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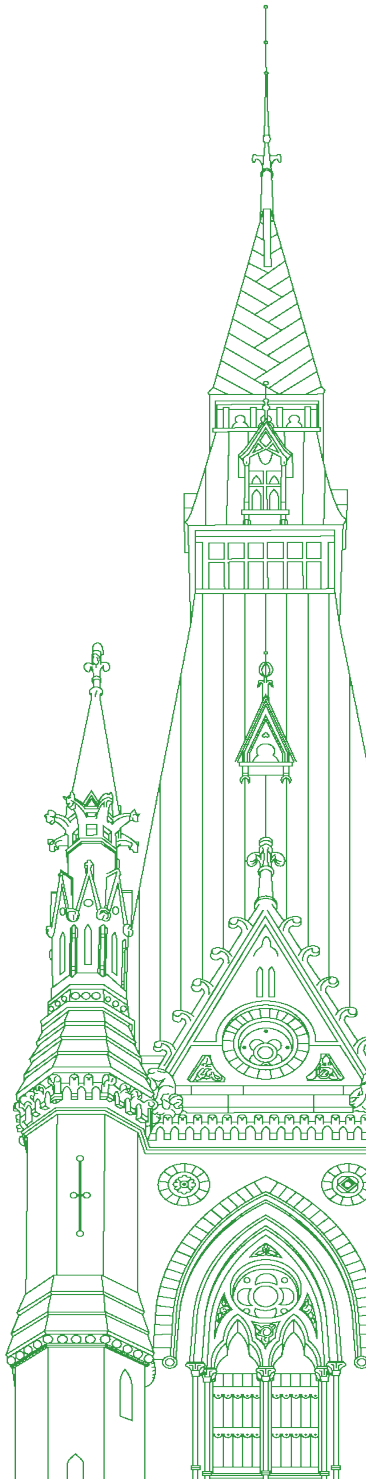
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Chair: Terry Sheehan

Standing Committee on Indigenous and Northern Affairs

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● (1535)

[*English*]

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

Welcome to meeting number 44 of the House of Commons Standing Committee on Indigenous and Northern Affairs. We are gathered here on the unceded territory of the Anishinabe Algonquin nation.

Pursuant to Standing Order 108(2), the committee is continuing its study of the affordability challenges in northern Canada.

Today's meeting is taking place in a hybrid format. Pursuant to the Standing Orders, members are attending in person and remotely using Zoom.

Before we continue, I would ask all 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 wonderful interpreters. I thank them ever so much for the great job they all do. There is a QR code on the table. If you want to take a picture of that, there is a video there to follow.

People on Zoom, you've been tested. You have the opportunity to select interpretation—floor, English or French—down below. When you're on Zoom, if you want to get my attention, you can raise your hand as well. Our clerk will also help me take a look around to see if I need to call on you.

I'd like to remind witnesses that committee members may be asking questions in either French or English. If you will need interpretation, please take a moment to select the channel on your piece in front of you, and keep your earpiece on as well, because people switch back and forth between English and French.

Make sure that you address all questions through the chair.

Again, I want to welcome everyone. For the first hour, we have the Honourable Rebecca Chartrand, Minister of Northern and Arctic Affairs.

Welcome, Minister.

She is accompanied by some staff. I would like to welcome Sean O'Donnell, Valerie Gideon and Georgina Lloyd, who have been before us before.

Welcome back.

There's just one more thing before we begin. I saw some pictures being taken, and I think these are professional photographers, so they know that no pictures can be taken now that the proceedings have begun. When I suspend, pictures can be taken again during that time. That goes for all the people viewing here as well.

Thank you very much.

Minister, whenever you are ready, you have five minutes.

Hon. Rebecca Chartrand (Minister of Northern and Arctic Affairs): [*Minister spoke in Ojibwa and Cree and provided the following text:*]

Boozhoo. Tansi. Aniin. Wabinoong Ikwe Nidischiniicaz. Wabishke Maeengan Doodem.

[*Minister provided the following translation:*]

Hello. My name is Eastern Rising Sun. I was adopted in the White Wolf Clan.

[*English*]

Kwe kwe. *Unnusakkut*. *Tansi*. *Bonjour*. Hello. Hi, everybody. I am grateful to be here on the unceded territory of the Algonquin Anishinabe people.

Mr. Chair, some of the lowest-income families in Canada face the highest cost for food. That is unacceptable. Addressing that unfairness is central to the work we are doing. Families need relief today and lasting solutions to the cost of living in the north.

Thank you for this study.

To the witnesses who have participated—those from Qajuqturvik in Iqaluit, Nunavut Tunngavik, the lower north shore of Quebec, and the airline and sealift companies serving the north—I've read your testimonies, and I'm here to answer them.

As a northern Manitoba MP and minister, I hear directly from communities dependent on planes and winter roads. In Pauingassi, a week of healthy groceries for a family of four still costs about a third more than in the south, even with the subsidy. In the north, distance is measured at the checkout. Families face choices between groceries and heat and between fresh fruit and fuel to hunt. Young families struggle to find safe housing. Our response must connect immediate relief, northern and indigenous leadership and infrastructure to make lasting affordability possible. Food, power and housing costs reinforce one another—air freight, diesel resupply, long shipping distances and short construction seasons.

In August the reported price of four litres of milk in Pond Inlet was $7.99 after the subsidy as compared with $53.59 before the subsidy. In July a weekly family food basket cost about $640 with the subsidy, against more than $1,100 before the subsidy. That's still 50% more than what we would pay here in the south.

The subsidy provides substantial relief. The remaining bill shows why reform matters. We added $30 million to nutrition north for the 2026-27 year, supporting 124 isolated communities. It's a national program, but the north isn't one place. What works in Nunavik isn't always what works in Fort Good Hope or Old Crow. Partners are helping to shape reform, including stronger harvesting, food sharing and local food systems. Northerners also need to trust that every subsidy dollar reaches shoppers. We're increasing audits and developing annual reporting on spending, retailer compliance and food bank prices.

Food security also requires reliable transportation. In 2024 lower water cancelled the summer barge to Norman Wells. Fuel had to be flown in at about $5.17 a litre. That's why our government is investing over $400 million to advance the Mackenzie Valley highway, an all-season connection planned to reach Norman Wells.

CanNor is supporting in other ways community and project readiness. Our government has signed agreements supporting approximately 1,800 new homes across the territories. Delivery requires materials, power, tradespeople and accommodations for construction crews. The new factory in Arviat matters as well. Inuit invested in it and CanNor helped fund it. It opened up just last month. They plan to build 40 homes per year. It builds homes indoors yearround and was designed to train Inuit apprentices.

Projects backed by northern REACHE are cutting diesel use by 2.1 million litres annually. In Old Crow, Kluane First Nation and Beaver Creek, generators now go quiet for long stretches during the summer, but aging energy infrastructure remains an urgent concern. A power failure can become an emergency. We're well aware of this. I'm working with cabinet colleagues and the territories on reliable power this winter and in the longer term.

● (1540)

My statutory coordination role is about bringing departments together with northern partners and preparing communities alongside major investments so that jobs, services and affordability advance together.

Mr. Chair, northerners will judge this work by what changes at the checkout, on the power bill and on the housing list. That's the right test, and it's the one I hold myself to.

Meegwetch. Thank you.

The Chair: That was perfect timing.

We're going to the first round. It will be for six minutes.

For the Conservatives, we have MP Zimmer.

You have six minutes.

Bob Zimmer (Prince George—Peace River—Northern Rockies, CPC): Thank you, Mr. Chair.

Minister, I like the fact that you admitted there is an affordability crisis in the north. Mark Carney said that he'd be judged by prices at the grocery store, and you've just acknowledged this. The essential promise he made was that food costs would go down under his watch. That's what he promised people when he went into the last election.

It's been almost two years since Mark Carney became the Prime Minister, yet Food Banks Canada's "HungerCount Report 2026" just came out and points to some major affordability issues in northern Canada.

This is from the report:

> In the territories, 25.2% of persons experience moderate or severe food insecurity, compared to 18.4% for the provinces. Nunavut has the highest poverty (31.7%) and food-insecurity (56.4%) rates among all the territories. People who live in the North can end up paying between 35% to 40% of their household income on food, compared to the average of 11% for Canadians.

We saw some prices first-hand when we went up, as shadow ministers, to Inuvik. Quickly, here are some comparisons. In Inuvik, in 2024, one pound of butter cost $9.49. In 2026, it was $12.29. In Inuvik, in 2024, four litres of milk cost $17.19. In 2026, they cost $18.69. Those are just a couple of examples. Prices are clearly not coming down. They're going up.

Would you say that food is more affordable in the north since Mark Carney first became Prime Minister?

Hon. Rebecca Chartrand: Mr. Chair, it's an important question because we know some of the poorest people in our country are paying the highest amount for food. There are many factors for this reason that we have to look at.

Bob Zimmer: It's a simple question, Minister.

Hon. Rebecca Chartrand: If you'll let me finish—

Bob Zimmer: I asked whether it was up or down since the Prime Minister came into office.

Hon. Rebecca Chartrand: What you need to understand is that there are two wars—

Bob Zimmer: I'll continue on to my second question.

Hon. Rebecca Chartrand: —across the globe right now that are impacting the cost of food.

Bob Zimmer: I'll ask you the next question, Minister.

Brendan Hanley (Yukon, Lib.): I have a point of order, Mr. Chair.

Please, can we try to keep it to one voice at a time? That is on behalf of the translators.

The Chair: Hold on a second. That's a good point of order.

The translators are nodding their heads yes on that.

Please, we have to allow—

● (1545)

Bob Zimmer: I'll go to the chair on the same point of order.

I asked the minister a question. She was clearly not answering it, so I moved on to my second question. She kept talking.

This is my time, not hers. She already had her five minutes. This is my six minutes.

The Chair: MP Zimmer, let me, as the chair, make the interpretation.

She was answering the question.

Bob Zimmer: She wasn't.

I'm going to move on to my second question.

The Chair: That's fine. If you don't want to continue with that line of questioning, go to a second question.

Bob Zimmer: We'll go to the second question.

Minister, would you say that there's an affordability crisis in Canada right now?

Hon. Rebecca Chartrand: I would say that this government is taking a number of measures to address the food insecurity issue across the country. In fact, we just made an announcement about $1 billion for the agri-food project. That is also looking to support a food security fund with $150 million. We have the groceries and essentials benefit. That's also putting—

Bob Zimmer: Once again, Minister, it was a simple question.

Hon. Rebecca Chartrand: —money back in the hands of Canadians.

Bob Zimmer: Is there an affordability crisis?

The Chair: Again, on that same point of order—

Hon. Rebecca Chartrand: You need to understand that there are a number of measures we are taking. If you'd like me to answer your question—

Bob Zimmer: This is my time right now.

The Chair: Everyone, stop for one second.

Again—

Bob Zimmer: I asked a question.

The Chair: —it can only be one person at a time. I can't have two people speaking at once.

Bob Zimmer: The question was on whether there is an affordability crisis right now. She could have said yes or no and explained that. She was clearly not answering what I asked her. She was saying something else, which is fine, but she could have said that in the first five minutes she had. These are my six minutes. I'm asking her a question and expecting an answer. When I'm not getting an answer, I'm going to move on to the next question.

The Chair: Do you wish to allow her to answer the question? The minister was—

Bob Zimmer: She spoke for about 30 seconds and wasn't answering the—

The Chair: Actually, I'm having a hard time making that determination, because she really didn't get much out there.

Bob Zimmer: My question was pretty clear.

The Chair: Did you want her to try to answer?

Bob Zimmer: I'll give her five seconds, because it's really a yes-or-no question. If she can answer yes or no in the next five seconds, fine.

The Chair: Do you want the minister to answer your second question?

Bob Zimmer: If it's in five seconds, yes. It's yes or no.

Hon. Rebecca Chartrand: Thank you for that question, Mr. Chair.

A subsidized price can still be unaffordable.

Bob Zimmer: There we go.

I'll move on to my next set of questions.

I just wish you would answer. It's pretty simple.

This will answer.... Food Banks Canada has put it in a report recently. This is the quote I'll start with, on page 33:

> A growing share of people in Canada are experiencing a prolonged affordability crisis, forcing difficult choices today while eroding their ability to weather future financial shocks. According to Statistics Canada, the proportion of households reporting difficulty meeting essential expenses such as housing, food, and transportation more than doubled over four years, increasing from 19% in summer 2021 to 39% by spring 2025.

There is an affordability crisis, Minister. I think you know that.

An article in Blacklock's said, “Feds Drop Housing Promise”. That was the promise of building 500,000 new homes per year.

Why did the Prime Minister drop his housing promise?

Hon. Rebecca Chartrand: Mr. Chair, as I mentioned, this government is taking a number of measures to address the affordability issue across this country.

If the member would have let me finish what I was saying the last time, we're making investments in—

Bob Zimmer: I'm going to move on because she's still not answering the question.

I asked, why did he drop the promise? You're going somewhere else, so I'll go to my next point.

To top it off, even though the Prime Minister dropped the housing promise, he gave the housing minister's department an average of a $20,000 bonus to each....

Are you okay with giving bureaucrats $20,000 bonuses each even though the Prime Minister is breaking his promise?

Hon. Rebecca Chartrand: Mr. Chair, we know that there is a housing affordability issue across the country, which is why we just invested $1 billion in protecting affordable housing, stable housing and transitional housing across this country.

I think the member needs to focus on the efforts that we are making—

Bob Zimmer: The question was about the bonus.

Hon. Rebecca Chartrand: —across the country to ensure that people have more affordable housing.

Bob Zimmer: The question was about the bonus, and it was about dropping the promise.

The Chair: MP Zimmer, please let her finish.

Bob Zimmer: She's not answering the question.

The Chair: I can't really hear her answer.

Bob Zimmer: It was a very clear question about giving bonuses and dropping the promise.

Hon. Rebecca Chartrand: Your question wasn't relevant to the topic of affordability.

Bob Zimmer: She wasn't answering.

The Chair: Again, we have too many people speaking at once, including—

Bob Zimmer: I know, but it's my time, to be fair.

I'm going to move on to my next point.

The Chair: I'm the chair.

Please, let's have decorum back and forth. I will make the determination on relevance.

Bob Zimmer: As soon as you start requiring her to answer questions that are being asked of her, then that will be fair, but she's not answering them currently.

I would like to move on to my next point.

● (1550)

The Chair: Go ahead and ask another question.

Bob Zimmer: Thank you, Mr. Chair.

Nunavut is showing the need for 3,000 homes. Yukon is short of over 3,000 homes. Northwest Territories is short of up to 4,000 homes in total. That's at least 10,000 homes short just in the territories alone.

The Kwadacha indigenous community in my riding has 100 homes in their community. The community leader just told me that 90% need to be replaced. We heard yesterday that Mark Carney gave the Dominican Republic $8 million for their housing. They weren't very happy to hear that, by the way, Minister.

Do you support millions going to foreign countries when we have such dire housing needs of our own in Canada?

The Chair: Unfortunately, that's all the time we're going to have.

Hon. Rebecca Chartrand: Thank you for that question, Mr. Chair.

The Chair: I'm sorry, Minister. You'll have to put that in writing for the committee.

Hon. Rebecca Chartrand: All right.

I'll get back to you, Bob.

The Chair: We've run out of time.

Next on the list, we have MP Hanley for six minutes, please.

Brendan Hanley: Thank you, Mr. Chair.

Thank you, Minister, for appearing.

Thanks to the officials.

It's also really good to see you.

Thank you for the update and for all your work on addressing affordability in the north. You know from your own experience in meetings and travelling around the north how important this is.

You talked about food prices a lot. You mentioned nutrition north. I know that you've been very focused on reforms and a reimagining of nutrition north. One of the things that you've often talked about is developing more of a regional food economy. I wonder if you could talk about your vision of what a regional northern food economy might look like.

Hon. Rebecca Chartrand: Yes. I'm very excited to be sitting here in front of you as Minister of Northern and Arctic Affairs but also as the MP for Churchill-Keewatinook Aski, which has in it 73 communities, 42 first nations and 19 remote isolated communities. This issue is very near and dear to my heart. I have direct experience in understanding and evidencing the impact of food insecurity across the north.

When I think about food insecurity, we need to ensure that the people most impacted by food insecurity are the problem-solvers. We have to get behind the solutions that are already out there. When you talk about a vision, there's already a vision out there. We held regional engagement sessions with all 124 communities, which led into a summit. That allowed us to hear directly from communities on what they wanted to see.

I'm happy to report that there are elements of nutrition north that are working, such as the hunters program, the community food program and the harvesters program. Those are areas that we need to strengthen.

In fact, I was talking to Grand Chief Wilbert Kochon just yesterday, and what's so important to our communities, our elders and our parents is passing on the knowledge of how to hunt, fish and read the land, and to pass on culture and language. What better way to do that is there than teaching young people how to hunt. It's a program that's working, but it also needs reform. We've heard very clearly that accountability and transparency are an issue right across the board. This is something that we're specifically looking into.

In terms of our steps, we know that a food subsidy alone is not going to solve the food insecurity issue, which is why we need a whole-of-government approach. We've been actively working with other departments to discuss the ways in which we can provide additional supports to the subsidy so that we could see enhanced food security in the north. We imagine that we still would need the subsidy, because we've also heard from our engagement sessions that the subsidy does provide relief. If we completely pulled out the subsidy, it would be like pulling the rug out from underneath people. When you look at the prices in different communities, in some cases that could save $40 on a jug of milk. That's one example of where the subsidy is useful, but we also want to move towards self-determination, and we want to build localized and regional systems that empower self-determination around food sovereignty.

We envision some short-, medium- and long-term goals. We want to create the conditions for communities to grow their own food or establish their own grocery stores. We're addressing things like the Competition Bureau, for example. We've heard from communities that sometimes they're unable to bring in other competitive retailers or establish their own grocery stores simply because there are non-compete rules when some of the large retailers come in and establish a grocery store in their communities. That creates a bit of a monopoly that needs to be addressed. That's what we heard loud and clear.

At the end of the day, what we want to do is support food entrepreneurs. We want to see more cold food storage hubs throughout the north. We want to see food processing.

We also want the north to define what food security looks like. That work has already been done. We know that ITK, for example, led with their framework to replace nutrition north and had seven clear recommendations.

They want Inuit-led food security programs. They want to redesign the subsidy around two connected measures, which are subsidized freight and transportation and regulations to monitor food prices. They want to enable direct financing and food assistance.

They want Inuit treaty organizations to be given further support to deliver methods that work for them. They want to support local retailers with planning and governance and with some capital costs. They also want to expand the harvester and community food programs. In addition to that, they'd like to see an Inuit Nunangat food guide.

● (1555)

I believe that we've heard time and again what the solutions are in the north, and referencing the Inuit-led framework to replace nutrition north is yet another good example of alignment on where we need to go, because it comes from the communities that are most impacted.

The Chair: Thank you very much.

That brings us to the end of the time.

[*Translation*]

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

Marilène Gill (Côte-Nord—Kawawachikamach—Nitassinan, BQ): Thank you, Mr. Chair.

Thank you to the minister for appearing today.

I have so many questions for her. Since she has read all the testimony given in committee, my questions may go faster.

My colleague from the Conservative Party was talking about the issue of affordability. In the north, this is a crisis that has always existed and has never been resolved. It is not something new that is happening, and nothing has been done for years. I've been on the committee for a number of years, and we haven't really seen any change. We're still talking about housing and we're still talking about nutrition north Canada. We always talk about the same issues, but absolutely nothing has been done, at least in the seven years since I've been here.

Worse still, decisions are being made that will harm northern communities. The minister is absolutely right to say that this is a cross-cutting issue. I'm going to talk about one of those decisions. We heard from the warden of the Municipalité régionale de comté du Golfe-du-Saint-Laurent, Daren Jones, who told the committee the following.

I can paraphrase, because the minister has already read the testimony. The government decides to transfer ownership to communities. It wants to divest itself of wharves and airports. In my riding, the government wants to get rid of nearly 20 of these structures. They are in poor condition, in communities that may have 200, 300 or 400 people. Therefore, it is impossible for them to maintain the infrastructure, but if they don't have it, they can't manage to develop economically.

I heard you mention food processing. When you live in the north, when you have rocky outcrops and you're used to making a living from fishing, it's a bit hard to do. I mentioned Mr. Jones, who is a warden. Setting politics aside, there is also researcher Alexandre de Barros, who said that the federal government should not abandon remote northern airports. I imagine that the logic of his argument could be applied to ports as well.

Minister, I wonder if you would agree with Mr. de Barros's proposal to agree to a moratorium to reassure these communities. They are really very worried right now when they see in the budgets that the government wants to divest itself of these structures, of which, as I said, there are about 18 in my riding. They cannot be taken over by communities that, I might add, are northern and do not have access to a road link to the mainland.

[*English*]

Hon. Rebecca Chartrand: That's an interesting question.

When we look at the factors of the cost of food and affordability, infrastructure will help lower costs, because it gives people access to roads to bring fuel and essential goods into the communities—

● (1600)

[*Translation*]

Marilène Gill: Mr. Chair, if I may, I will jump in, as my colleague did earlier. My question was very straightforward. I was asking whether the minister was in favour of a moratorium. Once again, this is a yes-or-no question. She can also answer yes or no in writing. That is another option.

[*English*]

The Chair: Go ahead.

Hon. Rebecca Chartrand: We have been making huge investments in airports. I was at Rankin Inlet recently, where we made some announcements of investments in Arviat, Thompson—

[*Translation*]

Marilène Gill: Mr. Chair, I don't like to interrupt the minister. I understand that she is allowed to answer, but her answer doesn't actually answer my question. I'm really talking about a moratorium on airport and port transfers that the federal government is currently considering and that will weaken northern communities, including in my own riding.

My question is very simple. I understand that there is other infrastructure and that we can invest elsewhere, but right now, what they're doing is abandoning ports and wharves back home. I would simply like to reassure the public, through the minister, that she is in favour of a moratorium.

[*English*]

The Chair: Thank you for clarifying your question.

Perhaps the minister can respond.

Hon. Rebecca Chartrand: Unfortunately, this is something that my colleague, the Minister of Transport, would need to discuss with you. At this time, we're focused on the impacts of affordability—

[*Translation*]

Marilène Gill: Thank you.

[*English*]

Hon. Rebecca Chartrand: I'm not making a connection—

[*Translation*]

Marilène Gill: Thank you.

In that case, Minister, if I can continue—

[*English*]

Hon. Rebecca Chartrand: —between a moratorium—

The Chair: Excuse me. Let's have one person at a time for the interpreters, please.

[*Translation*]

Marilène Gill: Anyway, I didn't get an answer to my question.

From what I understand, the various departments don't talk to each other, even on a cross-cutting issue. The government wants to talk about affordability and say that infrastructure is important, but what I understand, Minister, is that there are no discussions between ministers when a decision is made that will hurt communities, their economic development, their health and affordability. It talks about food. It wants development but is in the process of divesting itself of harbours and wharves, and the departments aren't talking to each other. That's quite odd. It seems to me that they should talk to each other. There is a budget coming. I hope that they have talked to each other, because this decision by the Minister of Transport would hurt communities.

[*English*]

Hon. Rebecca Chartrand: Thank you, Mr. Chair—

[*Translation*]

Marilène Gill: I didn't ask a question.

[*English*]

Hon. Rebecca Chartrand: In fact, I talk to Minister MacKinnon, the Minister of Transport. We talk quite often. We know we are making unprecedented investments in the north—

[*Translation*]

Marilène Gill: Mr. Chair, the unprecedented investments—

[*English*]

Hon. Rebecca Chartrand: —such as $32 billion for NORAD-based infrastructure in Yellowknife, Inuvik, Iqaluit and Goose Bay.

[*Translation*]

Marilène Gill: Mr. Chair, I'm sorry, but that doesn't answer my question at all.

[*English*]

The Chair: Listening to your question and understanding the response and the recognition of the response, you also mentioned that we could get it in writing. You've asked a question about transportation that you would like—

[*Translation*]

Marilène Gill: With all due respect, Mr. Chair, I asked for a yes or no in writing and I understood that there was no discussion with the Minister of Transport. I see the minister will not be able to provide a yes or no answer.

However, if possible, I would like her to talk to the Minister of Transport to find out what decisions he is making that will have an impact on his own department and, of course, on our constituents.

[*English*]

The Chair: Okay. Is there another question?

[*Translation*]

Marilène Gill: My time is up, Mr. Chair.

[*English*]

The Chair: Thank you very much.

Next we have MP Morin for five minutes, please.

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

I'm going to share my time with my colleague Mr. Zimmer.

Bob Zimmer: Thank you, Mr. Chair.

We're going to take another crack at this one. Mark Carney gave the Dominican Republic $8 million for housing on October 19, 2026. Communities in my area and in the territories were very upset about this announcement of money going elsewhere, into other countries, when their houses are in such disrepair in our own country.

Do you support millions going to foreign countries when we have such dire housing needs in our own north?

Hon. Rebecca Chartrand: I think your question isn't in line with what we're here to do today, which is talk about affordability in Canada and work together toward solutions to address issues of affordability in Canada.

Bob Zimmer: That was completely.... It speaks volumes. You're telling people in northern communities who have housing needs, "I'm sorry, but it's not important enough for me to answer that question today."

I'll pass the time back.

Thank you to my colleague, Mr. Morin.

● (1605)

Billy Morin: Thank you, MP Zimmer.

Minister, I thought you ended decently well with your initial testimony. What was the last sentence you said? You're going to be judged by power bills. Can you clarify that?

Hon. Rebecca Chartrand: When we look at the work we're doing as a government, we're absolutely addressing the affordability issues through a number of measures. One of them, if we look at the subsidy alone, I have a list here—

Billy Morin: I'm sorry. Can you clarify the last statement you made in your testimony? You said you're going to be judged by power bills. Is that correct?

Hon. Rebecca Chartrand: If that's what you heard.... That also needs to—

Billy Morin: Those are your words. You have them there, written down. Take a look.

Jamie Schmale (Haliburton—Kawartha Lakes, CPC): Can we stop the time while she's looking?

The Chair: I'll hold for her to find the spot.

Hon. Rebecca Chartrand: That's the right test, and it's the one I hold myself to.

Billy Morin: Is it power bills?

Hon. Rebecca Chartrand: Northerners will judge this work by what changes at the checkout, on the power bill and on the housing list.

Billy Morin: Thank you for that clarification.

I acknowledge that it actually fits with testimony we heard from that chair a week ago. Ted Laking, Yukon's Minister of Energy, Mines and Resources, said at this committee that the territory's residents are facing a 34% jump in electricity costs, which could result in an increase of $235 to their monthly bills. He also said, "We need federal help with the costs Yukoners are already facing, and we need federal help to prevent the next wave of necessary infrastructure investments from making an already difficult situation even worse."

However, on March 25, the Prime Minister said in the House of Commons, "Affordability is the best it has been in over a decade."

Was the Prime Minister wrong, or was the minister wrong?

Hon. Rebecca Chartrand: We know high electricity costs are a systemic issue. It's not just one thing that's impacting them. As you know, there is a war around the world that's impacting the cost of oil and fuel—

Billy Morin: Was the Prime Minister wrong to say that, or was the minister wrong?

Hon. Rebecca Chartrand: These are complex logistic conditions.

The Chair: Again, go one at a time, please.

Hon. Rebecca Chartrand: When we look at the north, it has a vast geography, so it's impossible to talk about one simple thing that's impacting in another area. I think we have to look at the constellation of issues that are impacting costs in the north, but—

Billy Morin: Thank you for that, Minister. I'll pause there, just because I have only so much time left.

Your plan in CIRNAC—this is new, since you're a new member of Parliament—says communities in the north have said they felt left out in this government's plan to build and don't trust that those plans will translate into real outcomes and greater affordability for families. In your CIRNAC departmental plan for just this year, table 5 lists performance results indicators for 2026-27, and the performance indicator is the "Number of discussions held with provincial/territorial governments and Indigenous partners to advance shared priorities".

I noticed that this is very different from what you said about how power bills and grocery prices are how you measure your department's success.

How many conversations do you need to have in order to ensure success? That's the measure you put forward. You didn't put forward power bills. You didn't put forward grocery prices in your departmental plan. You put forward conversations. How many conversations do you need to have to measure success in your department?

Hon. Rebecca Chartrand: That's an interesting question. I'm not sure what you're trying to get at, but when we look at—

Billy Morin: It's your plan.

Hon. Rebecca Chartrand: Would you like a response, or are you looking for a sound bite?

Billy Morin: I'm looking for a response and so are northerners.

Hon. Rebecca Chartrand: Okay. If you give me the time to respond to you, maybe we can get to some solutions together.

When we talk about engagement, as you know, being an indigenous person yourself, engagement is very important to northerners and indigenous people. There are certain protocols that need to be followed. When you—

Billy Morin: How many engagements do you have to do?

The Chair: We're running out of time. You have 10 seconds to finish.

Hon. Rebecca Chartrand: I could turn that back on you and ask how many engagements you need to get to a plan. Sometimes those things are iterative—

Billy Morin: I'm not the minister.

Hon. Rebecca Chartrand: Sometimes—

The Chair: We're going to move on to the next person, please. Thank you very much.

It's now the Liberals, and I believe Lori will be going next.

You have five minutes, Lori.

Lori Idlout (Nunavut, Lib.): *Qujannamiik*, *Iksivautaq*.

Qujannamiik, Minister, for appearing.

I've always appreciated your friendship since your election and the direction you've taken as the Minister of Northern and Arctic Affairs.

As you'll recall, I've always focused my work, when it comes to this ministry, on the nutrition north program. One of the things that I've been thoroughly impressed by is your willingness to hear from indigenous communities and northern and Arctic communities. Upon hearing from so many people, organizations and nations that nutrition north is not working, you immediately undertook to work toward reforming the nutrition north program, which is excellent.

I wonder if you could share with us the status of the reform that is happening and how much engagement you're having, so that we can get a better sense of when we'll start seeing the reform of this important program happening.

● (1610)

Hon. Rebecca Chartrand: Thank you, Ms. Idlout, for that question, and thank you for working together and collaboratively on that. It takes a team of people doing that work together, so there are definitely synergies there. Thank you.

On nutrition north, when we think about our engagement, engagement is important until we find solutions. When we think about what's unique about the north, sometimes that's consensus. We work in government, and sometimes we focus on quorum, but finding the right solution is the key here. When we think about the solution for Nunavut or Nunavik, it may be different from those solutions in the Northwest Territories or in upper Manitoba.

In terms of some of the work that we're doing now, we've gathered all of the data. We've had internal and external reviews. We've also reviewed our own data and reports and all of the data that was available to us. It is a repeat of consistent themes that we've seen.

Self-determination is an important principle within that. Taking a holistic approach is important. That came through as well. Holistic means this isn't just about putting food on the table; it's also about ensuring that young people develop the skills that they need and could offer to the next generation. It's about maintaining cultures and identities and ensuring that people are well.

Food is just a piece of that. When we think about projects of national interest in the north, we're talking about project readiness, but at the same time, we're talking about community readiness. For community readiness, we need to focus on human security. With human security comes housing needs, food needs, transportation and supply chains.

Our conversation has been about food. We want to see more food entrepreneurs in the north. We want to see more supply chains. We want to see communities processing and distributing their own food. We want Inuit Nunangat to define its own food guide. That is very important, because we rely on southern food that is shipped to the north. It's not the healthiest, and it's not the food that the north always wants.

We need to ensure that we build something that is truly from the north for the north, and that is the direction that we seem to be moving in. At the end of the day, the people who have been attending these engagement sessions have been loud and clear, and they have been speaking for the communities that have sent them. It's important to me that we follow in this direction.

Our harvesters and community food program are working. It seems we're looking to keep building on that to support those aspects of nutrition north. In the long run, we want to see a food economy that is built by the north for the north. If we anticipate high population growth in the north, it should be the north—northerners and indigenous peoples—building these economies and benefiting from them. We're definitely seeing this move beyond a food subsidy to a food economy.

It also requires taking a whole-of-government approach. I've been working with other ministries to identify ways in which they can support and feed into this so that we're not just looking at the subsidy but are, perhaps, getting carve-outs from different ministries and are supporting this in a number of different ways.

CanNor is a good example, because I oversee CanNor. We could look to CanNor to support food entrepreneurs. It really is an exciting time to consider what is possible when you're not restricted to a box.

The Chair: Thank you very much.

Madam Gill, you have two and a half minutes, please.

[*Translation*]

Marilène Gill: Thank you, Mr. Chair.

Two and a half minutes go by quickly.

I have two questions for the minister about something related to what we just talked about regarding food: the northern residents tax deduction. The deduction does indeed help northern communities, but we've realized over the years that there were somewhat arbitrary increases. For example, in 2008, there was a $10 increase for zone A. Then, in 2016, it was an increase in percentage, 33%, rather than in dollars.

We know that the cost of living is rising, and there is already an ongoing affordability crisis in northern communities. Therefore, I would like to know if the minister would agree to ultimately index this amount to inflation for the following years. Obviously, as I said earlier, this is cross-cutting, and the department can talk to other departments. It would apply to all northern communities that are struggling, particularly when it comes to food, but it would also, of course, affect transportation.

● (1615)

[*English*]

Hon. Rebecca Chartrand: That is a very important question. It is one that we've been discussing with other colleagues.

When you're talking about the northern residents tax deduction, it is something that helps offset the costs for northerners. Residents in zone A claim $11 a day, and residents in zone B claim $5.50 a day.

I've heard recommendations to double or triple that amount given the cost of living in the north. Again, we have to put this into context. Some of those costs are being impacted by the tariffs that we're seeing from the south.

[*Translation*]

Marilène Gill: I'd like to use my last 30 seconds to ask one last question along the same lines.

I understand and I'm happy to hear the answer, but I'm really talking about an indexation, not an increase.

Minister, my last question is about Anticosti Island. I know that you recognized the Haida Gwaii archipelago as a northern zone A. Anticosti Island has much the same characteristics, but it isn't recognized. Would you agree to give it the same status as the Haida Gwaii archipelago? This is actually a request from the municipality, in keeping with the choices that were made previously for the Haida Gwaii archipelago in British Columbia.

[*English*]

The Chair: You have eight seconds.

Hon. Rebecca Chartrand: As I mentioned, we are having ongoing discussions about the northern residents tax deduction. We will continue to have those discussions. We will also continue looking at a potential recalibration of the nutrition north subsidy.

The Chair: Thank you very much.

For our final questions, we will have time for two rounds of four minutes each.

Go ahead, MP Schmale.

Jamie Schmale: Thank you, Chair.

I'll pick up on the electricity conversation we were having a little while ago. I don't have to tell you that a majority of communities in the north use diesel fuel to power their communities, and, of course, diesel prices are at insane highs right now.

According to your departmental plan, by 2030, you and your department expect to avoid using seven million litres of diesel in communities. Between 2022 and this year, you've only reduced it by about one million litres.

How do you expect to get to that benchmark of seven million litres?

Hon. Rebecca Chartrand: Litres of diesel are avoided annually with clean energy. The total has been a cumulative 6,768,000 litres.

If you want me to go—

Jamie Schmale: I know the number. I just need to know how you're getting there.

You've only avoided about one million litres in four years. Now you're saying you're going to hit another seven million litres in the same period. I'm just curious how you're going to hit that—

Hon. Rebecca Chartrand: That's not true.

Jamie Schmale: —without making prices skyrocket.

Hon. Rebecca Chartrand: If you look at your numbers, the number is actually much higher than that.

We're contributing to the largest of seven million litres avoided by 2030.

Jamie Schmale: How? We're talking food affordability—

Hon. Rebecca Chartrand: We're talking about projects such as wind, solar, geothermal, hydro and biomass. These all help reduce reliance on electricity that's generated using diesel.

One of CanNor's programs is very specific to supporting that type of work.

Jamie Schmale: That's perfect. Have electricity bills gone down in the last four years?

Hon. Rebecca Chartrand: I think the question to ask is how the closing of the Strait of Hormuz has impacted oil and fuel prices—

Jamie Schmale: This was before that.

Hon. Rebecca Chartrand: —all over the world. We need to understand how it's impacting Canada.

Jamie Schmale: No, this was before that. According to your departmental plan, you started weaning off diesel fuel in 2023. That is when your departmental plan started.

Have electricity prices gone down in the last four years?

● (1620)

Hon. Rebecca Chartrand: Once again, we have to take into account the circumstances in the north. We know that there are limited electrical grids.

I'm happy to report that we have five projects of national interest in the north, including the Iqaluit hydro project and Grays Bay road and port. We have the Mackenzie Valley highway. We also have the Arctic economic and security corridor.

Jamie Schmale: When do you expect that to be completed?

Hon. Rebecca Chartrand: The Mackenzie Valley highway is already green-lit—

Jamie Schmale: What about the energy ones?

Hon. Rebecca Chartrand: We're looking at getting the other projects shovel-ready. We're also looking at Taltson hydro—

Jamie Schmale: When can people expect their electricity bills to go down?

Hon. Rebecca Chartrand: We're already putting money back in the hands of Canadians through different affordability measures that are helping—

Jamie Schmale: [*Inaudible—Editor*] electricity bills. You're going to divert seven million litres of diesel [*Inaudible—Editor*].

The Chair: No, no. We're starting again.

Jamie Schmale: How are we getting there? Are the bills going to go down?

The Chair: Hold on.

Hon. Rebecca Chartrand: You have to remember that gas—

The Chair: One person at a time.

Hon. Rebecca Chartrand: —has to be barged in, flown in and driven in on winter roads.

Our approach is going to resolve a lot of those issues. We're building roads. We're building ports. We're building airlines. This is how we lower the costs for Canadians.

In the meantime, we have other measures in place—

Jamie Schmale: They haven't gone down yet. I've asked you when they're going to go down.

Hon. Rebecca Chartrand: We're lowering the costs in different ways—

The Chair: Please go through the chair.

Jamie Schmale: She's not answering the question.

Hon. Rebecca Chartrand: —through the groceries and essentials benefit, for example—

Jamie Schmale: Are we doing this again? It's the second meeting in a row we're doing this.

Hon. Rebecca Chartrand: —the dental plan and the national school food program.

The Chair: You have about 25 seconds left.

Jamie Schmale: It's a pretty simple question.

The Chair: We have 25 seconds left. One person at a time, please.

Jamie Schmale: I would like to know when electricity bills are going to go down.

Mr. Morin asked a question about the number of meetings. You set a target to have meetings. Okay, but people can't eat meetings. They can't eat conversations. You're talking about diverting seven million litres of diesel fuel. People heat and power their homes with diesel fuel, so when are prices going to come down for these people?

The Chair: That brings us to the end. I'm sorry, but we have to go to the next person, from the Liberal side, for four minutes.

Hon. Rebecca Chartrand: I would like to answer your question. We can meet over there.

The Chair: We have four minutes for the Liberals.

MP Hanley, go ahead.

Brendan Hanley: I think Mr. Schmale won't be too unhappy with the way I'll frame my question.

Some hon. members: Oh, oh!

Brendan Hanley: Once again, Minister, thank you. I will reflect on the comment that you made. I am working with cabinet colleagues on reliable power, which I'm really glad to hear about.

Certainly, one of the key areas we hear about is the relationship between energy availability and affordability, whether it's the direct costs, as you say, of the power bill itself or the many indirect costs. Ultimately, almost everything in the north all too often comes back to not only the price of diesel but also the price of energy, in general, food, housing, small business viability, aviation and other forms of transportation.

To follow up on the point that Mr. Schmale was making about the work you are doing with partners all around the north on energy infrastructure throughout the north and where you have you seen successes, what's on the horizon for supporting reliable power in the north?

Hon. Rebecca Chartrand: Thank you for that.

When we think about electricity and the electrification strategy, we are looking to triple our electrical grid by 2050. I've been meeting consistently with leaders throughout the territories. In fact, I just met with Minister Laking a couple of days ago. He provided me, hot off the press, with the powering northern growth plan, which I have here. It outlines where their priorities are for growing electricity through the north.

The Mayo hydro facility, for example, is over 70 years old, and they're looking to dependable renewable generation. For the Whitehorse power centres project and LNG upgrades, Yukon is advancing two thermal generation facilities to provide up to 150 megawatts of reliable winter capacity. The first 15-megawatt phase is projected to be online by 2028 at a cost of $73 million. This is aligned with federal energy priorities. The Government of Yukon is conducting feasibility studies right now on LNG dual-fuel options to reduce diesel reliance in future phases with Yukon's constrained fiscal capacity. They're also looking at the Atlin hydro expansion.

These are examples for the Yukon, but we also know there are specific needs across the other territories, such as those in the Northwest Territories and in Nunavut. In the Northwest Territories, Taltson hydro is an important consideration, because it would potentially provide 75% of the power to the Northwest Territories. In Nunavut, we know that the 25 communities there are all on diesel, and there is a plan to support that. We're looking at Iqaluit hydro, for example, but there are the small diesel generators that need to be replaced as well, and we're well aware of that.

That's the work that we're doing. It's a whole-of-government approach. It's transportation leaning in, it's defence leaning in and it's me leaning in. We're all ensuring that we have these conversations in tandem so we're very clear not only about what the needs and the risks are but also where the opportunities are.

Thank you for that question. I think the needs are clear, and we're working hand in hand with our territorial partners towards those goals.

● (1625)

Brendan Hanley: Thank you.

The Chair: Thank you very much.

That concludes this panel.

I would like to thank you, Minister, for sharing some information on this very important study we have undertaken.

I would also like to thank the officials for being here and for providing their information to us.

We will suspend for a few minutes and get ready for our next panel.

● (1625)

_____(Pause)_____

● (1630)

The Chair: Welcome back.

We are going straight into the second panel. This will be just questions. The panel was here previously, so they heard all my instructions. We are ready to go.

I will introduce the panel.

From the Canadian Northern Economic Development Agency, we have Itoah Scott-Enns, vice-president, policy and planning and northern projects management office, by video conference; and Sean O'Donnell, chief financial officer and director general, corporate services.

From the department, we have Valerie Gideon, deputy minister; and Georgina Lloyd, assistant deputy minister, northern affairs.

MP Dalton, you're going to have six minutes to kick off this round.

Marc Dalton (Pitt Meadows—Maple Ridge, CPC): Thank you, everyone, for being here today.

One thing that we've seen here over and over again with the witnesses—both the different territorial governments and the representatives, business and individuals—is that this is a cost of living discussion, but the major factor is energy. We're hearing that it's certainly much more than the price at the pump, specifically diesel because most of the communities are reliant on diesel. It's also the food and everything.

From different witnesses, we heard about about the need to get sources of energy that they can rely upon, such as LNG and others. We've heard about wind and solar, but, to be truthful, they are intermittent. You can't rely upon solar energy in the wintertime, for example, so you always have to have that backup. It's not something you can fool around with, because it's life and death in those types of temperatures. We're talking about life and death issues, not just experimenting with different energy sources. You always have to make sure that you have something behind that you can rely upon.

There are a couple of opportunities. In testimony, we heard Minister Chartrand talk about hydro, but that's more of a renewal.

As for LNG and natural gas, what are the possibilities to use them in the north as a source in the near-to-moderate future?

Why don't I direct that to the vice-president of the northern projects management office? How does that sound?

● (1635)

The Chair: That sounds great.

Valerie Gideon (Deputy Minister, Department of Crown-Indigenous Relations and Northern Affairs): Itoah, that's for you.

Itoah Scott-Enns (Vice President, Northern Projects Management Office, Policy and Communications , Canadian Northern Economic Development Agency):

Yes.

The work of the Canadian Northern Economic Development Agency is really leveraging its budget to invest in early conditions that can help address structural costs and invest in infrastructure readiness. Recently, the focus of our work in the energy space at CanNor has been on supporting hydro projects that are being supported by the Major Projects Office, including the Iqaluit Nukkiksautiit hydro project. There's also $480,000 to support planning for the Taltson hydro expansion, including engineering studies and engagement strategy—the establishment of partnerships with indigenous governments and organizations.

Marc Dalton: Okay. If I could, I'll intervene right here because of the time.

What we're hearing over and over again is that diesel is so important. I know there is a desire that we get rid of it, but it is what the communities are dependent upon.

There was a fairly exciting proposal that we heard last week that was brought forward by Fort Nelson about the possibility of getting a mini-refinery for diesel in that area. That's really quite interesting because from there you can send it to the Yukon and parts of the Northwest Territories, so there's real opportunity.

We'll try another witness here.

Have there been discussions between the federal government and the proponents on this—with Fort Nelson and the Prophet River First Nation or the Dene Nation?

Okay.

I am—

The Chair: For the record, you shook your head “no”.

Valerie Gideon: No. We said that we are not sure. We're not familiar with.... We will go back and advise, because we have program people and three regional offices. They have a lot of community conversations.

The Chair: Thank you very much for clarifying that.

Marc Dalton: Thank you, and keep your ears open, because it's something that I think is quite interesting.

I find there's a lot of pretending in the Liberal government. They pretend to be really pro-development, pro-energy and all that, but today we're discussing about 250,000 barrels a day going by rail to the port and being able to export that, and it's kind of...no. There's a big push-back. There's real concern over opportunities that don't go with the ideology of the current Liberal government.

I'm hoping the resident government will—

● (1640)

The Chair: MP Dalton, that's your six minutes.

Marc Dalton: —keep that in mind and—

The Chair: Thank you.

Marc Dalton: —let projects like this go forward.

Thank you.

The Chair: Thank you.

MP Hanley, you have six minutes.

Brendan Hanley: Thank you, once again, for being here.

I want to continue on the energy theme.

Deputy Minister, I wonder whether you would be in a position to elaborate on the minister's response to my previous question on supports for energy projects around the north in pursuit of reliable power and energy, but from a slightly more technical point of view.

Could you give me some insights into what's going on? What's on the horizon regarding some of these projects going towards communities getting off diesel, and regarding some of the more significant major projects you're working on?

Valerie Gideon: I can say that we are in daily contact with the Major Projects Office—both ourselves in northern and Arctic affairs and CanNor. Jimi, the president of CanNor, is currently in Cambridge Bay. We're constantly talking about what is needed in order to address the territories' and indigenous partners' energy priorities.

The minister talked about how, from the Yukon's perspective, for example, they have clearly identified energy priorities in the Arctic sovereignty grid plan totalling $1 billion. There are a number of subcomponents. I don't have time to go through all of those.

We're also meeting regularly with the Northwest Territories government. They have identified very important hydro upgrades like Taltson and the Snare Cascades generation unit. I could go on.

It's the same thing for Nunavut. Itoah mentioned that we're supporting the Iqaluit hydro project.

Both CanNor and the northern REACHE program invested very early in these projects—the Taltson hydro expansion and Iqaluit hydro—even at the planning stages. We have 288 northern REACHE programs on cleaner energy sources that have been supported over the last 10 years, but we are also investing in the repair and refurbishment of different generation units, as well as diesel generators and so forth.

It is a mixed approach. Investing in the smaller projects is really important for community. They're building capacity around that. It's also about larger infrastructure projects that will provide the assurance and certainty that the other member of the committee mentioned earlier.

Brendan Hanley: Thank you.

Mr. O'Donnell, I see you nodding your head a lot.

I wonder if you could elaborate on the specifics of the CanNor approach to supporting energy projects through both the major projects lens and the on-the-ground financial support lens.

Sean O'Donnell (Chief Financial Officer and Director General, Corporate Services, Canadian Northern Economic Development Agency): Thank you, Mr. Chair, for the question.

I agree with my colleague. There is a lot of engagement happening with the Major Projects Office on a regular basis.

CanNor also plays a vital role in supporting project development in the north through the northern projects management office. We work with indigenous partners to address the environmental impact assessments of projects that will bring benefits to the north in the long term.

This is a long-term issue for the north, and there is no quick solution. CanNor, CIRNAC and other partners in the north are coming in on the ground floor to try to address large issues that require a lot of collaboration and discussion among federal partners in order to make investments in the north and help reduce the energy impacts northerners are feeling on a day-to-day basis.

Brendan Hanley: The minister mentioned a Nunavut housing project supported by CanNor with, I think, local manufacturing.

I wonder if you could, again, give us a broader view of the relationship between supporting businesses in the north—particularly as they relate to housing construction—and CanNor.

Sean O'Donnell: Again, CanNor is really proud to make investments in the north to support the housing industry. We've recently provided more funding to the north through the building Canada strong fund to support housing and infrastructure investment in the north to address some of the challenges happening there.

Again, we're coming in at the ground floor in supporting these projects and these initiatives, and we're working in collaboration with our indigenous partners on the ground and with other federal partners to help address an important challenge that northerners continue to face with regard to the availability of housing.

● (1645)

Brendan Hanley: Thank you very much.

To go back to you, Deputy Minister Gideon, or perhaps ADM Lloyd, can you give us a bit of an overview on next steps in nutrition north? The minister talked extensively about her vision and about regionalization, but maybe you can give us a bit of a sense of what to expect.

Valerie Gideon: Yes. I think we've released information on what we heard from the four regional sessions, the national summit and the external interviews. Our evaluation was also launched in March and has been published.

We have shared an externally facing policy document with the key partners that participated in all of these engagements, and we're working with the Inuit-Crown food security working group on a specific Inuit Nunangat approach to the reform efforts the minister described, the seven priorities that they've identified.

At this point as public servants, we provide our advice to ministers of cabinet and, as you know, the budget process is close and coming our way. From our perspective, we will, in a post-budget context, assess the situation at hand. We still have a large proportion of funding of nutrition north that is permanent funding, but we do have a proportion that is sunsetting, some this year and some next year.

That includes a top-up to the subsidy and includes funding for the harvesters support grant and so forth. Obviously, a very important priority will be to stabilize the funding, and then advance reforms within new authorities that the minister is looking to secure.

The Chair: Thank you.

[*Translation*]

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

Marilène Gill: Thank you, Mr. Chair.

The minister has used the expression "for indigenous, by indigenous" several times, and I think all the ministers will also say that. In this case, she says "from the north, for the north".

I find that interesting, because we are currently studying Bill C-39, as we know. On the one hand, the government is saying that it is going to hold consultations. I heard Mr. O'Donnell, for example, say that it co-operates on major projects. On the other hand, we see communities feeling deprived of the opportunity to have a voice, a say on these major projects. I was wondering about that somewhat on their behalf. How can we say that projects are being carried out "from the north, for the north" when, at the same time, the public is being denied the opportunity to have a say on the projects?

We're talking about things like environmental impact assessments. There are a number of laws, and I won't just talk about the environment here. I'm wondering about something, because I see an inconsistency. I would like to know if the senior officials also see an inconsistency. How can we ensure that the north has a voice? There is talk, for example, of no longer even consulting indigenous populations. They are also talking about a year to conduct consultations, which wouldn't be enough, according to indigenous people. Do senior officials see any inconsistency in this bill with what the minister said she wanted to do "from the north, for the north"?

Valerie Gideon: Thank you.

No, I don't see any inconsistency, because Bill C-39 protects the boards we have under modern treaty obligations, land claims and the agreements we have. We have 11 co-management tables in the area that Minister Alty is responsible for, and we have 12 co-management boards under Minister Chartrand that are protected. Therefore, Bill C-39 has no impact on the activities of the co-management boards when it comes to environmental regulations. It all remains in place, and that protection is in the Constitution, a protection of indigenous rights under section 35.

Marilène Gill: Thank you for your answer, Ms. Gideon.

Indigenous communities will say the opposite, because a so-called region of national interest will be designated by the Prime Minister's Office, which will make decisions about major projects. The advisory committee is one thing, but these co-management groups are not necessarily everywhere, and the communities themselves feel deprived. There is no chief, nation or assembly of chiefs of a nation that will be able to discuss things. It is done through representation and not nation to nation.

A concern is being conveyed to the committee, and pretty much everywhere. On the one hand, indigenous people say that rights won't be respected, but you're saying that all these rights will indeed be respected, whether it's the right to land or, obviously, treaty-related rights. However, here it seems that we're overlooking that, and that's really what some chiefs have mentioned. I won't say it was all the chiefs. I can't speak for everyone who is first nations, Inuit or Métis right now.

● (1650)

[*English*]

The Chair: As we carry on, we're kind of going into some other legislation. We're studying the water legislation. The person has answered the question. If they want the chance to answer this one more time, that's fair. I'm just saying that in the opinion of the chair—

[*Translation*]

Marilène Gill: Mr. Chair, we could have an argument that would make you understand the connections. The government can talk about legislation, but I'll give as an example the environmental impact assessment. It has acquired this resource, but with Bill C-39, it won't need to wait for it. It won't be necessary. I think there is a consequence to passing a law that will be above another law and that will give certain individuals control over people's future. I felt there was a connection, but I can move on to another question.

I was glad to hear the minister speak earlier about the whole issue of the northern residents deduction. She said that work had been done on it. I've heard the idea that it would increase. I don't know if it would be a proportion. Maybe that is being discussed. I don't know who I should speak to. Could the officials tell me a little more about the work that has been done on the deduction?

The minister also answered “yes” regarding Anticosti Island and Haida Gwaii. I imagine it's more specific. Could the officials also tell me what has been done about this and what we should expect in the coming weeks, if not months, on that issue?

Valerie Gideon: What I can tell you is that this is the responsibility of the Department of Finance. The minister has discussions with her colleague, but it is not her responsibility. Therefore, I can't give you an overview of the next steps, since it's not being done within our department.

Marilène Gill: Mr. Chair, where did I end up? Do I have any time left?

[*English*]

The Chair: You have 50 seconds.

[*Translation*]

Marilène Gill: I have one last question about nutrition north Canada. Of course, there are always reviews, and we've done a number of studies at the committee. Every time we conduct studies, the people who come to testify talk about reducing red tape. They use the term “red tape” and say that it's very hard for people in small communities as well as for merchants. Despite the fact that we've been talking about it for about 10 years, is there anything right now that officials are looking at to provide relief to people who find it hard to access nutrition north Canada, despite the fact that they appreciate the program?

[*English*]

The Chair: You'll probably have to put that in writing, because it's probably a pretty substantive answer and you have nine seconds left.

Thank you.

As we go to the next person, we're back with MP Dalton.

No?

It's back to you, MP Schmale. You did the switch.

Jamie Schmale: We're just keeping you on your toes, Chair.

Thank you, witnesses.

To go back to what I think Mr. Dalton was talking about, nutrition north Canada held a food sovereignty summit in March of this past year, a few months ago, and at the Chateau Laurier, I believe—it seems appropriate.

This study says that you're bringing together community leaders, which is great. We're talking about food security. In phase two of that, according to your departmental plan, there is a food security research grant under way. That sounds pretty interesting.

The next paragraph says:

Collectively, these activities will provide a path forward for [Nutrition North Canada] program reform. Direction from evaluations, validated with partners, will inform program activities for 2026-27. In the meantime, CIRNAC will continue to plan engagement activities [to] develop communications materials for public distribution to better highlight and increase awareness of the components of [Nutrition North].

To the comments earlier, we were talking about more meetings. This is the second study on this topic that I've been involved with, and I've only been here since 2019, so I can imagine how many there were before this. At what point are we going to see food prices come down for the people who are suffering?

● (1655)

Valerie Gideon: Thank you for this.

I think that budget 2024 made a commitment for the then minister to co-develop the reform of nutrition north Canada. In order to meet that commitment, it was necessary for the minister and the department to launch engagement sessions and approaches and host the summit, as well as work through the Inuit-Crown food security working group. It was a commitment that was made in budget 2025.

Jamie Schmale: We've had all these conversations and we came up with a gaggle of recommendations from this committee. Have they been implemented? We've heard from people all over the north with suggestions.

Valerie Gideon: I don't have the study in front of me, MP Schmale, but I would say that we did make a significant number of improvements over the years: for example, the introduction of the harvesters support grant, and the community food program fund. We also introduced the research grant—because there were questions about the data and the evidence—in really trying to see what were the areas of the subsidy that needed to have improvements. Those are all things that were responsive to recommendations, to interventions that had been made by indigenous partners and by members of the public over time.

Jamie Schmale: Okay. Most of these seem like new programs after programs, but all of these programs have not produced lower prices.

Has there been any kind of new or outside the box thinking throughout those conversations?

Valerie Gideon: We have increased by 60% the number of kilograms of eligible items that have been shipped since the program was introduced in 2011 and to 2024-25, and we'll have our departmental results report shortly published that will also demonstrate continued increases in terms of the amount of food shipped through the subsidy process. We've also increased significantly the number of communities eligible for the subsidy by 55% during that period of time. There have been improvements.

We've also increased eligibility for food banks to access the subsidy, not to mention the number of hunters and harvesters—over 40,000—who have benefited from that program in 1,200 community hunts and harvests and over 2,000 food-sharing programs. That has been a lot of innovation in the program from when it was created up to today. It doesn't mean that more reform is not needed, and I think the minister spoke about her commitment towards that earlier.

Jamie Schmale: We're also not forgetting—

The Chair: You have 30 seconds left.

Jamie Schmale: No way. Already?

The Chair: Yes, you're in a five-minute round.

Jamie Schmale: Okay. I had a whole line of questions.

I'll use this time to throw forward that motion, which I believe we all agreed to. It is to allow the associate members to have access to the digital binder.

I think this was agreed to at a higher level than ours.

The Chair: Do I see nodding heads? Is there unanimous consent here? Is everyone in favour?

(Motion agreed to [*See Minutes of Proceedings*])

The Chair: Thank you very much.

We're going to move to the next person.

Lori, you're going to have five minutes, please.

Lori Idlout: *Qujannamiik, Iksivautaq*. Thank you, Chair.

Tunngasugit. Welcome to the committee.

I'm curious. Does the Minister of Northern and Arctic Affairs have control over food prices?

Valerie Gideon: She does not.

Lori Idlout: Do any of your departments have control over the food prices?

Valerie Gideon: We do not.

Lori Idlout: When you're talking about these subsidies, then, what is it that you're doing? Are you responding to these food prices? What is it that you're trying to do with things like the nutrition north program?

● (1700)

Valerie Gideon: Maybe I could turn to Georgina for more detail.

Essentially, this subsidy does just that. It creates a reimbursement mechanism for retailers to be able to offset the cost of food that is shipped and that they provide in their particular location.

I can turn to you, and you can discuss the methodology around the northern food basket, Georgina.

Georgina Lloyd (Assistant Deputy Minister, Northern Affairs, Department of Crown-Indigenous Relations and Northern Affairs): Thank you for the question.

Absolutely, the subsidy as it is today is organized by high, medium and low. Indigenous partners work with us through meetings to be able to define different items that should be included at the high rate, medium rate and low rate of subsidy, and that varies by region. Then those costs are applied by kilogram of food. Then retailers provide that to Canada, and Canada reimburses it at a subsidized rate. The objective of the overall subsidy is to provide food security measures to support food security across the north.

Lori Idlout: Thank you.

Since you don't have control over what end up being the food prices in Canada, are there any ways or considerations that are helpful to you, such as knowing, for example, some external factors like Russia's invasion against Ukraine and what happened in the Strait of Hormuz? Do these kinds of external factors help you make any decisions about the subsidy?

Valerie Gideon: We will track uptake of the subsidy and demand for the subsidy, which is why, a few years ago, we did get a $30-million top-up to the subsidy, because demand increased. At that time it was largely driven by the Inuit child first initiative. You'll recall that. We can be responsive, then, to increased demands of the subsidy, 100%.

I think one of the things that we heard during the engagement approaches was the need to consider recalibration of the subsidy so that there is more consistency in terms of the percentage of the cost of food that is subsidized across communities, as well as consider communities that have different accessibility challenges. The lack of reliability of certain winter roads today, for example, as a result of climate change, is not something that we would have necessarily thought about 15 years ago, but it has become an increasing pressure for some communities.

We need to be able to be responsive to those, but there's a lot of call for increasing competition as well, which is why we have increased food bank access and increased the eligibility. It is something that is a continuous challenge, particularly in the northern context.

Lori Idlout: I wonder if you could share with us some of the announcements that were made at that food summit that was mentioned earlier. Some research programs were announced, and I wonder if you could give us that list of those research projects that were announced and maybe any update on how well they're doing to date.

Valerie Gideon: I'll have to turn to Georgina. I was there. I don't remember the list.

Go ahead, Georgina.

Georgina Lloyd: Thank you.

This is phase two of the research program. Phase one is completed. They are two-year research programs, and all of the research is northern led, so it really is about self-determination-based research. We've let communities decide the priorities of what they'd like to invest in. We've heard very clearly that northerners' solutions and what the capacities are have to be driven on the ground. That is why we want the research to be focused from the community-based level as well.

At the summit, there was $2 million of research funding announced for nine different projects. Those nine projects have all been implemented right now, and they will run until 2028.

Really quickly, they include Foxe Basin Kivalliq North and the KKETS in northern Ontario. Matawa First Nations is delivering a project. Niksik in Igloolik and Pirurvik Preschool, the society in Pond Inlet, have projects. The Sambaa K'e First Nation in Northwest Territories has a food-sharing research project.

The Southeast Resource Development Council, which has eight first nation members in northern Manitoba, is partnering with academic institutions: University of Toronto, Toronto Metropolitan University, and the universities of Victoria and Waterloo.

● (1705)

The Chair: Thank you very much.

Madam Gill, we have two and a half minutes for you, please.

[*Translation*]

Marilène Gill: Thank you, Mr. Chair.

Ms. Gideon, I'd like to ask one last question, in the two and a half minutes I have, on the whole issue of cross-cutting files. Obviously, Minister Chartrand has to focus on the north, and we agree that it's extensive, so to speak. We talked about transportation earlier. I listened to you talk about climate change and the environment. We're talking about food, housing and income. I talked about the deduction, for example.

I wonder if there were any formal mechanisms in place. Indigenous and Northern Affairs Canada needs to talk to other departments, but that's harder when there are silos. Are there formal mechanisms that don't involve discussions with a minister? Are there frameworks? Are there meetings with the minister and other ministers, for example? Is there a kind of northern caucus, for example? How does that work? What assurances do we have that the ministers concerned will be able to discuss all cross-cutting issues among themselves, without letting them slip through the cracks, perhaps unintentionally? What formal mechanisms exist to ensure that all files are handled by the ministers concerned?

Valerie Gideon: At the deputy minister level, the president of the Canadian Northern Economic Development Agency and I co-chair an Arctic committee that has been around for a number of years. It is very well established and very well structured. There is also a subcommittee of assistant deputy ministers that meets regularly. We maintain an inventory of all activities, of existing federal actions that are funded across the Arctic. These are some examples.

Marilène Gill: Does anything happen among the ministers? What interests me is whether they also meet, or whether deputy ministers meet without a formal meeting between ministers to discuss these issues together.

Valerie Gideon: I would say that there is no particular cabinet subcommittee, but ministers do discuss shared portfolios on a very regular basis. It's also a requirement that there be support between ministers for policy proposals or budget proposals that have cross-cutting impacts, as you mentioned.

Marilène Gill: Thank you.

The Chair: Thank you.

[*English*]

For the Conservatives, we'll go back to MP Schmale for five minutes.

Jamie Schmale: Thank you, Chair.

I'll continue with my line of questioning here. I want to go back to the diesel fuel issue and how you're trying to wean communities off diesel fuel. The goal is seven million litres by 2030. In the four years covering 2022 to 2026, your department has weaned off only about a million litres of diesel fuel—970,000, to be exact—according to your departmental plan. How do you reasonably expect to achieve the goal of seven million in the same four-year period?

Valerie Gideon: The departmental plan shows an annual amount, but it's cumulative since the target was set. It started in 2020-21. That's why the minister was saying that it's not.... The amount you're citing, let's say for 2024-25, would be 1,800,000 litres, but that's in addition to all the litres that have been avoided over the time period starting in 2020. It's cumulative.

Jamie Schmale: Okay. Thank you for clarifying.

At the same time, the amount of diesel fuel is still substantial. How do you expect to offset hitting that target of seven million litres while not driving up the cost for the people who use it?

Valerie Gideon: We're cumulatively now at the 6.7-million mark.

I'll turn it over to Georgina. She can give you some specifics on the strategies.

Georgina Lloyd: What I would say is that this precise target of offsetting diesel is really connected to the northern responsible energy approach for community heat and electricity program. That program is really designed to be a community-driven capacity-building program. Really, the objective of that program is to build, at the community level, capacity feasibility and implementation of renewable energy sources. So far we have invested in 288 projects since the program began.

Earlier on, in our measurement of offsetting diesel, the numbers were not as high as they are today. The reason for this is that it takes time to build that capacity at the community level. Projects needed to be built. Now that they're built, we saw the range of 1.8 million to 2.1 million last year of offset diesel. That will continue to grow as more communities move through the feasibility phases and implement projects.

● (1710)

Jamie Schmale: Concerning those 288 projects you just mentioned, what was spent on them? What was the number?

Georgina Lloyd: It was $142 million.

Jamie Schmale: That's $142 million over 288 projects. Have those communities seen a decrease in electricity as a result? Is there a number on that? I guess that's the question?

Georgina Lloyd: That's variable. It depends on the objectives of the community.

Jamie Schmale: What do they use as a backup power source?

Georgina Lloyd: Certainly, there are 73 microgrids of energy across Canada's north, all microgrids. Three of them are hydro in Yukon and the remaining are diesel. It is very clear that all of the microgrids that operate energy across Canada's north are disconnected from the North American grid and micro, so the majority do generally operate off diesel.

A voice: Seventy per cent.

Jamie Schmale: With those 288 projects—I know it varies—what's the average number of households or customers, if you will, through those 288?

Valerie Gideon: We would have to see if we can come back to you in writing with an answer on that, as we don't have that specific.

Jamie Schmale: I just want to see if there are people—

Georgina Lloyd: The program really is driven by the community priorities. In some communities, it's about redundancy. In other communities, it could be about accessing more households. In other communities, it's about experimentation and testing. Kluane First Nation, for example, entirely moved off their grid and went to solar for 17 days last year. That was their objective. I don't know if the program could even report in the way you're asking.

Jamie Schmale: Let's use that example. I'm just trying to get an idea of—

The Chair: About eight seconds are left.

Jamie Schmale: The community that went on solar for 17 days, that's fantastic news. Do you know what was saved during that period of time in terms of going off diesel? Did they give a number? It's a wild question I'm asking. I'm just curious.

Georgina Lloyd: We can certainly work with the Kluane First Nation and provide that.

The Chair: Thank you very much.

Send that to the clerk, and we will put that through to the analysts.

MP Philip Earle, you will have five minutes. The Liberals have five minutes left, and I have you down for the last spot.

Philip Earle (Labrador, Lib.): Thank you, Chair.

Let me say that I have a lot of passion for the nutrition north Canada program. I worked in the program for more than 25 years. I was the individual who ran the airline that delivered the food to the northern communities, so I do have an opinion.

At the food summit my colleague talked about, I was happy to participate. It was a great venue. I think we got a lot of feedback from people who live in the north and indigenous users of the program. I thought the program was valued.

My questions will be on two fronts, first, about nutrition north Canada, and second, about regional development agencies such as that which is represented here today.

Across Canada, food is moved in various seasons by various modes of transportation. There are occasions when food is moved by a marine tug and barge or a ship. There are other times when it's flown in.

Does the department track the price of food on the store shelves at times when it's being flown in versus when it's being brought in with a less expensive mode of transportation?

Valerie Gideon: We receive claims from retailers in order to process the reimbursements. That's done through the third party food processor. We would be able to see price variations, because that information is public. Even retailers who have websites, for example, have to publish the price of food pre- or post-subsidy. What you're describing would require some more in-depth analysis than regular administrative processing. We would have to see if we have one of the food-led research projects that may have looked at seasonal variations of pricing specifically.

Philip Earle: As we see the subsidy going up and we also see food becoming more expensive for people who live in the north, I would think that would be one of the first things we would approach to really zero in on to see if that subsidy is really getting to the end user, because that's the benefit of the program.

It's my opinion, with a fair amount of evidence and knowledge, that the more subsidy we put into the program, the higher the food prices become in the stores. There's a real example. For the Quebec lower north shore, which my colleague represents very well, in partnership with NNC and the STQ, food is moved by ship in the summer and flown in during the winter. To the consumer and to the retailer, the food prices stay the same.

Is that a good example to be using in other parts of the north to try to balance food in the northern affordability piece? Can you talk to me about that?

● (1715)

Georgina Lloyd: What I'll say about the subsidy is that you're right; there are different elements. I talked earlier about the high, medium and low subsidies and they also accord to the rate of isolation of the communities. It depends on how isolated a community is, and there's intermittent isolation in some cases. A good example would be when the Mackenzie River barge couldn't go through in 2024. That had a huge impact in the Sahtu region. There are times when we can increase subsidy rates, or we can add to the high subsidy rate in order to be responsive to times like that.

What we heard during the engagement was exactly what you're saying; sometimes this is applied inconsistently. How can we make the methodology more predictable? That is part of reform. Some of the advice that was included in the “What we Heard” report was that predictability and how the subsidy applies are in need of assessment.

Philip Earle: I have about one minute left.

I'll turn now to RDAs, understanding that the construct of our country's territories is different from that of the provinces, with Atlantic Canada, Labrador in particular, being part of Inuit Nunangat, particularly Nunatsiavut. As you talked about, ACOA does not have the same program that CanNor has.

Is it a missed opportunity or an oversight that an RDA such as ACOA wouldn't have a similar framework to that of some of the other northern programs to support some of the things that we talked about here at committee today?

Sean O’Donnell: Mr. Chair, I might defer to our vice-president in Yellowknife to take the lead on that question.

The Chair: Go ahead, Ms. Scott-Enns.

Itoah Scott-Enns: Mr. Chair, as RDAs, we all collaborate and work together to bring the unique context that we work within. As you know, CanNor's mandate is really focused on the three territories, so we do have input into the work of the RDAs and the programs that we implement to make sure that the policy approaches really meet the needs of our northern partners. Our focus is on ensuring that we're bringing a territorial lens to that discussion.

The Chair: Before we conclude, I would like to ask the committee to entertain a budget for Bill C-37, an act respecting water, source water, drinking water, waste water and related infrastructure on first nation lands. The amount requested is $19,625. Can I get nodding heads or a show of hands for approval?

Some hon. members: Agreed.

The Chair: Thank you very much.

Is there a point of order?

Brendan Hanley: It's kind of a point of order.

I just wanted to correct the record on the Kluane First Nation renewable project. It's a wind turbine project.

The Chair: All right. Do I have permission to adjourn?

Some hon. members: Agreed.

The Chair: The meeting is adjourned.

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