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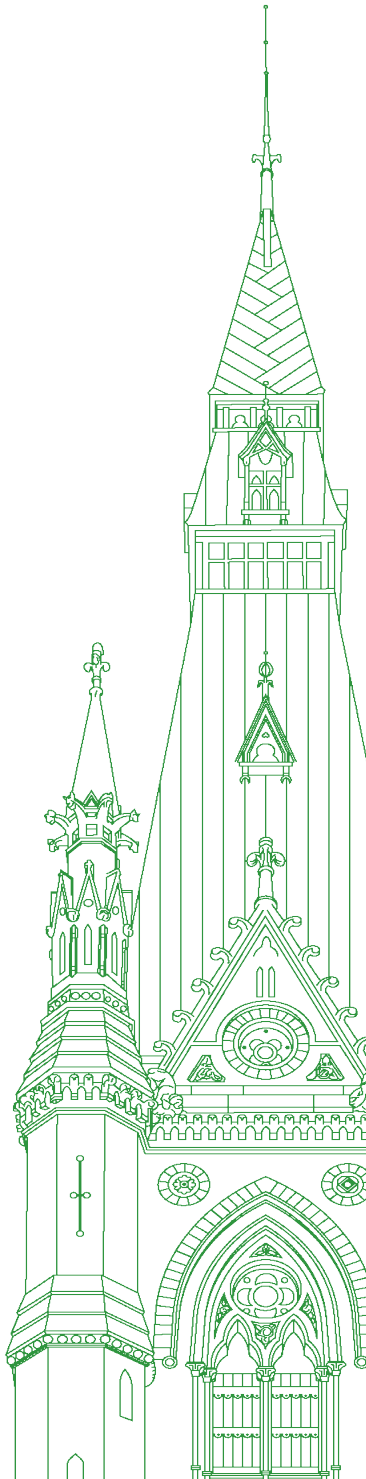

Chair: Terry Duguid

Standing Committee on Natural Resources

Thursday, October 9, 2025

● (1100)

[*English*]

The Chair (Hon. Terry Duguid (Winnipeg South, Lib.)): I call this meeting to order.

[*Translation*]

Good morning, everyone.

[*English*]

I'd like to start by acknowledging that we're meeting on the unceded territory of the Algonquin Anishinabe nation.

Welcome to meeting number six of the Standing Committee on Natural Resources. Today's meeting is taking place in a hybrid format. We have some witnesses on the line, who we'll get to shortly. Pursuant to the Standing Orders, members are attending in person in the room and remotely using the Zoom application.

Before we continue, I would ask all in-person participants to consult the guidelines written on the cards on the table. These measures are in place to help prevent audio and feedback incidents and to protect the health and safety of all participants, including our amazing interpreters, whom we thank for doing such good work for us today. You'll notice a QR code on the card, which links to a short awareness video.

I would like to make a few comments for the benefit of the witnesses and members.

Please wait until I recognize you by name before speaking. For those participating by video conference, click on the microphone icon to activate your mic. Please mute yourself when you are not speaking. For those on Zoom, at the bottom of your screen, you can select the appropriate channel for interpretation: floor, English or French. For those in the room, you can use the earpiece to select the desired channel.

As a reminder, all comments should be addressed through the chair. For members in the room, if you wish to speak, please raise your hand. For members on Zoom, please use the "raise hand" function. The clerk and I will manage the speaking order as best we can, and we appreciate your patience and understanding in this regard.

Speaking of clerks, our regular clerk, Geneviève, is not with us today. We have the very able Cédric Taquet filling in. Thank you for joining us.

Thank you to our lone analyst today. We're reduced in ranks today, but not in quality at all.

Pursuant to Standing Order 108(2) and the motion adopted on Thursday, September 18, 2025, the committee will resume its study of the development of critical minerals in Canada.

Before we start, I would like to tell members that the clerk has had a hard time booking witnesses, even if invitations were sent early and follow-ups were made. For this reason, we have only three witnesses for the full two hours.

Colleagues, I'm going to suggest taking a break around 10 or five minutes to. At the back of the room, we have lunch for the members.

For this reason, we have only three witnesses for the full two hours. If members agree, the clerk would like to add more meetings so that 36 witnesses appear. The motion says, "no less than 6 meetings", which would be composed of 12 panels of three witnesses each, making 36 witnesses.

I'd like to get a sense from colleagues that this is in keeping with your wishes. I do not see any objections.

Go ahead, Mr. Tochor.

● (1105)

Corey Tochor (Saskatoon—University, CPC): I don't want to extend the length of this just yet. We've had a lot of time to find witnesses. This is an important study, and I think with what we already have for witnesses, we can craft a pretty good report as is.

There are other important studies. We would like to get to the Bloc study shortly. If there is a compromise, I'd like us to consider starting the next study as we wait for the remaining witnesses to come on board, versus having additional meetings with three witnesses for two hours. We'll be here all day and all session without getting this report done. That's our fear.

The Chair: Thank you, Mr. Tochor, for that comment. Why don't I take that under advisement?

We will, regardless, adhere to the spirit of the motion that we all passed, which was "no less than 6 meetings". The clerk has been working very hard and will continue to do so.

Monsieur Simard.

[*Translation*]

Mario Simard (Jonquière, BQ): Perhaps it should be calculated that, as part of—

[*English*]

The Chair: I can't hear.

An hon. member: I'm in the same boat.

The Chair: This system is a little different from what we're used to.

Okay. Here we go.

Go ahead, Monsieur Simard.

[*Translation*]

Mario Simard: At first glance, I'm not opposed to the idea of holding more meetings to hear from all the witnesses. However, we have to consider that we have planned a trip, during which we will also hear from witnesses. Their names may already be on the speaking list.

In my opinion, before we embark on new meetings, we should figure out how many witnesses we will be meeting with when we travel to Saguenay and Sudbury. That way, we will have a better general idea of the situation and be able to write a worthwhile report.

[*English*]

The Chair: Is there anyone else on this issue?

Mr. McKinnon.

Ron McKinnon (Coquitlam—Port Coquitlam, Lib.): I understand what Mr. Tochor is getting at. We want to get to these other studies. There is nothing to stop us from starting a new study before we complete this one. I think one of the problems with the first study in a new Parliament, for example, is the shortness of time to arrange for witnesses.

I certainly appreciate that we have a certain amount of flexibility. We want to do the travel and we want to do all that stuff, but I think we can be flexible. I think we can get everyone's witnesses in as we need to.

The Chair: Perhaps you can leave it with me. There may be some options of adding an additional witness for each meeting to get to that 36 total, or, as Mr. Tochor has suggested, we start one study and have a dedicated meeting after we start that study. If colleagues are agreeable, leave this with me. We do have, when we come back, full panels for the next two sessions. Maybe we can add to those panels, beef up our witness list and get it done in the timetable we originally set.

Is everyone okay with that?

An hon. member: Yes.

The Chair: Great. Thanks for that intervention and [*Technical difficulty—Editor*].

We're having a little trouble with the new system here.

I would now like to welcome our witness for the first panel. On Zoom, we have Sheldon Wuttunee, president and chief executive officer of the Saskatchewan First Nations Natural Resource Centre of Excellence.

Members, you will see that there is very much a first nations theme today.

Mr. Wuttunee, you have five minutes or less for your opening remarks. You have the floor.

● (1110)

Sheldon Wuttunee (President and Chief Executive Officer, Saskatchewan First Nations Natural Resource Centre of Excellence): Good morning to everybody in attendance today.

It's a real pleasure to be able to share some commentary and appear before you in regard to the future of Canada relative to first nations' assertion of rights and jurisdiction, which is always at the forefront of the work we do here at the centre.

We're an organization that is wholly owned by 74 first nations across Saskatchewan and the six treaty territories that underlie the province of Saskatchewan. I'm speaking to you from Treaty No. 6 territory.

In terms of the submission I forwarded yesterday, it's very important, I think, as we move through the session today, to understand that we're at a critical point in Canada with respect to first nations relationships. It's very important to understand as well that, from a first nations' perspective, we are spiritually and intrinsically tied to our lands and territories across Saskatchewan.

From the perspective of my work and our work here at the centre, we have a board of chiefs appointed from each of the tribal councils across Saskatchewan representative of the 74 first nations.

When we look at the historical relationship between Canada and first nations or the Crown and first nations and at the consideration of inherent rights as they relate to treaty rights and as that relates to section 35 in the Constitution, we're on a journey in Canada to determine the best path forward in respect of natural resource development in terms of critical minerals and global and domestic demands for critical minerals.

When it comes to the opportunities ahead of us, I think that Canada has a profound opportunity to recognize first nations not as participants and not as shareholders but as rightful partners and rights holders. Also, with the great work that's been done across Saskatchewan by our first nations in establishing local governance systems and in establishing economic development corporations, they've had the foresight as well to consider how to become involved in shaping the country's resource and economic future.

As we move forward through our conversation today, I'll be able to share a bit more with respect to inherent and treaty rights but also some of the work that has been done and is ongoing in terms of trade and diplomacy right across North America.

We have first nations that have high aspirations when it comes to the development of lands and resources. As well, of course, we want to ensure that our lands, territories and waters are protected for future generations with respect to traditional and cultural ways of life. We also recognize the great opportunities before us in terms of equity opportunities within some of the major projects, within supply chain and procurement and within workforce development.

The question is this: How do we meaningfully participate as first nations within these sectors—the critical minerals sector and, of course, the energy sector with respect to new nuclear? These are very important components of the work that we do here at the centre. I'd be very happy to share more throughout the morning.

One of the key points that we are taught by our elders and past leadership...and I had the opportunity to serve as chief of my first nation from 2006 to 2010, Red Pheasant Cree Nation. One aspect in teachings that has been passed down is that, through treaty, we didn't cede or surrender our resources here within our treaty lands. As we look at opportunities that lie in front of us, the notions of resource revenue sharing and royalty sharing are all concepts and components that we discuss quite a bit at our meetings and in our interactions with our first nations leadership.

● (1115)

To my earlier point, with some of the opportunities that we have domestically and globally, I think Canada has some great opportunities today to reshape the future in terms of positive capacity building and collaborative relationships with first nations, individually and collectively.

I will leave my comments there for now. I'll certainly share much more throughout the morning.

It's a great pleasure to be here and I'm looking forward to the discussion, the questions and the conversation as we move forward through the morning.

Thank you.

The Chair: Thank you, Mr. Wuttunee. I know members around the table will have some questions for you.

We'll start with Mr. Tochor.

Corey Tochor: Mr. Wuttunee, thank you for appearing virtually at the committee today. More importantly, thank you for being a leader back in our home province of Saskatchewan.

Could you give the committee more insight on uranium's importance as a critical mineral?

Sheldon Wuttunee: In terms of uranium, a lot of interaction and work have been done in the north with respect to Cameco, Orano and now NexGen with the Rook I. In relation to supply chain and workforce opportunities in the north, those relationships have developed over the course of a number of years, which has provided some positive outcomes for nations and individuals in the north.

One thing we're keeping our eyes on, as first nations more collectively across the province, is that when it comes to the potential deployment of small modular reactors and microreactors as we move forward in the energy transition, if you will, we gain a greater understanding of the importance of uranium and the fuel enrichment that occurs elsewhere and finds its way back here to fuel those types of reactors.

As first nations in Saskatchewan, with our organization here, alongside our leadership and our technicians, the path forward is to ensure that we're bringing on adequate capacity to fully understand and make fully informed decisions when it comes to small modular reactor deployment here in the province. Like anywhere, I think across the globe there are mixed reactions when it comes to nuclear, based on historical experience and past understanding.

Some of the role and responsibility we have here at the centre—I'll speak for myself specifically—is that we take on that role to help educate and build capacity for our first nations leadership and our first nations communities. With respect to that, in terms of uranium—

Corey Tochor: I will get to the SMRs and power generation in later rounds, but I'm really interested for you to share, and for committee members to know, what chemical has been such a success in our province in economic reconciliation. It is the largest private sector employer of indigenous people in Canada.

Could you explain to the committee a bit more about how it has been so successful? Can you also branch into what NexGen and Rook I mean and how big a project that is? It seems to be a little stalled because of red tape.

Comment on that journey, if you can, and then we'll get into power generation later on.

Sheldon Wuttunee: Obviously, just to your point, Cameco has done a lot of work in the north. As I mentioned, it has been a big benefit to many of the nations.

I will say that in some of my travels to the north.... With regard to workforce development, as we look at it from a post-secondary perspective, I think there are opportunities there. In many of my conversations with folks from Cameco and first nations in the north, I have shared what is missing, and it is that there needs to be increased investment in on-reserve education.

If we want to drill down to some of those concepts that we speak about, in my experience, I think we're going to be in trouble over the next 10 to 20 years with respect to the labour force and with respect to workforce development as it relates to uranium and other critical minerals. There's such high competition for tradespeople and others of the like. When we're looking at those opportunities for temporary foreign workers and those types of things, that all plays into this conversation.

While there have been positive strides that have had great impact in the north, when we're looking to the future, there's a great deal of work that needs to be done in understanding the lack of opportunity for first nations youth on reserve.

● (1120)

Corey Tochor: It is so crucial to get both STEM and increased support for SIIT in our province. The shortages are coming. The opportunity to move on it is now.

You brought up temporary foreign workers. We've made a stance that we would like that program wound down. Would you support that position then—so that we could give opportunities to Canadians and indigenous people?

Sheldon Wuttunee: What I would definitely support is increased investment in on-reserve education to build up our youth. In my travels and in my experiences, I haven't heard of any solid plan. I haven't come across any solid plan where industry or respective levels of government have taken a keen or specific focus on how we're going to alleviate that strain in terms of a lack of educational resources on reserve.

The Chair: Thank you, Mr. Tochor and Mr. Wuttunee.

We're going to move on to MP McKinnon and then MP Simard.

Mr. McKinnon.

Ron McKinnon: Thank you, Chair.

Thank you, Mr. Wuttunee, for being here and for participating in our study.

As you obviously know and as we are learning, the importance of consultation with indigenous groups has grown over the years. It is still far below what it probably needs to be. I wonder if you could advise us as to what we need to do in order to do it better, to make sure that indigenous groups are properly consulted and properly able to participate in the various programs that we are considering.

Sheldon Wuttunee: Number one, early meaningful engagement is a term we utilize quite often, and it's so important because, oftentimes, what happens is that the engagement or consultation occurs after there is much deliberation and planning on behalf of the proponent and on behalf of the respective levels of government, those being the province, potentially the municipality and also the federal government. We come in a bit late and, obviously, that relationship starts off on the wrong foot.

I think another important point is that there needs to be appropriate capacity and funding provided to first nations to meaningfully understand what a project is and how it can potentially impact our rights, those being inherent rights and treaty rights as well.

When you think about it as a first nation leader, as a chief council technician on a first nation, leadership is dealing with many different things during a day, week or month, so when we're looking at major projects that may impact lands or territories, nations don't often have the capacity to be able to respond to duty to consult trigger letters or to better understand from a scientific or technical perspective what the project is and how it's going to impact them. For our situation here in Saskatchewan, that's precisely why we developed and implemented the centre of excellence that I run—to be able to be there as a capacity organization for first nations.

When it comes to aspects of consultation, I think it's extremely important that we don't leave out accommodation as well and what that means to the nation. If we dig deeper, I firmly believe, after the many discussions we've had with elders and leadership over a number of years, that consultation mechanisms need to be developed by the first nations themselves. When it's an imposed consultative process, whether it's by the province or the federal government, again, it becomes very problematic because our interpretation of rights may differ and vary from those interpretations of the respective levels of government as well—the rural municipality, the province and the federal government.

Consultation is an extremely important component when it comes to the development of critical minerals and when it comes to the development of major projects. We cannot all see the future, but we need to prepare as best we can. I'm sure it's been heard many times by many of the members around the table that first nations are here to stay. We have reserves. These are our treaty and traditional territories, and we're not going anywhere. As we look at consultation and further down the road to accommodation, what does the journey look like in between? We need to balance the socio-economic benefits of a potential project against the potential adverse impacts these projects may have to lands and waters, and also to practising our inherent and treaty rights as first nations peoples. Again, those understandings and interpretations may differ from those perspectives of the provincial and federal governments.

● (1125)

Ron McKinnon: I'm going to cut you off right there.

I have a minute left, so I wanted to drill down a little bit into your observation that we need to have more investment into on-reserve education. Are we talking about better primary education, high school or technical levels? Once that is done, do you think that will help to inform the population regarding potential developments and how to interpret them?

The Chair: Give a short answer, Mr. Wuttunee.

Sheldon Wuttunee: Yes, I agree. I think we need investments in teachers. I think we need investments in broadband and in technical resources. There are great advancements being made globally, but, again, formal, specific investments in on-reserve first nations education are crucial to the future of the country.

The Chair: Thank you.

We will move now to Monsieur Simard for six minutes.

[*Translation*]

Mario Simard: Thank you, Mr. Chair.

Mr. Wuttunee, can you hear the interpretation clearly?

[*English*]

Sheldon Wuttunee: Yes. I had just turned my interpretation to English. My apologies.

The Chair: We'll start the clock from the top.

[*Translation*]

Mario Simard: Mr. Wuttunee, thank you very much for your presentation.

I found it interesting that you talked about consultation and collaboration. I understand that, for both first nations and us, technical information on certain projects isn't always understandable or accessible when we're new and don't know the mining sector in depth.

Do you think the government is being transparent enough with first nations before undertaking major projects that will have an impact on the territory and on the communities' health and environment? Do you think the federal government is being sufficiently transparent?

● (1130)

[*English*]

Sheldon Wuttunee: In my experience, I would say, no, there isn't sufficient information forwarded to first nations. To go back to my earlier point, I think many of our nations are caught off guard in many respects. Depending on which level of government the consultative process is entered into, if you will, there are deadlines in terms of first nations' responses to a project or to aspects of a project. To your point, that becomes extremely problematic due to perhaps the lack of information, or of fulsome information, that's forwarded.

Then, from a leadership perspective, you need to fully understand it to make well-informed decisions. Those lead to aspects of FPIC, or free, prior and informed consent, as it relates to a project if we're speaking from an UNDRIP perspective. Then we're also looking at inherent treaty rights and the cultural perspective as well. When you look at the leadership of a first nation, they have their own consultation to do as well with their respective members—the elders, the youth, other leadership around the leadership table, and band membership—because these projects can benefit, but they can also have adverse impacts, once again, that we're left with.

My short answer would be no, and I guess that provides an opportunity to increase the level of capacity in first nations for understanding.

[*Translation*]

Mario Simard: I don't want to unduly pin the blame on the federal government because I understand that the current direction of the government is to involve first nations more actively than in the past. However, nothing is perfect.

In your presentation, you talked about first nations consultation mechanisms that would be established by the first nations. I'm intrigued. Do you have any examples where this type of consultation mechanism has been put in place? Do the provincial government—in this case the Government of Saskatchewan—and the federal government formally recognize this type of consultation?

[*English*]

Sheldon Wuttunee: I would say aspects of it, but from my knowledge, there hasn't been a formal recognition of a first nations-led consultation process.

In looking back at some of the work we've done over the years, we've actually taken the liberty to develop consultation policy templates for first nations to utilize. However, the experience that we have had is that the consultation duty-to-consult policy framework has largely been developed without meaningful first nations involvement, which has of course created some problematic issues that have led to, in many cases, first nations not supporting projects.

I think as we start to better understand each other and what those demands are globally and create frameworks around meaningful involvement for first nations, that being from a consultative perspective but also, again, going back to our economic and socio-economic opportunities, the relationships are getting better and the understanding is increasing, but we still have a long way to go.

[*Translation*]

Mario Simard: I have only one minute left. We won't have time to go over the entire issue, but I'll come back to it later. If time permits later, I would like to come back to your vision of first nations as partners and stakeholders in certain major mining projects. We're increasingly hearing from the mining sector stakeholders that they want fairness for first nations. That is also the case for infrastructure. We'll run out of time, but if you have any information on that, I'll come back to it in the next round of questions.

● (1135)

[*English*]

The Chair: Hold that thought, Mr. Wuttunee, and we'll come back to you. Mr. Simard will come back to you on that in another round.

Colleagues, we've finished our first round.

We're on our second round.

We'll start with Mr. Malette, and then go to Mr. Guay, Mr. Simard, Mr. Martel and Mr. Hogan. We'll see where we are then. We may have to move on to the next panel.

Mr. Malette, you have five minutes.

Gaétan Malette (Kapuskasing—Timmins—Mushkegowuk, CPC): Mr. Wuttunee, going to your life experience and your path, what lessons can be applied to reduce project delays while ensuring meaningful indigenous equity? What could you tell us from your experience?

Sheldon Wuttunee: I'll be really quick with the first part. I think we go back to ensuring that the first nations, whether they're determined to be impacted by the federal or provincial government or whether they're determined to be impacted by the nations themselves, need adequate capacity to understand projects—not only the environmental, cultural and traditional way of life impacts, but also those opportunities that rest in terms of equity, supply chain and workforce development.

If we're starting to look at it from a holistic notion in terms of a file on a project, to your point, opportunities for equity are an increasingly aspect of our involvement. I can't stress that enough, of course. We've seen some of the loan guarantee programs come into effect, but there is also a perspective that our equity is already being put forward with the land and the resources. When we're tasked with going out to borrow additional equity to participate as partners in a project, that's a concern and an issue in itself.

As we look at these opportunities that arise in the race for critical minerals across the globe, how do we best participate? I would say unequivocally those opportunities for equity participation are important, but we also recognize that we have a nation-to-nation relationship as first nation governments with the Government of Canada. We also have a first nation relationship with the respective provinces across Canada.

When it comes to resource revenue sharing or royalty sharing, those are increasingly important aspects that need to be considered by the respective governments. When projects move past the red tape, as was mentioned earlier, into operations, it's a multi-billion dollar industry, which, to date, we don't see much of as first nations. That's an important component to be mindful of in terms of your future deliberations within your respective level of government.

Gaétan Malette: Thank you.

Again, has the Government of Canada taken sufficient steps to move beyond consultation and effectively engage with first nations to ensure they have a meaningful voice and genuine autonomy in project negotiations under the Impact Assessment Act?

Sheldon Wuttunee: When I think back to some of the work we've done over the past handful of years, there have definitely been some positive strides. Does it go far enough? In my experience, I think that first nations need an increasingly developed process to ensure there is consistent oversight when it comes to a project, so that when advice is provided or rights assertions are provided, we have a clear understanding on how that's received and how that information finds its way in terms of the overall future of a given project.

Many times, as first nations, we discuss with the Impact Assessment Agency or the Canada Energy Regulator, but once we've shared what our concerns are of potential impacts, we don't necessarily understand where that information goes, how it's deliberated on or how decisions are made based on the assertions of first nations.

● (1140)

The Chair: Thank you to you both.

[*Translation*]

Mr. Guay, go ahead.

[*English*]

Claude Guay (LaSalle—Émard—Verdun, Lib.): Thank you, Mr. Wuttunee, for participating today. It is much appreciated.

I have a couple of questions for you because I truly appreciate the centre of excellence model you've created for Saskatchewan first nations. We owe it to you to learn lessons from you and the first nations that you represent.

You mentioned equity. You mentioned royalties. The ministry of natural resources, the office of major projects and the government would be more than interested in your thoughts.

We've announced a loan guarantee program. We actually increased it from $5 billion to $10 billion. We're making a massive investment from that side. I understand, from you, that there are many other considerations in creating agreements with first nations.

I would be interested to hear from you. Maybe you could talk a little bit today, but I would also be interested if you could submit to the committee, as part of our study, templates of what it should look like. I am not asking for a certain percentage. I'm asking for a sketch that we could start with that actually covers all the elements that should be a part of it.

Can we leverage that fund? What else should we consider? What would be a good template?

Sheldon Wuttunee: I've given lots of thought to this for many years. I know that we have only so much time today, but I would be happy to follow up and share more after today.

In Saskatchewan, we have gotten really good at building institutions that serve the collective, which is the 74 first nations in Saskatchewan. As referenced earlier this morning by Mr. Tochor, the Saskatchewan Indian Institute of Technologies is a sister organization to us here at the centre of excellence. Our mandate is to serve our first nations.

We also have another organization, an entity called the Saskatchewan Indian Gaming Authority. With this, first nations have come together to wholly own seven casinos in Saskatchewan. With respect to benefits and dividends associated with our gaming and casinos, we have developed what we call a first nations trust among the first nations in Saskatchewan. That consists of all 74 first nations. Fifty per cent of the net revenues from our gaming, from the Saskatchewan Indian Gaming Authority, are disbursed every quarter to each first nation on a per capita basis.

When we look at some of these major projects, whether critical mineral projects or energy projects, that model is definitely an ongoing consideration for how we come together relative to opportunities in the future.

As it goes with the consultative process, communities in the vicinity of the project perhaps see a greater level of impact than those farther away. Some of the conversations that we've been having are with regard to what opportunities are required by those nations in the vicinity of the projects that see an impact. What are their aspirations? What are, for the sake of today, those tier-two opportunities associated with the collective?

I think that brings not only the opportunity for a broader consultative process but also the opportunity for first nations to come together on the aspect of an equity framework and what our collective first nations are looking forward to potentially investing in any given project.

Those are some of the equity frameworks that we are working through now with respect to some of these major projects—namely, some of the opportunities in nuclear—moving forward.

● (1145)

The Chair: Thank you, Mr. Guay.

Thank you, Mr. Wuttunee.

We are on to Mr. Simard for two and a half minutes, Mr. Rowe for five minutes and MP Hogan for five minutes.

[*Translation*]

Mario Simard: Thank you very much, Mr. Chair.

Mr. Wuttunee, I'll go back to what we were saying earlier. I was asking you how first nations could be partners, even stakeholders. I find the answer you just gave about your association's revenue trust very interesting, since it suggests that first nations may be economic players or investors in these projects.

How is that being done on your end? Do you have any examples where first nations have been equitably involved in mining projects?

[*English*]

Sheldon Wuttunee: To date, some of the opportunities that our nations have been involved in or are currently negotiating are from a royalty share perspective in the province. Moving forward, those aspirations are there for first nations, whether it's individually or collectively coming together to invest in a project as an equity partner.

Further to your question and further to my earlier point, we look at those initiatives being separate. There's a nation-to-nation relationship based on inherent and treaty rights with the Crown, but then we also look at a separate relationship with the potential proponent of a mining project or a nuclear project, whatever the case may be.

As we look at those opportunities from an economic standpoint, we're taking advantage of loan guarantee mechanisms. I'm also a board member of the Saskatchewan Indigenous Investment Finance Corporation. There are opportunities that have come forward in renewable energy projects and potentially in the SMR deployment here in Saskatchewan. Those conversations are occurring. It's not necessarily in the mining sector to date, but there certainly are opportunities.

The Chair: Thank you both.

Mr. Rowe has five minutes and Mr. Hogan has five minutes. Then we will take a break to change panels.

Jonathan Rowe: Thank you for having me here today.

Mr. Wuttunee, it's clear that you see the importance of industrial mining and development across the country, and you mentioned how you are fighting for indigenous groups not only to engage and participate in this development but also to have equity and leadership in these developments. You mentioned how it's important to protect lands and waters while, at the same time, having responsible development.

The Liberal government, through the recent signing of the Kunming-Montreal global biodiversity framework, has a plan to prohibit development on 30% of Canada's lands and waters by 2030 and 50% of Canada's lands and waters by 2050. Do you think prohibiting development on half of your lands would have a huge negative effect on indigenous communities, especially those that rely heavily on natural resource and mining sectors?

● (1150)

Sheldon Wuttunee: Coming back to our role here at the centre, in terms of impacts and those types of notions, that's the importance of the consultative process. Each of the nations that are interacted with and are consulted will have differing opinions, but I do think that, from a personal perspective, we need to ensure that for the future and for our kids there are opportunities to practise our cultural and traditional ways of life in a clean way. We need to ensure we are afforded the ability to carry out our inherent and treaty rights—not only hunting, fishing, trapping and gathering but also others that people in nations see as their respective rights.

Jonathan Rowe: I would agree. I would even say you guys have a right to develop your resources if you want to.

We have this issue in offshore Newfoundland where companies will not invest in exploration because, at any point, the federal government could deem that area a marine protected area. If you have billions of dollars invested in exploration, you still may have to bugger off regardless of how much you invested because that's a marine protected area.

Do you think these extremes are really needed? Would you agree that our current environmental standards already protect our waters and environment at a reasonable level?

Sheldon Wuttunee: In my experience, I don't think they do. I think much more needs to be done. I'll come back to my earlier point again. It's relative to the capacity, understanding and conveyance of each of the respective nations as to what they see as impacts to their waters, their lands and their territories.

I'm from the Prairies here in Treaty 6, so it's difficult to speak on behalf of those on the eastern seaboard. From our perspective here on the Prairies, our cultural way of life is paramount to our future, and it's difficult to trade that for development as you move forward. There are a lot of conversations that definitely need to occur to ensure that our people can continue on with a strong identity into the future.

Jonathan Rowe: As Newfoundlanders, we understand the frustration of having our fisheries oftentimes controlled by federal governments, and we want to have more control at the local level. I completely understand where you're coming from.

What I find interesting is that the feds just brought in C-5, which basically controls where they can have a project at any time and kind of streamline through regardless of other inputs. They have the right to do that now. At the same time, they're bringing in this 50 by 50 mandate, which determines areas where they don't want development, pretty much without a lot of discussion.

Do you think, with the combination of C-5 dictating where things should happen and can't happen and the 50 by 50 mandate of where things can't happen, that gives too much control to the federal government and goes against all the work that indigenous communities did to finally get a seat at the table?

Sheldon Wuttunee: At the outset, there are definitely a lot of concerns in our conversations around our table. Further to my written submission, I state in there that, when it comes to the implementation of an act like that, it could be received as less consultation, less accommodation and a potential erosion of the opportunities to practise our inherent and treaty rights. That comes with a lot of trauma from the past.

We understand that the Major Projects Office has been implemented, but when you look from a Saskatchewan perspective, we have the centre of excellence, which is essentially our major projects office for first nations. That's what we're built for, and we need to play a lead role in that light.

The Chair: Thank you to you both.

Wrapping up this round, we have MP Hogan for five minutes.

Corey Hogan (Calgary Confederation, Lib.): Thank you, Mr. Chair.

Mr. Wuttunee, thank you for being here.

You said something that really caught my attention, and I thought that it brilliantly summarized the essential question in front of us. In your opening statement, you said that the question was this: How do first nations meaningfully participate as first nations in critical minerals and the energy sector?

To that point, what supports—capacity building, legal, negotiation, funding—do first nations need from the federal government to participate more fully as partners rather than as passive stakeholders?

● (1155)

Sheldon Wuttunee: Thank you very much for that question. I couldn't have asked for a better question.

When we look across the board, we look at potential impacts to rights, accommodation and offsets. We look at opportunities for equity. From our perspective here at the centre, we need to ensure that first nations respectively as autonomous nations have capacity in their band offices, in-house, on reserve. We also need that support for regional [*Technical difficulty—Editor*] organizations like the centre of excellence that works on behalf of first nations and is there to assist and support nations as well.

Ongoing sustainable core funding for organizations like ours will definitely assist in the facilitation, the knowledge sharing, the education and the capacity building of our first nations. We work on behalf of them. We play that role as an interface between government, industry and first nations. It's a very important component of the work that we do.

We're building out a major projects tracker that relates to impact assessments, consultation, project tracking and all those types of things. We're also building out and have built out, for that matter, a recruitment portal and framework for indigenous people and indigenous businesses in Saskatchewan so that, once projects are moving forward, we're helping with the recruitment of our people and bringing forward our businesses as vendors on our own two feet as first nations in Saskatchewan.

I think that's very important from a local perspective.

Corey Hogan: Thank you.

I would really encourage you to provide additional written comments on the equity components. As Monsieur Simard was mentioning, it's a really interesting topic.

Knowing that we are very short on time, I just want to ask if there's anything else you want to add that you didn't have the opportunity to say in your responses so far.

Sheldon Wuttunee: Do you know what? I appreciate all the questions we've gone through this morning. I feel strongly that in relation to the future, respective governments have a really important role to play in advancing economic reconciliation with us as first nations. We've been through TRC. We're moving through [*Technical difficulty—Editor*]. I can't stress enough that we as first nations need capacity support on the ground to better understand these projects. Will the Major Projects Office do that? I'm not fully confident in that.

We've been built here in Saskatchewan to work on behalf of and serve our first nations, and we do that well, but the increased capacity from our perspective is also important because of the enormous momentum, right across the globe, with respect to critical minerals and energy. Working for 74 first nations, the work can be extremely daunting.

The final point I'll leave is that the centre of excellence we built here is the only one of its kind in Canada where all of us as first nations are working collectively and have an organization that fully serves our first nations across Saskatchewan. As we move forward, when we look at the historical relationship and we look forward to the responsibility to one another, we are here to work in partnership and collaboration. We just need to ensure that we're able to make well-informed decisions to do that effectively and increase the benefit for our first nations on and off reserve.

The Chair: That's a good place to end. Thank you, Mr. Hogan.

Mr. Wuttunee, a big thank you to you. As our only witness today, you got the full treatment.

Sheldon Wuttunee: Thank you.

The Chair: Thank you for the really rich discussion with our members and for your presentation to us today. As Mr. Hogan suggested, anything you want to supply in written form would be welcomed by the committee and looked at by our analysts and by us. I'll just let my colleagues know that you'd like to stay on the screen for the next hour to hear the next witnesses, and that I have granted that wish.

Thank you so much.

Colleagues, we'll now take a break to change panels.

● (1200)

Sheldon Wuttunee: Thank you. Have a great day.

● (1200)

(Pause)

● (1210)

The Chair: Colleagues, please take your seats again.

Welcome back.

I'm sorry I have to repeat myself. For those on Zoom, at the bottom of your screen you can select the appropriate channel for interpretation—floor, English or French. For those in the room, you can use the earpiece and select the desired channel. I remind you that all comments should be addressed through the chair.

We would now like to welcome our witnesses for the second panel.

Colleagues, as discussed at the break, Mr. Wuttunee has remained online for us and is open to questions. Our other witnesses today are Sharleen Gale, chair of the First Nations Major Projects Coalition, and Shaun Fantauzzo, vice-president of policy for the First Nations Major Projects Coalition.

Ms. Gale, you will have five minutes or less for your opening remarks. I know members around the table are very anxious to ask questions and engage in dialogue with you.

Please proceed.

Sharleen Gale (Executive Chair of the Board of Directors, First Nations Major Projects Coalition): Thank you.

Good afternoon, Mr. Chair and members of the committee.

My name is Sharleen Gale. I am a member of the Fort Nelson First Nation, which is on the northeast corner of British Columbia, and I have the privilege of serving as the executive chair of the First Nations Major Projects Coalition. I am appearing today with FNMPC's vice-president of policy, Shaun Fantauzzo.

FNMPC is a non-profit organization representing more than 180 first nation members across 10 provinces and two territories. Its mandate is to advance the economic and environmental interests of its members.

The energy transition is reshaping the global economy. Electric vehicles, batteries and renewable power all depend on reliable supplies of critical minerals. The International Energy Agency projects that global demand for nickel, cobalt and lithium will quintuple by 2040. Canada has what the world needs. Our resources are valued at more than $350 billion, and most are within indigenous territories. Developing them responsibly is a matter of jurisdiction, partnership and shared prosperity.

If we get this right, critical minerals can be a part of a new era of economic reconciliation in which first nations are owners, project proponents, business leaders and decision-makers in how minerals are developed and recycled.

In 2022 and 2023, FNMPC convened its members, government officials and industry representatives in a series of round tables focused on critical minerals. Three themes emerged from those discussions.

First of all, free, prior and informed consent must guide every decision. Consent is not a check-box exercise. It requires trust and accountability, and it must be nurtured. Projects built with consent are more likely to succeed and endure.

Second, without capacity, there can be no consent. Many first nations are being approached by mining companies from around the world, often without much notice and with limited information. Access to relevant legal, financial, technical and environmental expertise is imperative; so, too, is having the resources to engage members and ensure that decisions reflect community preferences, not just the advice of outside consultants.

Third, the opportunity for participating economically in the entire critical minerals value chain must be explored. Economic participation in the mining sector remains concentrated in exploration, contracting and construction services, with very limited involvement in the downstream value chain. Far beyond exploration and extraction, there are opportunities in refining, processing, manufacturing, recycling and supporting infrastructure such as transmission lines, roads and ports. First nations participation will help strengthen domestic supply chains and keep more value here in Canada.

In partnership with The Transition Accelerator, FNMPC is studying the full value chain of Canada's critical minerals sector. We're planning to release our findings in early 2026, in advance of our ninth annual conference in Toronto.

We're already seeing first nations leading in the critical minerals sector, from Norway House Cree Nation purchasing the Minago nickel project in Manitoba to Nisga'a Nation and Tahltan Nation announcing a joint venture at the port of Stewart to export critical minerals from British Columbia's coast, and Selkirk First Nation acquiring the rights to the Minto copper and gold mine in the Yukon with plans to redevelop the site according to its traditional laws.

Long before European contact, first nations harvested and traded minerals as part of their sophisticated traditional economies. The Tlingit, for instance, have long created shield-shaped coppers, a symbol of wealth and identity that speaks to an enduring relationship with the land. However, in the modern era, the benefits of mining have too often bypassed our communities.

Many first nations have negotiated meaningful partnerships in the last 25 years, and more than 500 impact and benefit agreements have been signed between first nations and mining companies. However, many more have also endured environmental damage, social disruption and little to no lasting benefits. That imbalance must not be repeated in the critical minerals sector.

Canada's critical minerals opportunity is nation-building in scale, for the country and for first nations, and it must be rooted in economic partnership. Since most deposits are in indigenous territories, development must proceed with free, prior and informed consent every step of the way.

● (1215)

Persistent barriers include capacity gaps, outdated free-entry systems that violate the Crown's duty to consult and limited access to capital tailored to the risk profile of the critical minerals sector. We also need to do a better job of prioritizing early engagement as an investment in the trust required to deliver durable and defensible project outcomes.

I want to reiterate the importance of the recommendations from the committee's 2021 report on critical minerals, which called for meaningful consultations and partnerships with indigenous communities, investment in training and capacity development and support for value-added processing within Canada. The report recognized that our country's advantage in critical minerals depends upon more than its natural resource endowment. It requires extensive inclusive government, reliable infrastructure and meaningful indigenous participation across the entire value chain.

Mr. Chair and members of the committee, FNMPC stands ready to support you and Canada to help ensure that the development of critical minerals is about more than extraction. It can be about building a future where indigenous and non-indigenous communities prosper together, where indigenous rights are respected and where Canada out-competes on a global scale in a manner that protects our national security.

Thank you. I look forward to your questions.

The Chair: Thank you, Ms. Gale.

For our first round of questioning, we have MP Tochor, MP Guay and MP Simard, with six minutes each.

Mr. Tochor.

Corey Tochor: Thank you, Chair.

Thank you to our witnesses for being here today.

More importantly, thank you for what the First Nations Major Projects Coalition could potentially do for our country. It's what's been missing. I'm very grateful for some of the lessons and points you made doing your presentation.

If we're going to succeed, we need to learn from other successful past projects that you guys have been associated with. I understand that one of your past projects was a 10% equity option in Coastal GasLink in 2019. That was a successful project, but what did you learn from that project that we can use in critical minerals expansion in Canada?

Sharleen Gale: We learned how powerful it is when first nations come to work together in defining their own destiny.

The coalition was formed by hereditary and elected leaders. They had an opportunity to have ownership in the Pacific trails pipeline, but when they went for financing, it was at credit card rates. The elected leadership and hereditary chiefs knew they needed to do something, so they really pushed for the indigenous loan guarantee program. The program is great, but there is more need for more money, based on the scale of the projects that need to be built. There were a lot of round tables.

Some of the other things that were really helpful in the project, which came from those round tables, are the need for capacity and the need to have funds to develop our education system so that we have the workforce. First nations are the biggest growing population in Canada. With these kinds of projects, though, there's a lot of risk. Having the financing come after the project is turnkey and ready—after the fact—would have been one of the biggest and the most important things for the first nations to be successful, because we cannot use our own-source revenue to be part of a project that might not be successful or where there are cost overruns.

With that, I'd like to pass it over to Shaun to see if he'd like to add anything.

● (1220)

Shaun Fantauzzo (Vice-President of Policy, First Nations Major Projects Coalition): Thank you, Sharleen.

The only thing I would add is—

The Chair: Hang on. I think Mr. Tochor had an intervention before that.

Corey Tochor: I'm looking at just the Coastal GasLink project because that specifically was, in your words, a catalyst for change around some of the financing models, and that is so important. It is such an important asset for our planet. We know natural gas is better for the environment and there are good jobs that flow from it.

Is there anything you can add specifically about what we've learned on the Coastal GasLink project, which you guys were associated with, that we can take into other projects? That's what I'm looking to get an answer to.

The Chair: It's open to either of you to answer.

Sharleen Gale: Shaun, I'll give you an opportunity.

Shaun Fantauzzo: Thanks, Sharleen.

Thank you for the question.

In addition to what Sharleen mentioned, there are a few specific lessons we could learn from the CGL project and, now, many of the other projects that have come following the Coastal GasLink.

The first thing is that capacity building is essential. It's quite a bit different now because of the efforts of FNMPC and organizations like the one Sheldon is running. Many indigenous partners may lack the experience in large equity project finance deals that, in the case of CGL, may go to capital markets for financing. Without that deep support, terms typically heavily favour the corporate side or the proponent side.

One of the lessons from Coastal GasLink was really those first nations working together and coming together to negotiate those terms. There was the legal and financial advisory support that was assembled around that project with the phased involvement and shared expertise. One of the things that FNMPC did at that time was a capital markets 101 to 401 series. It was not only for those members who were involved in CGL; those resources are available online for all first nations.

Another part was structuring that deal to reflect the real risks. Historically, many of these projects have had passive investments set aside to invest equity in the project. CGL was really a novel, true option that was negotiated with downside protection for those first nations. There was strong governance alignment among the 11 first nations that were involved that we were representing, and there were mechanisms to reduce the regulatory risk.

Those are all lessons we can take away from that deal. I also want to reiterate that there have been several deals that have occurred since then with new novel models that are emerging.

The Chair: You have time for a short one.

Corey Tochor: I have a quick follow-up.

There are misconceptions out there that some indigenous people are against natural gas projects. Are you able to convince them or show them the data that it's better for the environment and some of the local benefit agreements that have flowed from that project? How do those conversations unfold?

The Chair: Give us a quick response.

Sharleen Gale: I'm the former chief of Fort Nelson First Nation. We have the biggest gas basin in North America.

It's just about building trust with industry and governments and having real conversations at the ground level, especially with our hunters, gatherers, elders, youth and members. It's really important to have that understanding and share our knowledge with other neighbouring nations.

● (1225)

The Chair: Thank you.

Mr. Guay has the floor for six minutes.

Claude Guay: Thank you, Mr. Chair.

Ms. Gale and Mr. Fantauzzo, thank you very much for being with the committee today and helping us learn from your experience and the broad exposure that you have had from participating in multiple first nation major projects. In that spirit, I would really like to hear some of the key learnings from an equity model.

Mr. Fantauzzo, you were talking about some of the recent projects that have different constructs. If we had a magic wand, what would be templates for participation in the future? There are many different economic models. There are different levels of maturity and risk-taking when we're talking joint ventures, equity stakes and royalty agreements.

I actually would like to hear you talk, Mr. Fantauzzo or Ms. Gale, about going forward. What should be the template or templates?

If we don't have time to answer all of those questions today, then I would love to have your submission, because the government is really looking forward to having good ideas and good templates that we can engage for major projects in the future.

Shaun Fantauzzo: Thank you for the question.

I want to reiterate something that Mr. Wuttunee mentioned in his testimony as well, which is that capacity and the resources to participate meaningfully and to make informed decisions are integral to any of these types of deals, whether they're involved with jobs, procurement, benefit sharing, environmental stewardship or, ultimately, equity investment. The ability to have the resources to make informed decisions is extremely important.

The next thing I would mention is that access to capital supports must be tailored to the economic and financial realities of these projects. What I would say about the loan guarantee programs that are out there, for instance, is that many of them have been designed for traditional energy or linear infrastructure projects. Many of those projects fall within rate-regulated industries in which risk can be contained, novelly, in a project finance structure.

When it comes to critical minerals, for instance, the economic and financial realities of the sector are quite different. Therefore, those tools will need to change and the deals will need to change to adapt.

While I'm hesitant to say there is a template, what I would say is that when first nations have the ability to make informed decisions—like anyone in these deals—those deals will come together in a faster and more legitimate manner. Ensuring that there is no one-size-fits-all approach for these deals is the best thing the federal government could do.

What we're now seeing, as first nation ownership and economic participation in the natural resource sector is expanding, is that these deals are taking many different shapes. We've shifted, as I said, from passive investment, 5% or 10% equity investment post-construction, to seeing full ownership of projects, such as the three ventures Sharleen mentioned.

Ensuring that there are the resources available to make informed decisions will get us to the right outcomes on these deals. Capacity support is important—ensuring that the programs that are advanced federally aren't tailored to one specific outcome and that they're tailored to the diverse opportunities that are out there in the natural resource sector. I think this would be the most important.

Claude Guay: Thank you.

Ms. Gale, you mentioned that the loan guarantee program is not substantial enough. I don't want to put words in your mouth, but I thought that's what I heard. The government recently announced that we were increasing the pool for loan guarantees from $5 billion to $10 billion. Is this enough?

If I understood you correctly, what adjustments should we make?

Sharleen Gale: In the next 10 years, there's going to be major project development happening within our country. I think that foreign investment can help Canada scale its critical minerals strategy but only if it aligns with indigenous values, our environmental standards and Canada's national interest.

The reality is that first nations are now being approached directly by international investors seeking access to our lands and resources, often without significant transparency or due diligence.

We need to develop those relationships, but we also need a clear federal framework and resource processes to help our nations with potential partners in assessing their integrity, their financial capacity and their alignment with our community values. This target requires funding for legal commercial capacity and transparent disclosure statements from foreign entities operating in indigenous territories. Canada must also ensure that foreign investments strengthen our sovereignty and partnerships rather than reproducing the extractive relationship of the past. I also think of the Canada Infrastructure Bank and how important it is to really increase its mandate.

The indigenous loan guarantee has a low-risk mandate geared to supporting operational or near-operational projects, and this mandate will need to change to support projects going forward, especially critical minerals projects.

● (1230)

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

Thank you, Mr. Guay.

Wrapping up this round, we have Monsieur Simard for six minutes.

[*Translation*]

Mario Simard: Thank you, Mr. Chair.

Ms. Gale, can you hear the interpretation?

[*English*]

Sharleen Gale: Yes, I can.

[*Translation*]

Mario Simard: I really liked what you said in your remarks. You mentioned that venture capital, which provides the opportunity to become partners in critical minerals projects, is limited. I'm telling you this because Quebec has a critical minerals corridor project. As part of the Grande Alliance protocol, the Cree nation would like to restore part of a railway line.

How could indigenous communities develop a framework for owning infrastructure or becoming its proponents? I don't know whether you have done this in the past or whether you have a model. However, I think that it would be worthwhile to provide this information to the committee.

[*English*]

Sharleen Gale: Quite interestingly enough, as a chief I was looking at having a partnership in the ownership of a railway, but infrastructure must be codesigned with first nations from the onset to serve both the economic and the community purpose. There are roads, ports, power lines and digital networks that need to be built, but not solely for industry; they also connect our communities.

I think that a lower local cost of living enables long-term regional development. This means that we need to design things for multi-use and have climate resiliency and regional integrated systems, which are working together and providing value beyond a single project.

First nations are also leading in this space, and they are equity partners already in the transmission lines, renewable projects and transportation corridors that are going to be very important for remote-like locations and southern markets.

I think it's very interesting, because first nations are already talking about these issues in northern Canada, port to port to port. It's very interesting to see the ideas that are coming from these conversations being invited into these spaces. Any infrastructure going forward is going to cross indigenous lands, and I think it's really important for our success as a country to ensure that these nations that are coming up with these ideas and want the ownership of these projects are well funded and supported.

● (1235)

[*Translation*]

Mario Simard: Thank you for your enlightening response. However, I would welcome further details. You clearly identified and outlined the issue of multi-use infrastructure in the north. I would like to understand how indigenous communities could become some of the proponents of this infrastructure. If you have any documents on this topic, I believe that the committee would greatly appreciate them.

I'll give the rest of my time to my colleague, Mr. Rowe, who has a few questions for you.

Thank you for your remarks.

[*English*]

The Chair: Go ahead, Mr. Rowe.

Jonathan Rowe (Terra Nova—The Peninsulas, CPC): Thank you.

Ms. Gale, I have a question. Last week we had a witness encouraging the government to double down on development in southern Canada, where infrastructure is already in place. I know, like in Newfoundland, many of our small communities were able to receive infrastructure because of mining development in that region.

I see a quote from you saying, “What is common among First Nations across Canada is that there are many infrastructure deficits in our communities, on our lands, and on our reserves. That includes deficits such as water, sewer, broadband, housing, roads, community services, transmission lines, reliable clean energy sources, and health [care services].” That's certainly a mouthful, but right across there's infrastructure that needs to happen.

Do you think that focusing our mines near indigenous communities should be a priority for this government as it would jump-start the implementation of necessary infrastructure in those regions?

Sharleen Gale: I think the primary barrier is structural, not technical.

Many first nations are being asked to engage in complex capital-extensive projects while still contending with the legacy effects of underinvestment in basic community infrastructure. I live in the north. I've seen mines be in operation for 50 years, and the roads to a community neighbouring the project are gravel and haven't been paved.

If a community does not have reliable drinking water, accessible health care, housing or education, it's really unrealistic to expect them to dedicate sustained attention to building a project or even have the capacity to evaluate multi-million dollar mineral projects when they have many social issues at home that they're trying to address. The foundation for participating begins with ensuring quality of life and continued federal and provincial investment in infrastructure at the community level, including housing, broadband, energy, transportation and social services. It's critical. These are not separate from economic development; they are the preconditions for it.

Communities that have stable infrastructure and well-being can create the time, space and capacity to discuss these projects. It's really important to know that when you're part of a project and you can create your own-source revenue, then you're able to build up your housing and you're able to build up your community, so that—

The Chair: All right. Time's up, I'm afraid. Thank you both.

We're going to move on to our final round. That's going to take us past the top of the hour, colleagues, but let's go.

We have MP Malette, followed by MP Hogan, and MP Simard. It's five minutes for MPs Malette and Hogan, and two and a half minutes for MP Simard.

Gaétan Malette: Ms. Gale, I have a question for you.

Could you describe your experience with the assessment process for critical minerals and mining projects, and how it has been beneficial to indigenous stakeholders? As well, what are some of the changes that you would recommend being made to ensure efficiency and transparency within the approval system?

Sharleen Gale: I would like to pass this on to Shaun.

● (1240)

Shaun Fantauzzo: Thank you, Sharleen.

What I would say, kind of generally, about the impact assessment process.... I'll preface this by saying that FNMPC has recently published two reports on the value of phase-zero engagement, which we're calling pre-engagement in these processes, and capacity all throughout. Both of those things are very important. Capacity is the foundation that allows first nations to engage on a level playing field with both industry and government. It means having that access to a full range of expertise—legal, financial and technical. It means having access to in-house professionals. It also means the ability to engage first nations' own citizens through meetings, language, translation and transparent access to project data, like Mr. Wuttunee mentioned earlier.

These are things that transform these engagement and consultation processes into meaningful participation, ultimately transforming participation into consent.

We could probably spend too much time talking about this issue, but I think the most important element for these impact assessment processes and permitting processes is early engagement that is sufficiently resourced for first nations. We'll only move at the pace of trust here.

Gaétan Malette: On the same subject, since the Impact Assessment Act, known as Bill C-69, have there been indigenous-led projects that have contributed positively to furthering indigenous economic development?

What more could the government do to ensure that indigenous projects are not stuck in regulatory delays?

Shaun Fantauzzo: I'm happy to take this one as well.

Several projects are now being advanced, not only with indigenous participation but with indigenous leadership, many inside and outside of federal and provincial impact assessment processes. There are projects that are successfully moving forward that are indigenous-owned or have significant indigenous involvement.

Again, one of the biggest components here is having the capacity to advance these projects and to make informed decisions. Having the technical expertise and having trust in relationships to advance joint ventures are the key components here. Ultimately, first nations want to exercise the right to self-determination and to advance projects on their lands, in their waters and with their resources, so finding ways to ensure that these projects are given resources and attention is what leads to success in the impact assessment processes.

Gaétan Malette: Thank you.

We have one more minute.

Could you give us an example of a success story, of a project that has been extremely successful?

Shaun Fantauzzo: Yes, I'm happy to do that.

Perhaps one of the most prevalent examples at this moment is the Cedar LNG project in British Columbia, and also the Woodfibre LNG project. Both of these projects had extensive involvement from the first nation governments and the first nation communities.

For Cedar LNG, for instance, the environmental team for Haisla Nation was an in-house team, with a member from Haisla who worked extensively with the community. There were referendums within the community throughout the process, as well as outside of the community, where Haisla members were living off reserve or outside of Haisla territory. That project was successfully assessed and permitted on a very decent timeline.

The next example, with Woodfibre LNG, was the same thing. The Squamish Nation undertook its own indigenous-led assessment concurrently with the federal and provincial governments.

The Chair: Thank you.

We'll turn it over to Mr. Hogan, for five minutes.

Corey Hogan: Thank you, Mr. Chair.

Thank you to our witnesses.

Ms. Gale, in your opening remarks, you mentioned a changing landscape, and you said that more than 500 impact benefit agreements had been signed. Many more have endured environmental damage with little to no lasting benefits. As we've heard from all of you, engaging at the ground floor and supporting capacity to assess projects are a huge part of it, but I suspect there's also more.

It doesn't need to be specific projects, but I'm wondering, to help fill out the picture for the committee, if you can give characteristics of good agreements that provide the kind of long-term benefit you've discussed and characteristics of bad agreements that provide little to no lasting benefit.

● (1245)

Sharleen Gale: As a chief, I had to deal with a lot of negotiations. I think that success means a Canada where first nations are more than parties with whom the Crown or the project component engages or consults. It needs to be based on relationship building, where first nations are the economic partners and environmental stewards. Ten years ago that wasn't the case. I think things are changing for the better and we're having those discussions, but success looks more like indigenous integration in any project and into the supply chain and meeting that full value.

It is about first nations owning the mines and the infrastructure that comes with them and first nations having the ability to supply and service these mine sites—and also having our people working at these sites, not just on the ground but through the ownership, at the board level and at the management level. There's so much that we look forward to in owning these projects. In my community, we're going to be the 100% owner of a geothermal facility. Our people are really excited about that opportunity and what it's going to bring to the local economy and the relationship it's going to build with our treaty partners.

Corey Hogan: Can you also give examples of maybe characteristics of deals where there is not lasting benefit? Are there areas we should be very careful to avoid or very careful to discourage in terms of the structuring of agreements of a certain type?

Sharleen Gale: I think that when industry or government comes in, the first nation government looks after the rights and titles, and the corporation of the nation looks after the deal and what can be done. Both are two important pieces because, through the negotiations of the chief and council, you can really do some things for your community and move beyond just payments and towards partnerships.

When oil and gas came into our territory, they said, “No impact benefit agreements. No equity.” It left us at a standstill. What happened was that the only place where we had a right to say anything was at the gas plant, because all of the permits were piecemeal up to that point. There were a lot of court cases—and there have been a lot of court cases across Canada—and we were successful in winning those court cases.

Fast-forward into this new way of doing business, I think we're seeing a lot of successes. However, a lot of things need to be improved, on the government level especially, so there's shared decision-making in policy and in incorporating our indigenous values and our laws into those processes so that we all can be successful.

Corey Hogan: The chair informs me I have one minute left, so I want to quickly ask about economic participation, which builds on many of the questions today. Witnesses at this and previous committees have talked about the ability to consider different financial structures.

Mr. Fantauzzo, you touched on this. Can you expand on different models of indigenous participation, very briefly now and maybe in a written submission after?

Shaun Fantauzzo: Yes, I am happy to respond to this question.

I will just quickly reiterate what I mentioned before. Equity investment today is looked at as a bit of a panacea, but, especially when looking at the critical minerals sector specifically, employment, procurement, business supply, and lasting benefit sharing are all components of economic participation. There's not only one model, is what I would say. We're seeing an emergence of different elements of indigenous economic participation in these projects, and some first nations will value different routes.

The Chair: Thank you.

Monsieur Simard, you have two and a half minutes, followed by Mr. Martel and MP Danko.

[*Translation*]

Mario Simard: Thank you, Mr. Chair.

Ms. Gale, as I told Mr. Wuttunee, I find it fascinating to see how the first nations have become investors who can raise capital just like other investors.

I would like to talk a bit about a fund model used back home in Quebec. It involves labour-sponsored funds and regional development funds. Before filing my tax return, if I decide to invest in labour-sponsored funds, I'll receive a tax benefit. This model often leads to labour-sponsored funds being invested in mining projects, natural resource projects or various other projects of this nature.

Mr. Wuttunee gave us an example earlier of the royalties that his community receives. Does the federal government offer you this type of incentive to raise capital? If the goal is for the first nations to become proponents of infrastructure projects, you should be entitled to tax benefits to do so. Is this currently the case, or is it something that you have already considered?

● (1250)

[*English*]

Sharleen Gale: About 10 years ago, when I was chief, we got many investments. We got money from different agreements, so we decided to invest in stocks. We have seen growth in our bank accounts over the last decade that has added tremendous value and enabled us to build up our own communities. At the same time, when you have that kind of money and you are getting into a project for the first time, you don't want to take that risk and use your money, especially when you have seven generations to care for. I think that is really important, and I am really thankful for the indigenous loan guarantee program and the Canada Infrastructure Bank, because those give us the tools to be able to be involved in these projects meaningfully and financially.

What I think you'll see is, once these tools are utilized.... We have seen it, like you said, in Quebec with the first nation. They needed the support to get the initial funding to get stage one of the project done, and they have been in operation for several years now. There is tremendous community investment and infrastructure building happening. Also, through their own-source revenue, they are able to fund the second phase of the project without having to go back to the indigenous loan guarantee program or any other financial vehicle, because they are able to do it with their own funds.

The Chair: Thank you.

The last two speakers are MP Martel and MP Danko, each for five minutes.

[*Translation*]

Richard Martel (Chicoutimi—Le Fjord, CPC): Thank you, Mr. Chair.

I'll be sharing my time with my colleague, Jonathan Rowe.

Mr. Wuttunee, my question concerns decision-making and unanimity. Should every development project on indigenous land require unanimous consent from all the communities involved in order to proceed?

[*English*]

Sheldon Wuttunee: It is a bit of a complex question, but I will try to be very quick. I think that the intention and practice should be to achieve consent from as many nations as possible, if not all, if that is possible. Many times projects get approved when nations intervene. One of the difficult things we find oftentimes is that industry can choose winners and choose losers. If there are nations that, perhaps, don't support a project, they may or may not get as much attention as those that do. This leads to benefits.

I think Canada and the respective provinces have a big role to play. Ms. Gale mentioned it a bit earlier, but those legislative and regulatory regimes play into that decision-making, first-hand. The shared decision-making model, as it moves forward, becomes increasingly important when it comes to unanimity, as you mentioned, with respect to supporting projects. In that shared decision-making, I think it is very important to understand that there are relationships with proponents, there are relationships with regulators, and there are Crown relationships as well that first nations are navigating all at the same time. They are trying to figure out, in these opportunities, who's going to hold companies accountable and who's going to enforce legislation and regulatory aspects.

These are all part of a complex picture that we continuously navigate when it comes to considering projects in our lands, but that shared decision-making model to achieve consent as we move forward is extremely important. We live it every day, and we see projects where, after the fact, when equity opportunities are presented, those that support the project will get that opportunity to become owners in projects at the expense of some of the other nations that do not get that same opportunity, which is very problematic. It think that is something that's very important for the committee to be mindful of as your discussions move forward.

● (1255)

[*Translation*]

Richard Martel: Mr. Chair, I won't be sharing my time after all. The response was longer than expected.

Mr. Wuttunee, I'll continue with you. How can we strike a balance between respecting indigenous rights and the need to prevent projects from remaining blocked for years?

[*English*]

Sheldon Wuttunee: I'll refer to some of Ms. Gale's comments. We've talked a lot about meaningful engagement and consultation. The value that a project brings to enhancing local first nations' infrastructure is very important. Again, I'll go back to some of my earlier points. Concepts and notions around resource revenue sharing and royalty sharing are extremely important. To what one of the previous speakers said about the Quebec fund, perhaps that's an opportunity to utilize some of those resource royalties and put them into a fund for future first nations' investments in their respective provinces. That's a great opportunity, I believe, here in Saskatchewan.

Regarding the benefits from projects, as we look forward to consent and perhaps not blocking a project, it's going to take some very important work and serious considerations on behalf of the proponents and on behalf of the respective governments in terms of how legislative and regulatory regimes are developed. Free, prior and informed consent and how we look to achieve it is always in our minds.

When we're talking about funding, we're talking about capacity and we're talking about meaningful inclusion. Those are all very important aspects that will really be within the perspective of the nations, but that's a big journey ahead for the proponents and the government.

The Chair: Thank you, Mr. Martel and Mr. Wuttunee.

We're going on to our last questioner, MP Danko, for five minutes.

John-Paul Danko (Hamilton West—Ancaster—Dundas, Lib.): Thank you, Chair. I'm going to pick up on the point that Mr. Martel was making.

My experience and my perspective is in southern Ontario, where often the elected band councils are seen as a colonial construct and you have various iterations or groups of hereditary chiefs, some self-appointed development groups and multiple first nations that can each have a stake in the same projects. They all have a myriad of different organizations and groups that also have some sort of stake in that project. From a government perspective, it can be really frustrating when you think you have a constructive, collaborative approach and you move forward with a project, and then, as Mr. Martel was getting at, there's a protest or it's frustrated when you get to the site.

Understanding that you're working with the First Nations Major Projects Coalition and also in Saskatchewan with multiple first nations involved, how do you see these overarching coalitions fitting into helping move these projects forward and working collaboratively in a more constructive relationship with first nations?

● (1300)

Sharleen Gale: This is one of those situations where you have different first nations and they have different laws, different languages and different values, so the indigenous governance can be really complicated at times, including by colonization. Typical band governments are on reserve, and hereditary chiefs are in the traditional territory. It's really important to have conversations and build trust with both leaders and members.

For the First Nations Major Projects Coalition, we're not project-specific. We do not propose projects to our members. Our members are the ones who come to us and ask for the capacity support; that's very important to understand. At times, yes, it can be very complicated and complex based on the different nations, what their needs are and how they want to engage in the consultation process.

John-Paul Danko: Thank you.

With whatever time I have remaining—I think this is the end here—I wanted to give the three of you an opportunity to offer any closing remarks you wanted to share with the group.

The Chair: That's a great idea.

Sharleen Gale: Thank you. I appreciate it.

This goes into the question I had from another member. Our research shows that there will be more than 500 natural resource projects built in Canada over the next decade. As I said, these projects will be built on indigenous land and they will represent over $630 billion in capital investment. Using our internal calculations and estimates, we project that $50 billion of that could represent first nation equity investments, which will need to be financed—and that's just investments. This doesn't include any of the procurement, employment or other opportunities that first nation businesses will want to be involved in through our membership. These projects will generate billions in economic benefit for first nations in the form of revenue sharing, impact benefit agreements, jobs, procurement and training, which is really important for the Canadian economy.

I want to say that indigenous partnership is not a barrier; it is Canada's strategic advantage that needs to be nurtured and supported through real investment in capacity. Mr. Wuttunee talked about this. I think every successful project in the next decade will really depend on it. When indigenous rights and ownership are embedded from the beginning, projects will move faster, you'll face fewer disputes and you'll generate shared prosperity for all Canadians.

The Chair: Mr. Wuttunee, we'll have the last word from you, and then we will have to adjourn.

Go ahead.

Sheldon Wuttunee: Very quickly, thank you very much for your comments, Ms. Gale. I certainly echo them.

One of the things that I would like to continue to encourage is that the members really consider what types of strategic priorities there are in terms of available government programs for first nations to better participate in intergovernmental processes, for one, but also as owners in major projects. That capacity funding, whether it's an ICSP with the Impact Assessment Agency or an INRP with NRCan, is an important pot of funding for organizations and first nations to be able to access, especially as Bill C-5 comes forward and the Major Projects Office is structured, implemented and deployed.

Remember, we also have our work—which is ongoing—at organizations like FNMPC and the centre that do work on behalf of our nations and at the direction of our nations, which is very important. We're mandated organizations that do very important work.

I'll leave my comments there. I think that was an important one.

The Chair: Thank you to all our witnesses this morning and afternoon. There was very rich testimony providing very important first nations' perspectives, which is an important part of the motion that we passed and that guides our study. We will be having other indigenous witnesses: first nations, Inuit and Métis.

This has been very important for us to hear today. Thank you so much.

Also, thank you to my colleagues for great questions—good and focused questions—and a very productive session.

I wish all of you a very happy Thanksgiving in connecting with your families and your communities. We'll see you back here on the 20th.