**Valerie Gideon:** The regional chief approached me about this topic recently, when the minister had the opportunity to meet with the Assembly of First Nations' executive committee.

We've been working with the Assembly of First Nations for a number of years now to better understand its operating budget needs for each regional office. This issue concerns the Quebec regional office. However, it also concerns regional offices in the north, for example, which are seeking additional funding.

True, we don't have any sources of funding right now. That said, we've thoroughly assessed needs and we're working with the Assembly of First Nations on this matter.

**Sébastien Lemire:** How and through what process does the Government of Canada plan to ensure that, for example, indigenous partners who may participate in major projects are truly indigenous?

We know that 60% of government contracts earmarked for first nations, Inuit and Métis people have been awarded to individuals or organizations located in Canada's national capital region. This re-

gion doesn't actually have any indigenous communities. Of course, we have Kitigan Zibi, but this community is over an hour away.

How will you ensure that funding earmarked for indigenous peoples will actually be allocated to recognized organizations, and not to pseudo-indigenous people?

**Hon. Rebecca Alty:** Good question.

A verification process is in place to ensure that the indigenous groups meet the criteria outlined in section 35 of the Constitution Act, 1982. Indigenous Services Canada also verifies all companies listed in the Canadian government directory to ensure that these companies are truly owned by a group or individual recognized by section 35 as indigenous.

If you would like more details on how we verify whether a group meets the criteria set out in section 35, I can ask the deputy minister to explain this to you.

**Sébastien Lemire:** My time is up, but I encourage you to read the committee's report. It includes some good recommendations in this area.

Thank you, *meegwetch*.

**The Chair:** Thank you.

[English]

In the second round, we have Bob for five minutes.

**Bob Zimmer (Prince George—Peace River—Northern Rockies, CPC):** Thank you, Ministers, for being here today.

I have questions for Minister Chartrand to begin with.

Life is tough in the north with food, fuel and housing costs at all-time highs. It's why projects running billions of dollars over budget tick off northerners. The Giant Mine remediation project started with a budget of \$1 billion, a lot of money for most Canadians. Now it has quadrupled in cost to over \$4.4 billion, of which \$202.3 million went to consultants alone. Many demands by the Giant Mine Oversight Board have largely been ignored by your team.

A source from Yellowknife close to the project wants to know when you will be auditing the Giant Mine project for fraud. Minister, why should taxpayers foot a \$4.4-billion bill for a project your government has lost control of and refuses to explain why?

• (1605)

**Hon. Rebecca Chartrand:** Thank you, MP Zimmer, for that question.

As you know, there is independent oversight of the Giant Mine project. There's the Giant Mine remediation project team. There's also the independent Giant Mine Oversight Board. As you know, they publish annual reports. These reports summarize activities, performances and key observations from year to year.

**Bob Zimmer:** Minister, I'll just interject.

I have the report from 2024. On one of the issues, it actually is saying that you're not addressing many of those concerns. Of 88 concerns brought to you, Minister, only 19 have ever been followed through on. How do you respond to that?

**Hon. Rebecca Chartrand:** I know that the cleanup of Giant Mines is important to you as well as northerners. As an indigenous person myself, I understand how important it is to ensure safety, not only for people and communities, but for the land and future generations.

I do want to say that I had the opportunity to visit Giant Mines during this summer. During that time—

**Bob Zimmer:** Minister, I was asking a very specific question. We're seeing the majority of recommendations by the Giant Mine Oversight Board being disregarded by the project team. It seems like the minister.... It seems like a project that's run amok. Maybe, Minister, you could follow through and look at some of those recommendations that haven't been followed through on and see what you can do to remedy some of those local concerns.

There are also questions about where Giant Mine remediation project training dollars have been spent. The oversight board's 2024 report in front of me revealed that over 50% of reported training hours were logged by people with zero recorded work hours on the project. From the actual report:

Further investigation into the data has revealed that most training hours fall into an "other" category, where the training taking place is unknown or not reported. It was also discovered that over 50% of the reported training hours were logged by individuals who had no recorded work hours [on] the Project. ...It is not clear how the training dollars being awarded are being spent, nor what the education outcomes are in relation to the dollar value of this public funding.

Minister, how can Canadians trust Liberal oversight when public funds are wasted on training individuals who aren't even working on the project?

**Hon. Rebecca Chartrand:** I think that because it's a technical question I will refer to Georgina.

**Bob Zimmer:** Actually, Minister, the question is for you. If you could please answer, that would be great.

**Hon. Rebecca Chartrand:** Okay. Thank you, Mr. Zimmer.

As you know, this is a technical question, but as I was saying earlier, we do receive quarterly tracking. That tracking includes specific data for suppliers, employment and workforce training.

I did visit Giant Mines this summer, and they did inform me about the training that is ongoing for northern and indigenous peoples, and we want to make sure that we make those commitments.

**Bob Zimmer:** Minister, there's no doubt that we appreciate the training of northern peoples, especially with locals being trained to work at the Giant Mines project, but my question is on the 50% who are being trained and are not even working on the project. That's the question.

**The Chair:** You have 30 seconds, Minister.

**Hon. Rebecca Chartrand:** Thank you.

Thank you, Mr. Zimmer, for that question. We both want to ensure that there's accountability and that's what our government is committed to. We do have 2,349 employees, so this is 26% who are northern—

**Bob Zimmer:** Sorry, Minister, but I have to ask a quick question of Minister Alty while Minister Alty is here.

**Hon. Rebecca Chartrand:** —13% are indigenous and 17% are women.

**Bob Zimmer:** Minister Alty, I have a question for you.

The Cowichan decision has made citizens of B.C. very uneasy, as it puts into question the ownership of property they paid for.

This is from Alexa Loo, a Richmond city councillor:

There are some companies, that were planning to do some building on their property, and their bank has pulled their funding because the title of the land is unclear. It's hard to do business [when] you can't secure a mortgage on your space.

The decision has economic development ramifications for your voters in Northwest Territories and, really, for voters across Canada. Do you agree with the Cowichan decision, yes or no?

• (1610)

**Hon. Rebecca Alty:** On September 8, the Government of Canada did appeal the decision. It's currently before the courts, and we are working with all parties: the Cowichan, the province, the municipality, Musqueam and the Tsawwassen First Nation. A number of folks are appealing the decision.

**Bob Zimmer:** I take it you are saying that you disagree—

**The Chair:** That's all the time we have. I'm sorry, Bob.

Next we have Brendan for five minutes.

**Brendan Hanley (Yukon, Lib.):** Thank you very much, Ministers and officials, for being here. Your presence is greatly appreciated.

Minister Chartrand, I'll follow up with you on the mining remediation big picture, but also on some of the questions raised about the Giant Mine. I think you wanted to get a bit of technical information into committee. Can I give you that opportunity?

**Hon. Rebecca Chartrand:** Yes, absolutely. Thank you for that, PS Hanley.

I did want to talk a little bit about the mines, in terms of the work that we're doing.

Giant Mine was established in 1948. We've inherited the challenges that come with mine remediation, but you can't put a price on safety. We want to ensure that we do this right, to ensure that the project is complete.

For example, there is a new water treatment plant. This is a long-term water treatment plant that is being constructed. It is on track. It will be operating in 2026. I had the opportunity to visit this site. The project is also subject to independent oversight through legally binding environmental agreements. Those are important.

We also have Honourable Murray Ran who has been appointed as a special representative to engage with indigenous rights holders. This is to ensure that we're addressing this legacy project in partnership and in collaboration with indigenous rights holders as well as community members.

In terms of procurement, with the mine remediation, we continue to strongly prioritize northern indigenous businesses. We want to ensure that the cleanup provides local jobs and capacity building as part of that core project objective.

This is an ongoing joint effort that we are committed to. The remediation, from our perspective, is on time and on budget.

**Brendan Hanley:** Thank you for that.

I'll continue on the theme. I happened to be in Faro last week. I had the opportunity to meet with residents of the town of Faro and to be part of a public meeting around economic opportunities for the mining remediation at the Faro mine as well as to visit the site. I was able to witness some of the outstanding work through the Dena Nezziddi Development Corporation and the Ross River Dena Council.

I wanted you to maybe just talk about the big picture. You mentioned opportunities in your opening remarks. I see tremendous opportunities for local employment, local partnership, community involvement, as well as, of course, first nations procurement and partnership. Maybe with Faro, Giant and other remediation projects in mind, you could reflect on, particularly through this budget, how we are supporting skills development and economic opportunities in the world of mining remediation.

**Hon. Rebecca Chartrand:** As I said earlier, we are committed to doing the best job possible with mine remediation. That is a huge part of the work under the Department of Crown-Indigenous Relations and Northern Affairs to which we're committed.

I want to add that, with the mine remediation, we also understand that there are challenges with mining in the north. Burgundy Ekati mine, for example, is something that we've been supporting. We've been exploring opportunities under the large enterprise tariff loans. That demonstrates that our government is committed to supporting those who find themselves challenged within the mining industry.

We also have the critical minerals infrastructure fund. There are investments in geoscience to identify and map new critical mineral deposits. This will help track explorations and investments. With that comes the opportunity for employment. These explorations are working. We're working hand in hand with northern territorial governments, as well as indigenous leadership.

In terms of the northern contaminated mine sites, we've created 15,000 jobs for northerners. This continues to be a high priority because it is an industry that is employing people and putting food on the table, quite frankly.

• (1615)

**Brendan Hanley:** Thank you.

I'll save eight seconds for the next round.

**The Chair:** Next is MP Sébastien Lemire, for two and a half minutes, please.

[*Translation*]

**Sébastien Lemire:** Thank you, Mr. Chair.

Ms. Alty, last week marked the 50th anniversary of the modern treaty known as the James Bay and Northern Quebec Agreement. It has been a huge success in driving exponential economic development, particularly for the Cree community in northern Quebec.

Does the federal government intend to sign new modern treaties with other nations, particularly in Quebec, such as the Anishinaabe nation?

**Hon. Rebecca Alty:** Yes. It was a major celebration last week. It was the first modern treaty. It serves as an example across Canada.

Indeed, we want to talk with any group or individual who meets the criteria of section 35 and who wishes to join a modern treaty.

**Sébastien Lemire:** Your government announced \$10 million for the Office of the Commissioner for Modern Treaty Implementation in the last budget. However, no funding has been allocated for this purpose in the current budget.

Does this mean that the funding is still available? What happened to this amount?

Is this basically similar to your decision to introduce Bill C-10, which was debated for a single day in the House but never came back on the House agenda afterwards and never made it to the committee for review?

I think that consensus is easy to reach. It just requires your government to take action for the benefit of the first nations.

**Hon. Rebecca Alty:** I hope this committee will move Bill C-10 forward as quickly as possible. We believe that this is an important bill. It's also important for the indigenous governments.

The money is there.

[*English*]

The money will be drawn down once the law is passed.

[*Translation*]

We're just waiting for the bill to receive royal assent.

**Sébastien Lemire:** It seems that many issues affecting the first nations are being put on the back burner. For example, the word “indigenous” appeared in last year’s budget 146 times, while it appears only 52 times in the latest budget. Where is the will to act? It seems to take time for projects to get off the ground for the first nations as well.

Are indigenous people and relations with the first nations really a priority for the Carney administration?

**Hon. Rebecca Alty:** Yes, they’re a priority. Our three departments—meaning my department, Minister Chartrand’s department and Minister Gull-Masty’s department—aren’t the only departments that should focus on indigenous communities. All departments should do so. For example, when it comes to housing, the people at Build Canada Homes must also work with indigenous peoples. Instead of only our three departments receiving funding to do all the work for indigenous communities, all departments need to make this a priority.

**Sébastien Lemire:** However, we expect to see some action in Parliament.

Thank you, *meegwetch*.

**The Chair:** Thank you.

[*English*]

Billy, go ahead for five minutes, please.

**Billy Morin (Edmonton Northwest, CPC):** Thank you, Chair.

I’ll go to Minister Alty first.

I want to commend you first on the FMB legislation. I think that’s a fantastic initiative by the government. That’s great news.

Going back to my colleague’s comments on the budget, on the Cowichan decision, the City of Richmond was the only party at the trial arguing that the Crown grants of fee simple necessarily extinguished aboriginal title. The federal and provincial Crowns were each labouring under litigation directives that constrained their ability to argue extinguishment.

Minister, why would you tie the hands of your lawyers and not protect the rights of fee simple property owners in Canada?

**Hon. Rebecca Alty:** Thank you very much.

It is an important case. The extinguishment clause doesn’t have the legal grounds that I know the city wants.

I would note that being able to settle outside court is our priority. I looked to the agreement of the Haida, where Haida aboriginal title is for the area of the Haida Gwaii while protecting fee simple private property interests. It has specific clauses in the Haida agreement, clause 4.16 and clause 4.17. There are some really good examples of how aboriginal title and fee simple title can coexist, so we’ll continue to work through the courts on the Cowichan case; however, we do see some examples, and we look to continue to work outside of the court as much as we can.

• (1620)

**Billy Morin:** Thanks, Minister, for that response.

In the 2025-26 main estimates, grants to first nations to settle specific claims negotiated by Canada are estimated to be \$4,788,826,129. There’s a pretty specific number there of 4.78 billion at least.

How many first nations does that cover, and how many do you anticipate settling within the next year?

**Hon. Rebecca Alty:** It is challenging to have the exact number, so we continue through a number—

**Billy Morin:** You have a pretty specific number here. You’d think you’d have the number of first nations you’re negotiating specific claims with.

**Hon. Rebecca Alty:** We have over 700, I believe, specific claims that are working through the process.

Deputy, do you have more detail on that one?

**Valerie Gideon:** I would say that the way that the specific claims envelope was structured is that it’s a rolling envelope. We have an envelope that gives us flexibility to carry forward funding from year to year, depending on how negotiations go.

We do have methodologies to look at weighted averages and so forth, but every claim does depend on historical research, and we do work with the nation to also understand where they’re coming from in terms of their own experts’ reports. We need flexibility to be able to come to negotiations on a settlement amount.

There are times when that’s not possible, and some folks go to the tribunal in that context. The tribunal has a maximum amount of \$150 million that it can allocate on claims. There is variability, and that’s why the envelope is structured that way. It’s not a program that has a fixed allocation mechanism on the basis of population or something of that nature.

**Billy Morin:** Do you have a goal of how many claims you’re going to settle this year?

**Hon. Rebecca Alty:** We do. If you give us a second, we can find it. It is in our annual report.

**Billy Morin:** The Tsuut’ina Nation was outside of the recent water litigation. That was more of a water class action suit. They are also with the Kainai and a few other first nations out of B.C. I believe Westbank might be one of them. They are attempting to get back to the table.

Have you responded to those nations that have exited from the water class action suit, and are you back at the table, negotiating with them?

**Hon. Rebecca Alty:** I can follow up on the specifics. It is always welcoming when folks want to come back to the table. I can follow up with the team to get an update and get back to you on that.

Oh, I’m sorry. It’s Minister Gull-Masty, who will be here next.

**Jamie Schmale:** Thank you, Minister.

I’m going to jump in for a second here. You talked about the Cowichan decision. Sections 23 and 25 of the B.C. Land Title Act were basically erased by the justice making the decision.

How can we then say that you do stand up for fee simple rights? What's happening in Haida is completely different from what's happening right here in Cowichan.

**The Chair:** You have 20 seconds for an answer.

**Hon. Rebecca Alty:** For Cowichan, we are appealing the decision because we want to seek—

**Jamie Schmale:** Why did you wait until the last minute to do so?

**Hon. Rebecca Alty:** We appealed it on September 8, so it was to review the case fully before appealing it. The appeal did go in on September 8.

To answer your question, MP Morin, the target is 35 claims, and last year we exceeded it. We exceeded it with 42 claims completed last year.

**The Chair:** Thank you.

Now we go to the Liberals for five minutes.

Brendan, please go ahead.

**Brendan Hanley:** Thank you, Mr. Chair. I will share this round with Ms. Lavack.

I want to start, Minister Alty, with you.

I was just at the Geoscience opening in the Yukon, and there was definitely a buzz in the room. This was for a number of reasons, not least being the interest in the major projects in the north, particularly since the announcement about the Yukon-B.C. grid connect project being referred to the MPO as part of the northwest critical conservation corridor.

I want to really talk about opportunities for indigenous partnership through the MPO process, whether it's based on existing legislation.... You also mentioned a few times the special purpose vehicles. If we try to get really pragmatic here, using some of the tax measures, special purpose vehicles, other credit programs and other items in the budget will really help to maximize first nations and indigenous participation and the economic opportunities associated not just with the major projects but also, of course, with building infrastructure, with some of the defence investments in the north and with other budget commitments—Arctic infrastructure being another example.

Please answer fairly briefly because I want Ms. Lavack to have adequate time as well.

• (1625)

**Hon. Rebecca Alty:** Thank you. I appreciate the question.

It was exciting—and not only the intertie projects. I was in Iqaluit last week to announce the Iqaluit hydro project, which is 100% Inuit owned.

There are a number of things in the budget. There's the doubling of the indigenous loan guarantee from \$5 billion to \$10 billion. There are the amendments for the special purpose vehicles. There's the increase in the Canada Infrastructure Bank, going up to \$45 billion.

In my home territory, the projects that they're looking at—Taltson, the Arctic security corridor and the Mackenzie Valley Highway—are all projects that they're working with the Canada Infrastructure Bank on. The critical minerals sovereign fund, I think, is also another opportunity for those of us in critically rich mineral areas. There are a number of different funding pots that indigenous nations and businesses, as well as non-indigenous businesses, can access.

I'm happy to chat further with you and other constituents who would like more information on these projects.

**Brendan Hanley:** Thank you.

Please go ahead, Ms. Lavack.

[*Translation*]

**Ginette Lavack:** My question is for Minister Chartrand.

Minister Chartrand, as you know, the transfer of powers agreement was signed by your predecessor, the Honourable Dan Vandal, who also represented the constituency of Saint-Boniface—Saint-Vital. This program seeks to give the territorial government greater responsibility for natural resource management and economic development.

Could you explain how the new budget contributes to the implementation of the transfer of powers program, supports local capacity building and ensures that territorial government decisions promote these objectives?

[*English*]

**Hon. Rebecca Chartrand:** Thank you, MP Lavack.

Are you speaking specifically about the Nunavut devolution?

**Ginette Lavack:** Yes.

**Hon. Rebecca Chartrand:** Okay, great. Thanks.

Yes, it's a very exciting initiative because it is the largest transfer of land in Canada. I understand that it was signed in 2024. We're looking to hand over by April 1, 2027. We know that there is an election happening right now. We are waiting to see the results of that, so we can continue moving forward with that.

We're also recognizing that we need a strong human resource plan, so there is a transitional HR strategy in place. That's going to ensure that the federal government works with territorial governments along with NTI. We want to ensure that we're investing heavily in supports to ensure that the people from the north are ready to manage the lands and the resources. It only makes sense to ensure that we're moving in that direction.

We're focusing on capacity building. I think we're on track with that and we'll see what happens after the election to keep us moving forward in that direction.

[*Translation*]

**Ginette Lavack:** Thank you.

[English]

**The Chair:** As agreed upon by the committee, we welcome MP Lori Idlout from the north.

You have five minutes for both questions and answers.

**Lori Idlout (Nunavut, NDP):** [*Member spoke in Inuktitut*]

[English]

First of all, thank you to the committee for including me in this important study.

My first question will be for Minister Chartrand.

I had written to you on August 11 regarding the draft Nunavut land use plan. I had also written a letter to then-minister Vandal asking when it will be signed off on.

Given that there's such a huge focus on expediting everything, when will you expedite the signing off of the Nunavut land use plan?

• (1630)

**Hon. Rebecca Chartrand:** Thank you, MP Idlout, for that question.

I do want to inform you that we've actually been trying to get a meeting with you. We've sent several requests to your email to sit and discuss. This is one of the issues or topics that we were looking to connect with you on, so it's actually nice to see you here today and to bring this up.

As I mentioned earlier, all three parties have agreed: the Government of Nunavut, NTI and Canada. We are waiting, post election, to follow through on the Nunavut land use plan.

We also recognize that we want to ensure that we continue to fulfill our obligations on the Nunavut land use plan, so we continue to fund the implementation, ensuring that all the major projects comply with article 11 of the Nunavut agreement. As you know, this requires the land use planning to protect Inuit rights, the environment and community well-being.

**Lori Idlout:** I'm sorry, I don't have enough time. I do need to interrupt you.

My team has tried to meet with you, as well. I'm not avoiding you. I need to clarify that. We have been trying to meet with you. There have been changes to my schedule, but I'm glad to hear that this is a priority and that you will try to work with the two other partners to make sure that it is signed off. It's been a draft since 2021.

On the Arctic infrastructure fund I wonder if you could describe what the process will be to make sure a good percentage of that goes to Nunavut, given that it is the highest cost for anything and given that everything is a sealift, with most things having to be flown in.

How much of that \$1 billion over five years will go to Nunavut?

**Hon. Rebecca Chartrand:** You're talking specifically about the \$1-billion Arctic infrastructure fund. If you look at the major projects as the national projects of interest—

**Lori Idlout:** I asked a very specific question. How much of that will go to Nunavut?

I only have a few minutes and I have questions that I'd like to ask Minister Alty as well.

**Hon. Rebecca Chartrand:** My understanding is there's a set amount that is already... There will be an application fee for, I believe, about \$400 million of that. The process for that will be defined.

I don't know if my colleagues have any other details.

**Lori Idlout:** Thank you so much.

Minister Alty, in the 2024 fall economic statement, there was a commitment of \$4.1 million to go to Fisheries and Oceans Canada so that a small craft harbour in Arctic Bay could be created. I wonder if you could give me an update on what's happening with that small craft harbour. It was a condition of the Tallurutiup Imanga, Arctic Bay signing off on the IIBA, and we have yet to hear what's going on with that.

**Hon. Rebecca Alty:** That is a DFO lead, but I'd be happy to talk to my colleague Minister Thompson and get back to you. I know that when I was in Iqaluit on Thursday, the president of NTI also raised it to make sure that the project was still advancing. From my understanding, it is, but I'd be happy to confirm and get more details for you.

**Lori Idlout:** Thank you so much.

I have another question for you. It's similar to what my colleague Morin was asking regarding “cows and plows”, the specific claims. I see that in 2023 an expedited resolution strategy was developed. Can you give an update on that, please?

**Hon. Rebecca Alty:** Yes. We did have an expedited process. If I could find it in my notes, I'd tell you exactly how many were completed and how many are left to do. I'd be happy to provide that information to you via email.

It is a good process, having the framework. As a result of having the framework, the process was expedited.

We have 72 remaining from 128. We've completed 56. There is a variety of reasons. For some, the nations haven't come forward to start the process.

**The Chair:** Thank you very much, Minister, and thank you, Lori.

That brings us to the end of our first panel.

Ministers and staff, thank you very much. *Meegwetch.*

We'll suspend while we change to the second panel.

• (1635) \_\_\_\_\_ (Pause) \_\_\_\_\_

• (1640)

**The Chair:** Welcome back.

Now, for the second hour, we have the Honourable Mandy Gull-Masty, Minister of Indigenous Services. Welcome, Minister.

Joining the minister is Michelle Kovacevic, associate deputy minister. We also have Nelson Barbosa, director general, community infrastructure branch; Richard Goodyear, chief financial officer; and other staff as needed.

Without further ado, Minister, you have five minutes to address the committee. Welcome.

**Hon. Mandy Gull-Masty (Minister of Indigenous Services):** *Waachiyeh. Meesuuyeh. Kwe kwe. Ullukkut. Tansi. Bonjour.*

[*Witness spoke in East Cree and provided the following translation:*]

Greetings everyone. I want to thank you all for inviting me to come today.

[*English*]

Thank you, Chair, and thank you to the members of this committee for the invitation to be here today and to speak on a very important subject—how budget 2025 is going to continue to build on our important work with indigenous partners and to ensure that we are delivering results for first nations, Inuit and Métis.

[*Translation*]

The 2025 budget will protect essential services, invest in future projects and—crucially—support indigenous solutions.

We're spending less to invest more in people, communities and infrastructure.

[*English*]

Budget 2025 is about how we're going to build Canada strong. That includes indigenous people.

Investments at Indigenous Services Canada are really about the core of our work. We know that clean water, safe housing and services for children and family in indigenous communities are very important. We know that budget 2025 also continues to build on progress by committing \$2.3 billion over three years, starting in 2026-27, to renew the first nations water and waste water enhancement program. It's going to support 800 projects. This is going to help communities upgrade systems, continue to train operators, build capacity at the local level and prevent new advisories.

Since 2016, there have been 1,545 water and waste water projects that have been supported in 595 communities, meeting the needs of nearly half a million people. Clean water is fundamental to health and dignity. We've made real progress, but we know that the work isn't finished. Until every community has lasting access to safe drinking water, we will continue on our commitment.

Housing and infrastructure are also areas where we've made progress, but additional work is required to meet the needs of these

files. Safe, dignified housing isn't just about a building or a home. It's also about health, stability and the ability to thrive in one's community.

• (1645)

[*Translation*]

In the 2025 budget, we allocated \$2.8 billion for indigenous housing in urban, rural and northern communities, and over \$3 billion for indigenous infrastructure.

We're also investing in roads, schools, health care centres and energy infrastructure.

These projects are led by the communities because this respects their culture and they're designed to last. They address local priorities and, above all, support well-being in the long term.

[*English*]

In 2016, my department invested \$16.77 billion in infrastructure projects. That's over 13,000 projects that have been supported, and over half are already completed. This means things like new homes, new classrooms and new clinics have been built by and for first nations communities.

Now in this budget we're also exploring surety bonding and monetizing federal transfers to help first nations contractors access bonding to grow their businesses and lead their own builds. This also means there's opportunity for projects to be driven by local expertise and to keep economic benefits and employment within the community.

We're also seeing meaningful change in child and family services. We continue to support indigenous governments as they take back control of these critical services. Under the act, first nations, Inuit and Métis children have seen a commitment of over \$2.7 billion to support indigenous laws and models of care. This work keeps children connected to their families, their language and their nations. It also helps communities heal from the harms of the past and build a stronger future.

[*Translation*]

We're also looking to the future.

The 2025 budget proposes legislation to make Canada's national school food program permanent.

Starting in 2029-30, it sets out \$216.6 million a year, including \$47.5 million for Indigenous Services Canada.

This means that more indigenous children will have healthy meals at school and will be able to learn better.

[English]

To support indigenous youth obtaining employment, budget 2025 also includes a strategy that will provide jobs and training and support mentorship, transportation and mental health counselling for up to 20,000 young people each year.

We want to put indigenous children, families and essential services first. This new government is innovating to better serve Canadians and indigenous people by improving efficiency and coordination across departments.

The federal government has a distinct duty to indigenous people. That's why our priority in 2025 is to protect critical services, including water, housing and infrastructure in communities and to ensure that any changes made will strengthen delivery of service.

[Translation]

We're taking the time to co-develop solutions in order to improve services in the long term.

During this work, the services will continue without interruption.

[English]

We've made significant progress, but we are not done yet. This budget is a building block towards indigenous-led solutions, reconciliation and a future in which every indigenous child grows up with clean water, a safe home and a strong sense of belonging. We must all work together to ensure that we attain that important goal.

[Witness spoke in East Cree and provided the following translation:]

Thank you all for allowing me to be here.

[English]

Thank you.

**The Chair:** Thank you, Minister.

Our first round will be a six-minute round for questions and answers.

Billy, you go first, please.

**Billy Morin:** Thank you, Mr. Chair, and thank you, Minister, for coming today.

In some of latest news out of the Senate, Bill S-2 is going through now. Bill S-2 is contemplated to add roughly 3,000 status Indian first nations people across Canada. However, amendments that are being contemplated could mean that hundreds of thousands of indigenous people would be added to the status list overnight. I think there are some complications in that. I think there needs to be more consultation.

What's your position on Bill S-2 and where it's at in the Senate right now? The implications on the budget could be immense.

• (1650)

**Hon. Mandy Gull-Masty:** It is a really important bill. The bill was established to look at enfranchisement of 3,500 members.

It's important to look at what the target of the bill was. Bill S-2 is there to address those individuals who had to give up their status through enfranchisement, sometimes under duress.

Giving up status and termination of status through the second generation cut-off are two different things. That is why I think there needs to be additional work with community and with leadership. We do have the duty to consult. We have to respect rights holders and have them be part of the solutions that need to be determined for second generation cut-off. It is an extremely complex and multi-faceted solution that sometimes has to be applied very individually at the community level.

I believe that having a one-solution approach for all of Canada would be very harmful to the process. That's why I want to ensure that we uphold the duty to commit and work directly with communities and have them determine what the steps are and how they intend to address second generation cut-off.

I think we can also innovate and go beyond in this space. I think it's important for communities to have authority over their membership lists.

How can we come to that conclusion? I'm very open to working with them. I'm—

**Billy Morin:** Thank you, Minister.

Going back to the budget that's just been submitted, you mentioned that consultation is very important to first nations. Each budget will affect treaty rights and will affect things that are going forward.

On the budget with the \$2.3 billion in cuts to ISC that are being contemplated, which nations did you consult with in regard to those cuts, and when did you do it within the last six months?

**Hon. Mandy Gull-Masty:** We at ISC participated in the 15% reduction exercise that was asked of every department. We felt that the impact at ISC was going to be extensive, which is why in our approach we worked with the Minister of Finance and the Prime Minister, who took the decision to protect the budget. The cost-efficiency exercise that looks at the 2% is not a \$2.3-billion cut. It is actually going to be an internal exercise of looking at what can we do with reduction of operations, what can we do in terms of looking at the programs that have come to end of life, and what can we do to enhance and modernize efficiencies in our department to offer a better service.

A lot of the work that we did this summer was spent speaking to communities and one-on-one engagements. We also want to acknowledge that many groups did submit pre-budget requests and we wanted to have discussions on different topics across the country. They varied greatly. It was a very thorough, enlightening experience for me to hear directly from a great many different leaders. The figures for the 2% are actually ranging more around \$490 million. We are going to ensure that in the second part of our exercise we're really looking at where those targets are going to be to enhance efficiency, at where are we going to modernize, what does it mean in terms of accommodating service delivery in a digital process, how can we reach those communities that have that capacity and how can we build a new mechanism.

**Billy Morin:** Thanks, Minister. I'm just running out of time, so I want to get as many questions in as possible.

I know you've been asked this before, but the budget also shows forecasts into the future and shows zeros on the table for reconciliation many years to come. Do you think it's fair that first nations that want to get their fiscal house in order are unable to and are feeling uncertainty and anxiety when they see zeros across the board? Do you think it's fair that they don't get to plan multi-year budgets based on what they're seeing out of ISC?

**Hon. Mandy Gull-Masty:** I want to address this chart that's included in the budget book. I think there was a lot of confusion and misunderstanding on what it meant. There are dollars booked for this year. The lines that indicate zeros are not cuts. They are not the 2%. They are also not financial commitments. What they reflect is the work that we're going to do in the next step, which is to engage communities to ask them what are they looking for in terms of the next round of investments to identify outcomes that are specific to them. I think what's really important for people to understand is that at ISC not only are we trying to innovate and reflect the process of offering a better service, but we want to ensure that we're working with partners to meet them in the place that they are so they're able—

• (1655)

**Billy Morin:** Can you guarantee that the money under those line items is going to be the same amount spent this year as in the next five years?

**Hon. Mandy Gull-Masty:** I would be able to say that, in the process of identifying what indigenous-led outcomes are, it would really be up to the community to identify how to cost that out. What does that look like? I don't know. I think you have to do the critical work of going to them, engaging them, and asking them what those figures look like. What does it mean in terms of long-term spending?

**Billy Morin:** Addictions recovery and safety in communities is a federal jurisdiction for indigenous communities. Why was that not reflected as a priority in the budget?

**Hon. Mandy Gull-Masty:** I think that it's important that we maintain those critical services. I want to be clear in terms of the services that we offer right now that, in a time when multiple departments are facing change in budget lines, we were able to maintain those services. Whatever programs are in place right now, there is going to be continuity for them. I think that's really important.

In addition, I want to be sure it's understood that not only are we trying to maintain the service now, but we're also looking to innovate. We want to be sure that health infrastructure addresses the needs of community. That's why this exercise of looking at indigenous outcomes is going to answer many of those important questions that you have and I have as well.

It's not only about trying to offer what we think is the right service. It's about offering a service that we think is going to be meeting the needs of that community. And for me, that really means that you have to do the engagement at the community level and work with them and determine...because, I'm going to say it, the Western-based model of mental health and addiction support sometimes fails to deliver. I think that we have to be open to innovation. We have to be open to looking at how culture plays into that. What does indigenous language-led service look like?

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

Now we'll go to Jaime for six minutes, please.

**Jaime Battiste (Cape Breton—Canso—Antigonish, Lib.):** Thank you, Mr. Chair.

I want to start off by acknowledging the historic moment we're part of right now. Many ministers have come before us to talk about Indigenous Services Canada, but you're the first one to actually be indigenous yourself and to have the lived experience of not only growing up in but also working in indigenous communities. I want to congratulate you for that.

It even makes me happy to see that the first questions were given by a first nations person in the Conservative Party, and that I get to move along forward as a first nations person for the Liberals. I just think that's a great moment, and I want to acknowledge that.

I also want to put you on the hot seat a bit. Over the summer, we heard a lot of concerns around Jordan's principle and the funding that was there. We heard about the backlog of cases. Several communities were very concerned about how we were moving forward with Jordan's principle. I'm wondering if you could talk a little bit about how our government is responding to those concerns. I did see more than \$1 billion in this budget that was released. Can you talk a little bit about our government's response to indigenous concerns around Jordan's principle?

**Hon. Mandy Gull-Masty:** Thank you, MP Battiste. It is a pleasure to be here and to work with my indigenous and non-indigenous colleagues. I'm really appreciative that the Prime Minister has trusted me to take on this mandate. To me, that signals that there needs to be a new approach.

This was something that I also heard very clearly in my engagements this summer. It was challenging. I heard a lot of stories from different groups, from leadership and users of the program itself, about what the impact is with the change in the recent operational bulletin. One of the hardest things to hear this summer was actually the statement made by Jordan River Anderson's father himself, Ernest Anderson, who was really addressing what Jordan's principle looks like now and what it was meant for. I have to acknowledge that, as a minister, the decisions taken were challenging ones, because they were taken without alignment of the input of those people who are using Jordan's principle.

This is critical work that we have to do. It was one of the first files. I think one minute after I became a minister, somebody said, "Can I talk to you about Jordan's principle?" To me, that indicated that it was a priority file. I spent the majority of my summer engaging with leadership through various means, and speaking to users of the program, to identify what we can do to address the state that Jordan's principle is in now and how we can address the approach the program is taking.

That's why, for me, I think it's important that we do the engagement with community, and that we spend time reflecting on what that operational bulletin looks like: What does it mean for users who are facing challenges and decisions in the application of the operational bulletin? How can we respond to the important needs that users of Jordan's principle have in a timely way? I know that there is a backlog in place. I have asked my department and my team to really come up with a strategy to respond to that. I'm looking forward to some of the future announcements that we're going to make very soon on what we're going to do to take those next steps.

You did see \$1.9 billion for Jordan's principle in the main estimates. I also want to let the committee know that this is something that we respond to. It has increased exponentially. There is a huge need to fill that provincial-federal gap. It is something that I think we need to have a strategy for in order to ensure that we're consistently able to meet the needs of the applicants for Jordan's principle. We also need to ensure that there's clarity in the process that's being used. I think in this transition that was undertaken, the rollout was really where there was a lot of difficulty for users to understand this: What is going on now? What is applicable? What is no longer applicable?

It's a huge undertaking, but it is something that I take very seriously. It is one of the first initiatives we're going to launch.

• (1700)

**Jaime Battiste:** Thank you, Minister.

You talked a little bit about the operational bulletin. From some of the things I heard, it caught many people off guard. Because it was so late in the year, communities had already spent some of those dollars.

Why was it important for our government to front-load the investments in Jordan's principle in this year with that \$1.9 billion? How can we ensure that the people who work in Jordan's principle and the communities and families they represent have a voice in this process, moving forward?

**Hon. Mandy Gull-Masty:** Ensuring that we're able to respond in a transition is really a critical first step, because when there is lack of clarity or uncertainty in the application of the new rules, some members and users get caught in that gap. Having a clear structured financial process for people to engage in, as well as having further clarity on what is applicable for Jordan's principle is a huge need. I think this is what is going to allow us to be able to identify those next steps.

I'm going to turn to my colleague here, who will be able to answer the second part of your question.

**The Chair:** We need a very brief answer. You have about 20 seconds.

**Michelle Kovacevic (Associate Deputy Minister, Department of Indigenous Services):** Sure. I'll be quick.

On your question, sir—why front-load?—the forecast and what was announced in main estimates is based on historical expenditures, and that is actually the need as put forward by kids. We forecast based on the need.

Also, in addition to what the minister said, certainly knowing that the funding is already in the cycle and ready to be delivered introduces an element of certainty. People know it's there and don't have to have the anxiety and the worry and wonder whether the funding will come. It is there, and it is there to serve the needs of children.

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

[*Translation*]

Mr. Lemire, you have the floor for six minutes.

**Sébastien Lemire:** Thank you, Mr. Chair.

*Wachiya*, Minister Gull-Masty. Thank you for joining us here at the committee.

The 2025 budget doesn't have a specific section on the first nations. I think that this speaks volumes about the government's vision. For reconciliation, it's important to name things and people. In the 497-page 2024 budget, the words "first nations" appear 146 times. In the 559-page 2025 budget, these words appear only 52 times.

What's your take on this? Is this a typical example of Prime Minister Carney stepping back from his commitments to first nations, Métis and Inuit communities?

**Hon. Mandy Gull-Masty:** First of all, I'd like to say that you have a very good pronunciation of the Cree word "*wachiya*".

• (1705)

**Sébastien Lemire:** Thank you, *meegwetch*.

**Hon. Mandy Gull-Masty:** As far as the budget is concerned, this is a new approach for me. I know that, in recent years, there was a chapter dedicated specifically to reconciliation. Personally and as a minister, I think that including all indigenous issues under a single chapter is like a segregation process. That approach suggests that people can access only the services mentioned in that section of the budget. I think the way the budget was tabled this year shows an openness, in that indigenous people, whether they're Métis, indigenous or Inuit, are taken into consideration in all sections of the budget.

What I also find important about this new approach in the budget is that it shows that a number of ministers are mandated to work together on major projects and a number of new initiatives. I'm encouraged by that. I think someone who's indigenous, Métis or Inuit should be served by all departments, not just by the department of indigenous services and by those of my colleagues. They have to receive services from all departments, even from the department of citizenship and immigration.

**Sébastien Lemire:** I too would like to congratulate you on your French. It's great to hear you speaking in French.

**Hon. Mandy Gull-Masty:** Thank you.

**Sébastien Lemire:** In the last Parliament, the Standing Committee on Indigenous and Northern Affairs passed an amended version of Bill C-61. A number of people were around the table, and we worked very hard, particularly with various indigenous groups, to get that bill passed in committee. A number of witnesses also came to propose improvements to the bill.

Seven months into your mandate, we're still waiting for a new version of this bill to be tabled. In my opinion, it's very simple: You go to the committee's website, you print the document, you table the bill in the House, and things should go smoothly, since this committee unanimously passed Bill C-61.

What are you waiting for to pass a bill on drinking water for first nations?

**Hon. Mandy Gull-Masty:** Thank you again for your kind words about my French, because I have to say that it starts to slip a bit after five o'clock.

I know that the committee has done a tremendous amount of work. I appreciate all the time you've taken to be part of this process.

I took a lot of time to reflect, to make commitments and to speak with people to find out how they felt about the amended version of the bill. We're a new government, and the approach is new as well. I think it's important to take the time to clarify the needs and the approach. It's important to find out how people will respond to these new legislative measures. That's an important step. For me, as a new minister, it's important to better understand how the communities will respond to the measures in the bill and what the process will be for implementing them. More importantly, as minister, I have to make sure that the modernization process at Indigenous Services Canada takes into account the capacity to implement those measures.

**Sébastien Lemire:** Meanwhile, many communities still don't have access to clean drinking water. You promised \$2.7 billion over three years in the budget.

As you know, one of the communities that doesn't have access to drinking water is Kitchisakik, in your riding. Can we expect an announcement to be made soon for that community?

**Hon. Mandy Gull-Masty:** When it comes to clean drinking water, the needs are extensive. I know that 1,535 projects were under way as part of the effort to lift the long-term drinking water advisories. It's a major undertaking. We've been able to lift 149 of those advisories, affecting 95% of communities. Yes, more remain, but we have helped 600 communities, or 480,000 people.

It's important to really take the time to work with the community directly. Kitchisakik, in my riding, has tremendous needs. It's important to take the time to speak with members of the community to—

**Sébastien Lemire:** Forgive me for interrupting, but I have one last question for you.

In 2024, the government highlighted the importance of recognizing indigenous policing as an essential service. It was in the budget, in black and white. In 2025, that idea has disappeared.

Does that mean that the government will not recognize indigenous policing as an essential service?

[English]

**The Chair:** Give a short answer, please.

• (1710)

[Translation]

**Hon. Mandy Gull-Masty:** Setting up police forces really falls under the responsibility of my fellow minister Mr. Anandasangaree. I've spoken with him about laying out what the goals are and how the issue can be addressed. There is still work to be done, but I think I'll be able to come back to the committee a bit later, once my fellow minister and I have had a few more conversations, to explain the approach that will be taken.

**Sébastien Lemire:** I encourage you to do it soon, because we'll be finishing our study in the next two weeks.

Thank you. *Meegwetch.*

[English]

**The Chair:** Jamie, you have five minutes, please.

**Jamie Schmale:** Thank you very much, Chair.

Thank you, Minister, for coming.

Minister, since ISC was created back in 2017, your department has gone from about 4,200 employees to almost double that, at over 8,000. The last estimate I found on your website was 8,600 employees, but your outcomes have actually gone down.

We've had numerous Auditor General reports putting out continuous failures within the department: Housing is overcrowded, crime is on the rise and mental health and addictions are still continuing to get worse under your government's watch. We still have drinking water advisories in effect, some of which have lasted 10 years or more, but your government promised to end that in 2019.

Why do we continually add more people to your department, yet we see more failures at the same time?

**Hon. Mandy Gull-Masty:** The needs at Indigenous Services Canada continue to grow exponentially because it is one of the fastest-growing populations in Canada. It is also one that has been historically underfunded. There was a period of time where funding was severely lacking. For us to contribute and to invest over \$300 billion over a 10-year period really addressed and closed that gap.

**Jamie Schmale:** I get that.

**Hon. Mandy Gull-Masty:** Do you want me to answer the question? I want to provide the information to you.

**Jamie Schmale:** Well, I do, but here's the thing: You talk about underfunding, but since 2019, your department has had a funding increase of 84% but the outcomes are getting worse.

How much more money do you need to actually fix some of these problems?

**Hon. Mandy Gull-Masty:** If you're going to ask me to quantify the impact of addressing one of the most vulnerable, historically underfunded populations in Canada—

**Jamie Schmale:** I'm just asking you why we are continuing to spend more. We've doubled the bureaucrats.

**The Chair:** Jamie, we'll let the minister answer the question. You will have a supplemental one.

**Hon. Mandy Gull-Masty:** —I'm not able to give that information to you, because I want to really indicate to you that the commitment of this government to meet the needs, to close the gaps in community...is going to be long-term work. Hundreds of years of underfunding, of harm to first nations, to Inuit, to Métis people is not something that you fix in 10 years—

**Jamie Schmale:** I'd like to reclaim my time, Chair. This is my time, Chair—

**Hon. Mandy Gull-Masty:** —especially when the decade prior was one of the decades where they had been historically underfunded to a degree where cuts were so severe, we were not able to respond or recover from them.

**The Chair:** I'm listening to the answer right now.

**Jamie Schmale:** Okay, still I'm getting those talking points, but my question is about the funding going to bureaucrats.

We are seeing an increase in funding, but the results getting worse. Housing in community has never been worse in terms of overcrowding. Infrastructure has gotten worse, despite more money going to the department. I get that it was underfunded for many decades.

The problem is the department has more money than ever, it has more bureaucrats than ever, but the results are getting worse. Why?

**Hon. Mandy Gull-Masty:** Well, you're telling me that we're not making any improvements and you understand that—

**Jamie Schmale:** I'm getting this from the Auditor General. It's not my word. This is the Auditor General.

**Hon. Mandy Gull-Masty:** If you want me to answer the question, I can answer the question. But you're not giving me the opportunity to respond. I'm three words in, and I'm not able to give a response. I do want to answer your question.

**Jamie Schmale:** Please do.

**Hon. Mandy Gull-Masty:** We have grown as a department, because we continue to grow to meet the needs of community. I want to be very clear on that. There was a period of time during the pandemic where we had lots of additional existing needs that we had to respond to. So, yes, there was a growth in the public service to accommodate that necessary and emergency situation.

The Auditor General reports do outline that there is additional work that needs to be done, but there are some successes that are also outlined. Being able to lift 95% of boil water advisories, being able to hire additional medical staff, being able to build new clinics in multiple communities, being able to invest in infrastructure, being able to build new schools—these are things that are going to be reflected in the next Auditor General's report. There are some in the previous ones—

**Jamie Schmale:** Since you mentioned health care, according to the Auditor General, “The department expanded the pool of...health care professionals.” Despite those efforts, the department was unable to meet their “target staff complement in First Nations communities.” Again, your funding is going to bureaucrats. You've doubled...and I get that you had to scale up maybe during the pandemic. That's fine. The pandemic's been over for a number of years, the employees are still there, but the outcomes are still getting worse.

Something isn't coordinating here. Housing is still overcrowded. It's getting worse. The infrastructure gap is getting worse. There's “an 84% increase in...funding”.

When are we going to see the results, the outcomes, the positive outcomes? Why does it keep getting worse, according to the Auditor General?

● (1715)

**Hon. Mandy Gull-Masty:** I'm going to respond that we are building the public service to respond to the needs of the community. If you feel that outcomes are not improving, this is your reflection. I respect it.

**Jamie Schmale:** It's not me. I'm reading the Auditor General's report.

**Hon. Mandy Gull-Masty:** I'm also going to indicate that the Auditor General's reports do point out success. This government inherited a decade of severe underfunding from the previous Conservative government—

**Jamie Schmale:** The Auditor General pointed out that only 53% of their recommendations were acted upon—

**The Chair:** We're over the five minutes. That's time. We're moving on to the next one. Thank you to both of you.

We have Brendan for five minutes, please.

**Brendan Hanley:** Thank you.

Thank you, Minister, for being here and thank you to the officials.

I'm reflecting also on Mr. Battiste's eloquent comments and certainly wholeheartedly support the importance of your being here as an indigenous minister and bringing your experience to the table. I also want to thank you for speaking and answering questions with such candour. I think that says a lot for the work you've done.

On a theme similar to Mr. Schmale's, but from perhaps a somewhat different point of view, I'd say it's notable that you were facing a 15% cut and you and your colleagues I think have successfully advocated for reducing that. I want to note again the success of your advocacy in speaking to the need for reducing the spending reduction to 2% from 15%.

Nevertheless, that is a target. I know, having directly engaged with some of the public service locally in my region in the Yukon, that there is anxiety amongst regional staff about how cuts will affect them and their programs when they feel that in the north they're already really overstretched and overextended.

You've spoken very well already here, so I won't ask you to reiterate your vision for how you'll get there. What more can you say about how you can reassure continuity of service given the incredible demands you have to meet? Also, I know that there are really dedicated public servants on the ground in the north. How will you assure the continuance of that delivery of services and programs to first nations and Inuit communities?

**Hon. Mandy Gull-Masty:** Thank you, MP Hanley.

What we are trying to do at ISC is really transform the way we're delivering service. We're trying to modernize. We're trying to introduce the implementation of digital service. We're trying to introduce a one-window service approach where communities come to ISC and they're able to ask all of their questions across a variety of subjects and receive that service in a timely manner instead of going to multiple different areas within the department.

That's really important to me; communities need support in a timely way. We want to be able to respond to them and empower them to participate in the application process and ensure they can define on their terms the intent and the outcomes of a project and define what the future of their nation or their community looks like.

Those targets can be very different. They can be very different for indigenous children, for youth in community and for families simply because of how they have been historically treated.

I am very proud to be here as the first indigenous minister, but I also have to be very frank that this is extremely challenging work to see the level of uncertainty that was provided to them historically. What we are trying to do with this budget, in this period of time when Canada is facing some of the deepest economic impacts because of our relationship with our trading partners, the state of the Canadian economy, the impact of inflation and everything coming

out of the pandemic... Although it was not that long ago, we do continue to see the impacts, especially in areas like mental health and supporting families.

We want to be sure that the way we transform at ISC is going to meet the needs of community, and the role of public servants is a critical one. It is one that supported first nations in the period of time when funding was extremely hard with a decade of underfunding from the previous government in the Conservative era. In trying to transition and grow as funds increased at ISC through investments and trying to work towards goals of reconciliation, it grew. With this shift, we're now also going to see a transition in how public service is going to look in the next step of how we move forward.

Although I may not have had the opportunity to fully provide a thorough response to my colleague, as we are transitioning, we are also going to see a shift in what ISC looks like. That means the service itself, the structure of how it's offered and the status of the number of public servants we have but also, more importantly, working towards the critical goal of what self-determination and self-governance look like. That means co-development. That means collaboration with community and giving them the opportunity to define what indigenous outcomes are to ensure the investments and funds we put forward in trying to support them and meet their needs are going to really be based on an outcome they have determined. That's something I as a minister am pushing to innovate not only for me at Indigenous Services Canada but also for my colleagues so that each of them understands they also have a service to offer as part of their work as ministers. That's every single department.

Every single department has an indigenous thread that runs through it, and the openness to explore and understand what that means is something I have had really positive feedback on. It's a huge transition for the government approach. I think that is historic. I'm very proud of it. I hope that everybody in the House is going to support that process as well.

● (1720)

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

Next is Sébastien for two and a half minutes.

[*Translation*]

**Sébastien Lemire:** Thank you, Mr. Chair.

Minister, in the budget, it says that "there remains over \$3 billion available for First Nations, Inuit, and Métis to advance their housing priorities." That is obviously in reference to the crucial priority that is indigenous housing. However, your government has confirmed that it's actually \$2.8 billion of \$4.3 billion that had been announced in 2022. That means there is no new money in the budget for indigenous housing.

Why did you ignore such a fundamental need and not provide more funding?

I'd like to ask you a question about another oversight, a major one, in my opinion. I'm talking about an initiative by and for indigenous people that makes loans available to members of first nations to help them buy their first home. It's a turnkey solution that has taken root in a number of communities, and the commitment behind the approach is clear.

Why did you not secure funding for the Yānonhchia' initiative?

**Hon. Mandy Gull-Masty:** The funding for the urban, rural and northern indigenous housing strategy is existing funding, but the approach will be new. As indicated in the budget, Indigenous Services Canada was tasked with working with Housing, Infrastructure and Communities Canada to develop an approach that is truly tailored to the needs of members of indigenous communities in settings outside the community. That's the first thing, and I'm very encouraged. As I was telling my colleague, it's important to make very clear that all departments must consider the indigenous perspective in their work.

In addition, the process established through the new federal agency Build Canada Homes is open to indigenous communities. Under the process, they will be able to identify their own housing needs, and it will be possible to consider other types of housing, not just single-family dwellings.

**Sébastien Lemire:** According to an Assembly of First Nations bulletin, "Budget 2025 falls short in meeting the urgent and long-term needs identified by First Nations. It lacks new investments in critical areas such as a mental health and addictions treatment, policing, First Nations procurement, and education." Indigenous languages and culture could also be on that list.

What do you have to say to the Assembly of First Nations?

• (1725)

**Hon. Mandy Gull-Masty:** Thank you for your question, but I'm going to ask my colleague to answer.

[English]

**The Chair:** Give a short answer, please.

[Translation]

**Michelle Kovacevic:** Why is there no new money for mental health, for example? Is that what you're asking?

If you look at the main estimates, you will see that approximately \$800,000 has been earmarked for mental health. It's important to consider previously announced funding to really see whether certain programs and policies have been allocated funding. That already exists.

**Sébastien Lemire:** As we saw with the Alouettes yesterday, when everyone vies for the ball, sometimes they fumble it and it doesn't get where it needs to go.

Here's hoping the strategy works.

Thank you. *Meegwetch.*

**The Chair:** Thank you.

[English]

Eric, you have five minutes, please.

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

Thank you, Minister, for being here.

I'd like to start by asking, Minister, if you can confirm how much funding is allocated to Indigenous Services Canada for this fiscal year.

**Michelle Kovacevic:** The main estimates this year were \$25.3 billion, and if there are any more announcements to come, including those that are proposed in the budget, those would be added to the main estimates.

**Eric Melillo:** Thank you.

Do you have a ballpark for how many full-time staff are in the department?

**Michelle Kovacevic:** I do. There are 8,083.

**Eric Melillo:** Okay, thank you very much for those figures. I just wanted to confirm those.

I'll follow up on a similar line of questioning as my colleague, Mr. Schmale.

A number of Auditor General reports, particularly with recommendations brought forward in six audits from 2015 to 2022, have found that despite an 84% increase in spending, the department was unable to make satisfactory progress over half of the time in addressing the recommendations brought forward.

I heard your comments earlier about the need for funding, and I appreciate your sharing that. Given the stark numbers that we see here—missing the mark half of the time despite an 84% increase in funding—I'd like to know, Minister, if you agree that this is problematic and needs to be addressed within the department.

**Hon. Mandy Gull-Masty:** For the first part of my response, I don't know if I can agree with half of the time. There were some areas in the Auditor General's report that really pointed out significant success. I want to acknowledge that those areas where there was vast improvement were really the areas where there was a lot of co-development with our partners, with stakeholders and with communities.

I think it is a huge win for the government when you work closely with those you serve to ensure that what you're offering as a program has success.

**Eric Melillo:** Thank you, Minister.

With respect, I note that the Auditor General pointed out that 53% of the time, the department made unsatisfactory progress in implementing the actions needed to address these resolutions. That's where the figure of half of the time comes from. With respect, again, this is the government missing the mark despite significantly increased funding.

I'd like to know, again, if you agree that is problematic and needs to be fixed and addressed within your department.

**Hon. Mandy Gull-Masty:** I think what was problematic was the state that first nations were in for an extended period of time. Trying to ensure that there's a frame or a timeliness to address that is not something that I could agree with.

When people have been significantly and historically underfunded and harmed by, to be blunt, decisions that have really prevented them from expanding or offering a better service through local leadership, it takes a long period of time to come back from that.

What does that look like? It means that there's going to be a process in place to try to frame reconciliation or try to frame any kind of improvement as something that we should really be critical of government.... Yes, I can say that there's more work to do by the department. I can say that there are objectives that need to be attained. We continue to go on.

**Eric Melillo:** Thank you, Minister. I appreciate that, but of course my time is limited.

Again, Minister, there's a drastic increase in funding. You're speaking about the urgency of addressing a lot of the challenges, and I know that very well.

I come from northwestern Ontario. As of October 14, according to the Government of Canada's own website and the interactive map, there are 38 long-term drinking water advisories in effect, 20 of which are in northwestern Ontario. This is just one example of, again, the government making big promises and allocating a lot of money, but we're not seeing the results. Can you speak to why this hasn't been addressed?

• (1730)

**Hon. Mandy Gull-Masty:** The remaining advisories come into play for different reasons. Some of them are because there's maintenance on existing infrastructure. Some of them are because of transition and staff. Some of them are because of normal breakdown because of weather or other instances. You really have to look at those 38 and categorize them. There is going to, I think, always consistently be some kind of water advisory, like in any other municipality. Equipment breaks down. Sometimes there's turnover in staff. The fact is that we were able to get to 95% of water advisories lifted with significant and continued funding.

**Eric Melillo:** Again, with respect, it was your government that committed to eliminating all of these advisories, Minister, and has failed to do so.

**Hon. Mandy Gull-Masty:** I think that reaching 95% is a huge success for the government, and of course, we continue to work with our partners to address—

**The Chair:** Thank you very much. That's all the time for that.

Ginette, you have five minutes, please.

[*Translation*]

**Ginette Lavack:** Thank you, Mr. Chair.

Minister, I'm delighted to have you with us today.

My fellow members pointed out that the Auditor General identified serious issues, but she also recognized the incredibly complex nature of delivering services to communities, which have pressing and often multi-faceted needs.

Can you describe the measures your department has taken to address the recommendations in relation to response coordination, accountability and service improvements? Can you also tell us how those efforts will contribute to better outcomes for indigenous communities?

**Hon. Mandy Gull-Masty:** When I got the Auditor General's report, I was reminded of how much work we still have to do. The report clearly lays out the steps we need to take to improve not just the quality of the services we provide, but also the way we work with communities.

We have put a number of initiatives in place. My colleague can give you some examples.

As far as I'm concerned, there are three key elements in the report we need to work on.

First, we need to improve our service processes in order to address applications more quickly.

Second, we need to have a clear service and program delivery model. The process needs to be transparent, not only for us, but also for our partners.

Third and finally, it is important for us, at Indigenous Services Canada, to be innovative in how we partner with communities. It's about more than providing service that meets quality standards. It's also about informing communities and working with them to determine what their needs are and how we can achieve long-term benefits.

I'm going to ask my colleague to provide some more examples.

**Michelle Kovacevic:** We've already talked about the measures we've taken to address drinking water.

In terms of nursing services, we've raised nurses' salaries to make it easier to recruit nurses. Recruitment is always challenging, especially in remote areas.

In addition to our nurse recruitment efforts, we've put in place a strategy to recruit other professionals to serve communities, including social workers.

**Ginette Lavack:** As you mentioned, first nations, Inuit and Métis communities have needs in a wide range of areas: health care, housing, infrastructure, public safety and even education.

Can you explain why it is so important for all federal departments to shoulder their share of the responsibility and how interdepartmental co-operation produces better results on the ground?

**Hon. Mandy Gull-Masty:** It's so important because it has to be done now. It's 2025, and it's essential that the government provide fair and equitable services to everyone, whether they are indigenous, Métis, Inuit, Canadian or Quebecker. The government has to provide services that recognize the importance of equality.

That is one of the major elements I need to see in the work of not just my department, but also my colleagues. The Prime Minister decided to move in that direction by appointing an indigenous person to head the department. To me, that shows a genuine desire to do things differently and take a new approach, so that we are more in touch with communities and their needs. That work falls to me and my fellow ministers, Ms. Alty and Ms. Chartrand, yes, but it also falls to the government as a whole. That is truly how we will get to a place of reconciliation.

• (1735)

**The Chair:** Thank you.

[*English*]

As agreed upon by the committee, Lori, you have five minutes, please.

**Lori Idlout:** *Qujannamiik.*

Thank you.

Minister, when your predecessor for ISC—Patty Hajdu at the time—decided politically and without evidence to suddenly cut the hamlet food voucher program of the Inuit child first initiative, some of the language that she used to explain why you've used yourself: to say that it's because some people were taking advantage of the program.

I think what you need to realize is that the people who were taking advantage of the program are people in poverty and people who don't have many opportunities for employment. I've done an Order Paper question regarding the food voucher program and have learned what the totals for Nunavut were. It's estimated that it helped about 15,000 Inuit children. That's a lot for Nunavut.

When we calculated the overall amount, that figure came to about \$18 per day per child. That's not a lot of money, I don't think, to help people in poverty. That program was so helpful to Inuit families, and when it was suddenly cut, they didn't understand why. Then, for this government to say that people were taking advantage of it.... It just tugs at my heart when you say that.

When all of a sudden Inuit families had to do a lot more paperwork with the changes, it meant, for example, that a single Inuk mother of seven children had to do tons of paperwork to try to access that program only to be denied, most likely. Even though she's a single mother of seven with no job, for some reason she was not eligible for the program.

In addition, her story is not unique. Nunavut has a poverty rate of 42%. Nunavut has an unemployment rate of 13.2%. When we're thinking of the backlog for indigenous peoples across Canada, we know, for example, that it's been reported for Jordan's principle cases that the backlog is at about 140,000 cases. That is a lot of children and that is a lot of indigenous children's families who are being left in limbo because ISC can't decide if those children's treatments deserve to be paid for.

This is why we're so passionate about making sure, for example, that there are no cuts to Indigenous Services Canada, that there are no cuts to the Inuit child first initiative and that there are no cuts to Jordan's principle.

When you're celebrating your successes because of what was reported in the Auditor General's report, please remember those stories: those families who can't feed their children, those families who can't get medical care and those children who, in the Department of Education, can't get better equipment so that they can learn better.

You need to make sure that you're a bit more careful when you're talking about what successes are.

In the 10 years before the Liberals came in and the current 10 years while the Liberals have been here, what first nations, Métis and Inuit have experienced are constant cuts every year, cuts to these programs that indigenous people rely on. I need to remind you that indigenous people, because of the way that systems have worked, are forced to rely on federal programs. We are forced to take, because there are no other employment opportunities.

Especially in Nunavut, where all the communities are fly-in communities, there's no screening available for children to get their screening in schools in the community. They have to be flown out. To see cuts being made to the non-insured health benefits program is also a concern.

We have all these major issues and we need to have you here to say you will commit to making sure there are no cuts.

• (1740)

Indeed, the national indigenous organizations in their pre-budget submissions were calling for more funds, and they were also ignored.

Could you respond to some of these national indigenous organizations? Why were you okay with the cuts that were made, when they were calling for more funding for programs and infrastructure?

**The Chair:** Lori, that brings you to well over the five minutes. Perhaps the minister could respond to you in writing as the time has expired. There was quite a list there to respond to.

Thank you very much, everyone, for your time here today.

I truly appreciate it, Minister. Thank you for your time.

I'm just looking at the members. Do we have consensus to finish the meeting?

**Some hon. members:** Agreed.

**The Chair:** Thank you. *Chi-meegwetch.*





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