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Standing Committee on Public Accounts

Participants

Ministry of Indigenous Relations

Phillip Lamouche, Manager, Urban Initiatives, Indigenous Women's Initiatives

Donavon Young, Deputy Minister

8 a.m.

Tuesday, December 1, 2020

[Ms Phillips in the chair]

The Chair: All right. Good morning, everyone. I would like to call this meeting of the Public Accounts Committee to order and welcome everyone in attendance.

My name is Shannon Phillips. I'm the MLA for Lethbridge-West, chair of this committee. I would ordinarily suggest going around the committee table for the participants to introduce themselves; however, we have various participants joining us through various means, so I will note for the record that the following members are present, either via video conference or teleconference. Richard Gotfried, deputy chair, is present; Drew Barnes, Cypress-Medicine Hat, is present via teleconference; Lorne Dach is present; Peter Guthrie is present via video conference; Roger Reid is present; Marie Renaud is present; Miranda Rosin is present via video conference; Garth Rowsell is present via video conference; Marlin Schmidt is present; Jason Stephan is present via teleconference; and Richard Feehan has joined us as a nonvoting member of the Public Accounts Committee today.

As is usual practice, if you have joined us and I did not note your presence, please, when there's a break in proceedings, just make sure that your presence is noted for the record.

We also have joining us today the following officials from the office of the Auditor General via video conference: Doug Wylie, who is the Auditor General, Robert Driesen, who is the Assistant Auditor General. From the Legislative Assembly Office we have Philip Massolin, clerk of committees and research services, and Aaron Roth, who is our committee clerk. Today we also have with us via Skype for Business officials from the Ministry of Indigenous Relations – and there are a number of them – and I will simply ask them to introduce themselves when they speak, for the record.

A few housekeeping items to address before we turn to the business at hand. Based on the recommendations and the direction from the chief medical office of health, attendees at today's meeting are advised to leave the appropriate distance between ourselves and other meeting participants. Pursuant to the November 16 memo the updated committee room protocols require that outside of individuals with an exemption, those attending a committee meeting in person must wear a mask at all times unless they are speaking. You may leave your mask on if that just seems easier than taking it on and off. *Hansard* seems to pick up our voices just fine, but it is up to you what you like to do.

I would ask that members participating via video conference or teleconference ensure your microphones are muted unless you are recognized to speak. For those members and guests present in the room, *Hansard* will operate your microphones for you. Committee proceedings are, of course, live streamed on the Internet and broadcast on Alberta Assembly TV, and those audio- and video streams, the transcripts of meetings can be accessed via the Legislative Assembly website.

We will now move on, friends, to the approval of the agenda. Are there any changes or additions to our agenda today? Another moment here. Seeing none, would a member like to move that the agenda for the December 1, 2020, meeting of the Standing Committee on Public Accounts be approved as distributed?

Mr. Gotfried: So moved.

The Chair: So moved by Mr. Gotfried. Is there any discussion on this motion? Before the committee votes, I'd ask members to unmute their microphones. All in favour? Any opposed? Thank you. That motion is carried. Please remute.

Approval of the minutes, item 3. We have minutes from our last meeting in front of us. Do members have any errors or omissions to note in regard to the meeting minutes? If not, would a member move that the minutes of the November 24, 2020, meeting of the Standing Committee on Public Accounts be approved as distributed? Moved by Member Reid. Is there any discussion on this motion? Seeing none. All in favour? Are there any opposed? Thank you. That motion is carried.

Business arising from the previous meeting. Hon. members, at our November 24 meeting the committee had under consideration the following motion: moved by Mr. Gotfried that

the Standing Committee on Public Accounts, for the period of November 30, 2020, to December 31, 2020, cancel its scheduled morning meeting if the Legislative Assembly has not adjourned by 11:59 p.m. the previous day and that the ministry or [any] other entity invited to attend the cancelled meeting be rescheduled at the direction of the committee.

The meeting adjourned. When the committee adjourned, Ms Renaud was speaking to the motion.

Is there any further discussion on this motion? Okay. I have Member Gotfried.

Mr. Gotfried: Thank you, Madam Chair. I just wanted to provide some comments and context on perhaps some of our confusion on both the rhetoric and the change in position on this particular motion. On Tuesday, July 14, 2020, at 9:37 a.m. an e-mail was received from a member of this committee and a senior member of the NDP Official Opposition caucus under the subject PAC – General Policy in the Event of Late Night Sitting, that stated:

I don't mind us making the decision between the two of us (making a recommendation, I suppose) and then putting it to the committee members even by email. I am sure it's the sort of thing that would find pretty easy agreement. I am happy to decide that the cutoff is even 11pm or midnight.

Why don't I propose this, then, and you can amend it if you feel strongly:

It is automatic no PAC if the House sits beyond 11pm the night before.

That way, there is a possibility of 8 hours between shifts for LAO staff, well probably less but at least we are trying.

Madam Chair, due to time constraints at the next meeting, which ended at 9:54 a.m. on a sitting day and the fact that I was personally in the chair and that the planned or proposed motion was never made by the intended proponent, we are now veering strongly away from what was supposed to be "the sort of thing that would find pretty easy agreement."

The members opposite know from their own time in government that managing government-side rosters is somewhat different than the duty roster lite generally employed by opposition caucus. For the Member for Edmonton-McClung to suggest that his caucus or members somehow work harder or are more capable in roster management is a patent misrepresentation of the facts of the Westminster system. For him to state further, "We are quite capable of providing individual members from our caucus to sit in the Public Accounts Committee meeting as scheduled the next morning": well, Madam Chair, our members come here not just to sit but to work, engage, probe, and keenly apply themselves in their very important role in a committee that I frequently say does our best work when we leave our partisan hats behind. Sleepyheads, indeed.

MLA Dach added in reference to guest ministries appearing in front of Public Accounts Committee: "So it's, I think, incumbent upon us to respect that work and preparation." However, opposition members of this committee blatantly played partisan politics, wasted taxpayers' time and money, and disrespected that very same

work and preparation of the Ministry of Health on February 12 of this year – 50 minutes of their and our lives and all the staff's time that we will never get back – respecting the work and preparations such that we had to invite them back two and a half months later to ensure that their work and preparation was truly respected by all members of this committee.

Mr. Dach further stated, "I think that we find that this motion also is contrary to the prerogative of the chair and it's being sort of outside of the subcommittee process." Mr. Dach, you might recall the exchange I shared with you at the beginning of this statement, which indicates otherwise. In fact, the prerogative of the chair, as indicated at that time, was to make a motion with similar intent, so if the chair will not act in the committee members' and staff's and, indeed, reflective of their own position and best interests on the topic, what should we do?

Mr. Dach makes various references around all the preparation for this committee, which I and my colleagues can attest to, and then essentially says to send in any fresh member, whether briefed or not. Mr. Dach, again, I would rhetorically ask: would that be one of your sleepyhead MLAs or a keen, briefed, well-rested MLA ready to do their job with respect to holding government to account on behalf of taxpayers, their constituents, and all Albertans?

MLA Dach further states:

I can only guess their motivation. We're looking at the UCP's sort of work ethic. I hesitate to say that it is because they don't want to get up early, but I think that, I mean, everybody has early mornings after late nights in this line of work. It's a pretty common thing, and it's something that is also a general practice of the whips to constantly be doing. The ebb and flow of meetings is constant here, and that's exactly why the whips are getting grey hair, because they have to deal with getting people on time into meetings that are scheduled regardless of how late things may have gone the night before.

So in one paragraph we have an attack on our work ethic, which is patently false, offensive, and that the member knows is not true, and he says we "don't want to get up early." Well, to the member, through the chair: give me your phone number, and I'll tuck you in with a tuck-in call every night and wake you up with a wake-up call every morning if you dare.

8:10

Then he tells us how "whips are getting grey hair, because they have to deal with getting people on time into meetings that are scheduled regardless of how late things may have gone the night before." A family-friendly and MLA-friendly approach from the member opposite, indeed.

Madam Chair, I respect and care about the health and well-being, irrespective of any political or ideological differences we may have, of all members and staff of this Assembly and government. That is the Albertan way, and I take exception to the casting of such aspersions and the callous disregard for the health and well-being of my esteemed colleagues of all political stripes and, of course, our valued staff.

Then to Member Bilous, who says, "But I think, quite frankly, we're setting a dangerous precedent by allowing Public Accounts to be postponed if the Chamber sits well into the night." Well, Mr. Bilous, please talk to your own chair about how she felt about that dangerous precedent on July 14 at 9:37 a.m. Sounds like a change of heart, a change of perspective, a change of logic, an injection of some inexplicable partisan behaviour to me, and to what end, Madam Chair? Trying to poke a partisan stick into someone's sleep-deprived eye?

To top it all off, thanks to Member Renaud. Yet another member opposite reflected her views very succinctly by stating, "I think we

all realize what we sign up for when we do this job, and sometimes there are late nights and early mornings."

Mr. Schmidt: Point of order, Madam Chair.

The Chair: Yes.

Mr. Schmidt: Relevance. You know, the member is just clearly venting his hurt feelings about comments that were made in this committee meeting. If he wants to get things off his chest, I suggest that perhaps he take our members out for coffee and discuss how we could mend his hurt feelings that way. This isn't an appropriate venue. Let's stick to the motion at hand here.

The Chair: Okay. I am not going to find a point of order. I am going to issue a caution that things are pretty spicy, so we can all dial it down a little bit here. We'll try to get to the business of the meeting.

Mr. Gotfried: Thank you, Madam Chair. I think this is entirely relevant to the motion at hand.

May I observe and add, Madam Chair, that on our side of this room are a combined 55-plus hours of weekly driving in whatever weather is thrown at us, where I might remind you that I lost a dear and respected colleague just five short years ago, just so that we may spend a few days per week with our families during the legislative session while also meeting constituent and constituency demands. So please, please don't lecture us for what we signed up for.

Madam Chair, a few other hints for my honoured colleagues to consider in the next wave of humanity, empathy, and compassion. The clear and unequivocal effects of sleep deprivation are real. It drains your mental abilities and puts your physical health at risk. Science has linked poor slumber with a number of health problems, including a weakened immune system. Furthermore, lack of sleep can cause numerous health-related problems. It's a risk factor for mental health problems such as depression. It can also contribute to cardiovascular and other conditions. Being sleep deprived also significantly increases your risk of being in a motor vehicle accident.

Sleep deprivation can also make existing respiratory diseases worse. Sleep deprivation lowers the body tolerance for glucose and is associated with insulin resistance. Sleep affects processes that keep your heart and blood vessels healthy, including those that affect your blood sugar, blood pressure, and inflammation levels. It also plays a vital role in your body's ability to heal and repair the blood vessels and heart.

Initial sleep deprivation symptoms may include drowsiness, inability to concentrate . . .

The Chair: I am going to intervene here and ask the member to get to the point. We can all read a Wikipedia entry about sleep deprivation.

Mr. Gotfried: Obviously not. It was not reflected in some of the past comments.

Madam Chair, as I think you might agree – in fact, you did – these and other factors might lead one to consider the decision to be "the sort of thing that would find pretty easy agreement." As that is not the case, and further the smooth and collaborative operations of our subcommittee have been compromised and members on this side of the room have been subject to ridicule, innuendo, and derision from the members opposite, I would like to seek unanimous consent of the committee to withdraw the motion arising from the previous meeting's business for further consideration. We have wasted far

too much time on this, and government-side members would now like to get on with the good work of this committee and move on to truly respect the hard work and preparation of today's guests, stop this petty, partisan, and noncollaborative behaviour in its tracks once and for all, and get back to the important work of Public Accounts.

Thank you.

The Chair: Well, thank you, Member. I'm going to put myself on the list to just speak to some of the points that were just made. When that intervention was made in July, it was in response to some new developments in terms of pandemic protocols, staffing levels, and so on, when it was unclear to me – and it's possible that that clarity could have come sooner, but the fact of the matter is that it was unclear to me at that time what kind of staffing requirements were required on the part of folks operating this table and the cut-off time that they required for notice. It was in the context of some very, very late nights, coming to the conclusion of that particular sitting under extraordinary circumstance, when we were adapting, all of us, not just MLAs but also staff, to those extraordinary circumstances.

We are now in a situation where much of these protocols and procedures have regularized themselves. We now understand how many people are in the Chamber. Scheduling has been changed. Work-from-home protocols have now been put in place in terms of the Legislature staff that support us. More to the point, we have sought clarity and received it from the committee clerk and others that it is not the fact of the early morning meeting that is the issue; it is the time of notice.

That is why my subsequent suggestion has been to have Public Accounts, to know that this is an issue, and to schedule it accordingly, particularly given the reduced number of people in the Chamber.

That is a clarification on having e-mails read into the record and the context for that.

Am I recognizing any other members? Marlin.

Mr. Schmidt: Yes. Thank you, Madam Chair.

The Chair: Okay. Just wait a second, actually. The member has sought unanimous consent to withdraw this motion. Is that correct? Okay. We need to call the question first on that. The first thing we are going to do is that I will put one question to folks, which is that I'm asking for unanimous consent to withdraw this motion. Is there anyone opposed? Seeing none,
that motion is withdrawn.

If there is other business arising, hon. members, we may tuck that into the appropriate place on the agenda, which is other business.

Let us now move on to the Ministry of Indigenous Relations. I'd like to welcome our guests, who are here to address their annual report. Ministry officials, I will give you a moment to prepare yourselves and invite you, when you start speaking, to deliver 10 minutes of opening remarks. Your time begins when you begin speaking. Please identify yourselves for the record just before you start speaking.

To the first ministry official from Indigenous Relations: we are seeing that your microphone is muted. I believe that is the phrase for 2020: you are on mute. Perhaps just have a look there. We should be able to hear you if you are able to unmute.

Mr. Young: Can you hear me?

The Chair: Yes, we can. You can enable your video as well, and we will begin.

Mr. Young: Okay. My video is on.

The Chair: Okay. We don't see you, but that's okay. Please proceed.

8:20

Mr. Young: Thank you, Madam Chair. Good morning to you and all the members who are participating virtually today. I am Donavon Young, Deputy Minister of Indigenous Relations. Joining me today are Phillip Lamouche, manager of indigenous women's initiatives; Don Kwas, assistant deputy minister of First Nations and Métis relations; and Michael Lundquist, assistant deputy minister of consultation, land and policy, and our senior financial officer. Other Indigenous Relations staff are also participating and can be available for questions and will identify themselves when called upon.

While we are here today to talk to the outstanding recommendations from the office of the Auditor General, I'm very pleased to say that Indigenous Relations is one of only two ministries to have satisfied all the office of the Auditor General's recommendations for the 2019-20 fiscal year. This certainly is a point of pride for me and my staff because we worked hard to make processes better and more transparent and because this unqualified independent auditor's assessment gives us a chance to focus on the mandate ahead of us instead of working on recommendations. That mandate is about being a true partner with indigenous communities to address economic and social issues.

In fiscal year 2019-20 we took measures to realign our budget with government priorities, so we reduced indigenous community reliance on government funding while increasing their ability to access and invest funds in income-generating projects. As well as launching a new economic development approach, Indigenous Relations is making strides to improve consultation processes and uphold a commitment to indigenous women and girls so they can live lives with hope for a safe and prosperous future. These are topics I will highlight during the remainder of the time I have allotted this morning in terms of economic priorities.

Budget 2019 shows our operational shift. With the repeal of the climate leadership act, we successfully concluded the indigenous climate leadership initiatives program. We did see strong uptake of the programs, with a total of 319 projects now completed or pending and more than \$87 million to fund renewable energy projects, trainings, and other deliverables through indigenous climate leadership initiative program grants. Recently Three Nations Energy opened its solar farm in Fort Chipewyan to offset about 25 per cent of the diesel energy needs of the Athabasca Chipewyan First Nation, Mikisew Cree First Nation, and the Fort Chipewyan Métis community association.

These sorts of projects can continue and are most eligible to apply with more backstop funding available to communities through the Alberta Indigenous Opportunities Corporation. Budget 2019 included \$6 million to begin the work to create the AIOC, including stakeholder and community engagement sessions through the summer of 2019, the appointment of a ministerial advisory committee, and funds to second temporary staff, including an interim CEO. This gave Indigenous Relations a chance to put forward legislation for the first time in nearly 30 years, enacting a Crown corporation with the ability to work fluidly with indigenous communities and groups on investment opportunities that will bring new revenue streams to more places that urgently need them.

The first loan guarantee was announced in the late summer this year, \$93 million to give six indigenous communities means to secure an equity stake in Alberta's newest electricity generation plant, the Cascade Power project. Minister Wilson has heard

concerns that loan backstops will favour indigenous communities with greater access to wealth because they have more resources to put down up front. The Cascade project shows how consortia can help build equity for communities with fewer financial resources available to them, and this will be a way to increase community co-operation and support. The legislation passed late in the fiscal year, so operationwise the AIOC needed less money than we originally expected. Of the \$6 million budgeted for the AIOC, we were able to reprofile \$4.9 million to this current fiscal year. That funding is designed to take care of operational costs and capacity funding, which I will talk about more shortly.

Another initiative introduced during 2019-20 is the indigenous litigation fund, with \$10 million over two years for grants to indigenous groups interested in legal action that supports responsible resource development. In its first year the government awarded one grant to the Woodland Cree First Nation to seek intervenor status in the Alberta government's court challenge of the federal Impact Assessment Act. We were able to reprofile \$9.75 million to the 2021 fiscal year for future grants to the indigenous litigation fund.

Again, because of the late budget tabling in 2019, we had to postpone calls for submissions to the aboriginal business investment fund. This \$5 million grant helps indigenous communities with capital investments in business development opportunities. ABIF funding has been a boon to communities by supporting projects from grocery stores to tourism facilities to heavy-duty equipment and has created hundreds of jobs in spinoff businesses. Early in the coming year Minister Wilson will announce the successful applications for projects that will help indigenous communities through these tough times and bring economic hope to people who need it.

Another grant program, the employment partnerships program, is a flow-through fund to benefit indigenous communities by creating employment, training, and development programs. We were able to flow \$3.1 million to 28 employment partnership program projects, enough to support 271 indigenous people in Alberta to get direct career training. Through these economic development programs Indigenous Relations is meeting a major objective to improve the economic security and prosperity of indigenous people.

Economic security is the baseline for making sure that communities, families, and individuals have a good chance at well-being. This is work we continue with the First Nations and Métis women's councils on economic security. With a direct line to the minister through the co-chair, the council members keep us aware of how women can be part of creating a stronger future. That is another reason we preserved funding for the Institute for the Advancement of Aboriginal Women and the important work they do.

During the 2019-20 fiscal year we established the Alberta Joint Working Group on Missing and Murdered Indigenous Women and Girls to be sure that the Alberta government has a clear direction forward on this critical issue.

Building those strong relationships helps Indigenous Relations staff move forward on other community-related issues, too, such as the protocol agreements. In 2019-20 the Alberta government renewed an agreement with the Blackfoot Confederacy and was set to sign a protocol agreement with the Stoney Nakoda Tsuu T'ina Tribal Council before the end of the fiscal year, but with the quick spread of COVID-19 in the spring we postponed the event until October 2020. Our work with the organizations for Treaty 6 and Treaty 8 continues. Protocol agreements give us that formal government-to-government relationship to talk about mutual concerns and to find solutions together.

That is a concern also of indigenous relationships with industry when it comes to natural resources development. Through the aboriginal consultation office Indigenous Relations aims to provide the legal duty to consult and, where it is appropriate, to accommodate their interests when their constitutionally protected treaty rights and traditional uses may be negatively affected. The ACO is responsible for managing the process and ensuring that consultation needs are met. That includes preserving funds to provide base funding to indigenous communities so that they can help to pay staff and to set up an office to keep consultation active and inclusive. In 2019-20 Indigenous Relations fulfilled a commitment to add another \$20 million to the indigenous consultation capacity program, for which we provided community grants for consultation. This was an exceptional increase for a ministry with a small budget to sustain.

Overall, Indigenous Relations, like other ministries, needed to economize by figuring out which programs needed the most provincial support and which could be sustained through other funding sources. These are hard decisions and ones we take very seriously because we realize that they affect people's lives. Programs we discontinued in the 2019-20 fiscal year include the aboriginal economic partnerships program for \$2.8 million savings.

8:30

The Chair: Okay. Deputy, your 10 minutes are up.

We will now turn it over to the Auditor General for five minutes of opening comments. Your time starts, Mr. Wylie or Mr. Driesen, when you begin speaking.

Mr. Wylie: Well, good morning, Chair, and good morning, members. It's great to be with you this morning. I'll just start by saying that I, too, like the deputy, am very happy that there are no outstanding recommendations relating to his ministry. I congratulate the deputy on his success in addressing outstanding work relating to our office. It's something that we certainly look forward to and continue to work with ministries on because we believe that when the recommendations are implemented, there is a benefit that is accruing to Albertans and indeed to the organizations with whom we work.

Chair, I'll just mention one thing for the committee's benefit. There was a new corporation established, as you're aware, the Alberta Indigenous Opportunities Corporation. We did audit the financial statements of that corporation and are pleased to report that we issued an unqualified, or clean, audit opinion. There are no matters that are determined worthy of bringing forward to this committee or to the Legislative Assembly, so a clean audit opinion on the Alberta Indigenous Opportunities Corporation for approximately the first four months of its operation.

Chair, I will turn it back to the committee. Thank you.

The Chair: Thank you, Mr. Wylie.

Now we will move on to our questioning rotation. As a reminder, folks, we're in the in-session rotation, so our first rotation is the Official Opposition at 12 minutes, followed by the government side at 12 minutes. I'm recognizing Mr. Feehan to lead off. Your time begins when you start.

Mr. Feehan: Thank you very much, Madam Chair. I appreciate the opportunity to ask a few questions. I thank the deputy minister for his introduction. I noticed that you did get cut off a little bit from what you hoped to report, but perhaps we can go through that a little bit. It appears that over the last year there have been pretty significant losses in this ministry. The Auditor General reports that the ministry has gone from \$261 million to \$165 million, a loss of \$96 million, which is almost 40 per cent, 36.8 per cent of the

budget. It's pretty significant changes in this, and I am hoping that with the help of the deputy minister we can identify where all of those losses came from and, in particular, the losses of programs that are associated with the loss of that almost 40 per cent of your budget and the loss of employment positions.

Mr. Young: I wonder if you might just start by telling us a little bit about the number of people who have been employed in your ministry and how many losses there have been in terms of staffing positions as a result of this almost 40 per cent decrease in your ministry.

Mr. Young: Okay. Thank you for the question, Mr. Feehan. Specifically in regard to FTEs, there was a 10 per cent reduction, or 22 full-time equivalents, in the fiscal year 2019-20. That included 12 management positions, and I guess the rest would be nonmanagement, so 22 reductions in full-time equivalents, 10 per cent of the department in the fiscal year 2019-20.

Mr. Feehan: Okay. Thank you very much for that.

I'm hoping, as we go through some of the budget, you can explain where those particular management positions came from. I noticed some consolidation from the previous outline of the staffing to this year. Perhaps you can walk us through some of that.

First of all, I wanted to begin by addressing the area of First Nations and Métis relations. I see, from the information provided, that this particular area has gone from \$36 million down to almost \$20 million, an overall reduction of \$16 million, or 44.7 per cent. That seems to be the biggest decrease overall. I wonder if you could just walk us through a little bit about what programming and what staffing have been lost in First Nations and Métis relations.

Mr. Young: Okay. Thank you. Just give me a moment to find the material.

So there was a \$7.2 million decrease, or 26 per cent, resulting from a \$5 million delay in ABIF, the aboriginal business investment fund. We delayed that for one year to cover other shortfalls. So we set that aside. There was a \$1.6 million decrease in protocol agreements. The biggest change was in – oh. Sorry. You're asking about FNMR. Urban initiatives: there was \$700,000 lost. The Alberta economic partnership program: \$2.8 million. We actually closed that program.

Mr. Feehan: I'm sorry. What was the program? I missed that. Can you say it again?

Mr. Young: The Alberta economic partnership program: \$2.8 million.

Then there was a 20 per cent reduction to a lot of the grants. For instance, the Metis Nation of Alberta, Aseniwuche Winewak Nation, or AWN, the friendship centres: a 20 per cent reduction. I mentioned the delay, the one-year delay – we set aside ABIF – for \$5 million. I believe that captures the majority for FNMR.

Mr. Feehan: So the majority of that was a reduction in program size but the elimination completely of the urban initiatives program. Is that correct?

Mr. Young: Correct. For \$700,000.

Mr. Feehan: Right. Do you have a list of the programs that were previously covered under the urban initiatives program? Is that something you can supply to me later? I don't need you to read them all out now.

Mr. Young: Yeah. I don't think I have a listing of the detailed projects, but we can certainly provide that to you.

Mr. Feehan: Okay. The decision to remove all of the urban initiatives programs: can you tell me if that was because of a failure of the programs in any way, or is this a policy decision in order to reduce costs in this department?

Mr. Young: No, it wasn't through the result of failure. It was dealing with the new budget targets that we were given. I should mention there were 11 projects that were funded. I have that. I don't have a list of them, but there were 11 projects that we funded.

Mr. Feehan: So 11 projects have been cancelled as a result of this decision?

Mr. Young: Correct. Yeah, in '19-20. We have reinstated, going forward, a few projects. But there were 11 projects funded in the previous year that we were no longer able to continue to fund.

Mr. Feehan: Mr. Young, can you remind us: approximately what percentage of indigenous people live in urban areas?

Mr. Young: Well, for Alberta, I believe it's close to 50 per cent. It's about 50 per cent, maybe 55 per cent of indigenous people in Alberta who reside off-reserve. I do want to mention, though, just to be accurate, that we did continue to fund the Alberta friendship centres. As you know, they provide a great deal of urban programming. They were cut 20 per cent, but they continue to be funded by this department. That did represent the majority of our urban funding, the friendship centres.

Mr. Feehan: So in the middle of this COVID crisis the friendship centres, which are the primary urban indigenous initiatives, were reduced by 20 per cent. Were they provided any extra monies in regard to COVID?

8:40

Mr. Young: I'm just going to ask Boris Contreras, who is the executive director of First Nations relations. He oversees this.

I don't think there was any provincial funding. There may have been through Community and Social Services. I know the federal government provided . . .

Mr. Feehan: Nothing through your department, though? That's okay. Thank you. I appreciate that opportunity.

Mr. Young: Nothing through our department for COVID prevention centres.

Mr. Feehan: Okay. Can you tell me a little bit about the decision to delay \$5 million in ABIF, a reduction of 26 per cent, apparently, given that you initially indicated that your concern was a reduced reliance on government and an increased ability to prosper in the community? I think that was your language. Yet you've delayed the ABIF program. Can you explain the reasoning for that delay?

Mr. Young: Yeah. We only delayed it by one year, so fiscal year 2019-20. We delayed it but reinstated it at the full funding amount of \$5 million in 2020-21, this current fiscal year. The reason, really, was to meet other pressures in the department, most notably the consultation capacity investment program. There was a commitment made, when you were in government, to fund those for 20 months, and we maintained that funding for consultation capacity.

Mr. Feehan: Right. So in order to maintain the previous committed funding in another program, this program was temporarily decreased by 26 per cent.

Mr. Young: I'm not sure what you mean by 26 per cent, sir.

Mr. Feehan: Sorry. You had said originally that it was decreased by \$5 million . . .

Mr. Young: Yeah, \$5 million for one year.

Mr. Feehan: Right.

. . . to hopefully be reinstated next year, but at the present time you're decreasing.

Can you remind us what types of programs the ABIF, the aboriginal business investment fund . . .

Mr. Young: Yeah. This is a capital project, and it funds, you know – really, it depends on what comes forward from the communities. We have funded heavy-duty equipment.

Mr. Feehan: Heavy-duty equipment such as the one at Beaver First Nations?

Mr. Young: Right. And, you know, a grocery store in Fort Chipewyan and so on. It's a capital grant program. The average size of the grants tends to be in that \$500,000 to \$750,000 range, but it is in effect this fiscal year. It is running as we speak.

Mr. Feehan: Can you tell me if you have any data with regard to the decrease in employment opportunities available in indigenous communities given the decrease in the ABIF program?

Mr. Young: No. We don't collect that kind of data, where we trace employment per grant or attached to grants. Grants, really, are more of an indirect support. I'm not sure we consider them a direct cause of employment.

The Chair: Thank you, Deputy, and thank you to the member.

We'll now move over to the government side for their initial 12 minutes. I have a list here, to begin with Member Stephan.

Mr. Stephan: Hi. Can everyone hear me okay?

The Chair: Yes.

Mr. Stephan: That's great. Thank you so much, Madam Chair, and thank you to the ministry for being here. I want to discuss page 15 of the annual report, outcome 1. That relates to improved economic security and prosperity of indigenous peoples in Alberta. I know that we've discussed funding and investment. I want to discuss the \$1 billion in additional new funding to support Alberta's indigenous partners and, in particular, the Alberta Indigenous Opportunities Corporation. On page 15 of the annual report, objective 1.1., it identifies: "Establish and provide oversight for the Alberta Indigenous Opportunities Corporation to work towards Indigenous Peoples' ownership in major resource projects." My first question is: at a high level how is the Alberta Indigenous Opportunities Corporation intended to support the outcome of improved economic security and prosperity of indigenous peoples in Alberta?

Mr. Young: Thank you for the question. Well, the AIOC has been authorized to provide up to \$1 billion in Crown guarantees on financing for indigenous community investments in natural resource projects and infrastructure that benefit the Alberta economy. Additionally, the corporation is able to provide capacity grants that are funded through its operating budget to provide communities with access to third-party technical and advisory services, accounting services, legal, investment services to ensure both the quality and reduce the risk of the investments that may be supported by the AIOC. I think you may know that the AIOC's

current focus is on natural resource projects, things in oil and gas, heavy oil sands, coal, forestry, and so on. All natural resource projects are on the table, and there's been quite a bit of interest in the first – it's only been about 12 months – almost 12 months that the corporation has been active.

Mr. Stephan: Great. I want to talk a little bit about – the annual report goes on to explain that the AIOC "was established to support Indigenous communities seeking to make medium-to-large scale investments in major resource projects by addressing long-standing barriers to accessing capital and expertise." In prior years was there any capital that even approaches the \$1 billion that was used to support the AIOC for this purpose?

Mr. Young: No. No, there wasn't. There wasn't anything that came close to it. The only thing we really had in the department – and I just talked about it earlier with Mr. Feehan – was the aboriginal business investment fund, and that was \$5 million. The average size of the grant made was about \$750,000. Really, the AIOC takes investments and takes indigenous participation in the natural resource economy to a whole new level. It really is just a qualitative change from what was tried before, what was available before, I should say. To our knowledge – and we've checked – there really isn't anything like it anywhere else in Canada where indigenous groups, consortia can get up to, yeah, hundreds of millions of dollars of the treasury backstopping in viable projects. It is quite a different policy initiative, for sure.

Mr. Stephan: It basically dwarfs anything that the prior government did from a dollar perspective.

Mr. Young: Well, as I say, prior to this all we had was the aboriginal business investment fund: total capital, \$5 million; average size of investment was about \$750,000.

Mr. Stephan: Wow.

Can your department go into more depth on what consultation was had with indigenous communities and how their feedback was incorporated into the development of the AIOC?

8:50

Mr. Young: Absolutely. Thanks for the question. Indigenous Relations held eight engagement sessions that included approximately 200 participants, of which about 90 were elected indigenous leaders. Six of these sessions were specifically with indigenous community leadership in all three treaty areas as well as leadership from the Métis settlements and the Métis Nation of Alberta. Additionally, indigenous business leaders were included in two broader industry engagement sessions. We engaged specifically with First Nations leadership and business folks, same on the Métis side. But then in addition we brought together indigenous business leaders not affiliated directly with First Nations or Métis.

These sessions were held in advance of drafting the AIOC Act and provided an opportunity to test assumptions, to solicit input, to guide the formation of the corporation. Topics that were discussed included barriers to indigenous investment, the types of services that AIOC should offer, the board's composition, the process for selecting a board, the threshold of investments that AIOC could make. Really, the mandate, the priorities of the AIOC going forward were the topics of engagement, and we received pretty rich feedback during those eight sessions and 200 people.

Mr. Stephan: Well, I really love the fact that the AIOC was very informed and driven by consultation with our indigenous community partners.

Speaking about the board of directors, what was the selection process for the board of directors?

Mr. Young: Well, the AIOC board recruitment process was conducted and appointments made on merit against a competency matrix with due regard to the benefits of diversity on the board of directors. We actually had a list of all the competencies we were looking for, and we recruited against that. Included in these competencies are experience in indigenous community relations and experience working in or with indigenous communities.

Mr. Stephan: Well, I note that Strater Crowfoot, who's a personal friend of mine – I've actually done a marathon with Strater – is a member of the board. He is CEO and executive director of Indian Oil and Gas Canada. I think it is great that you have different competencies on the board of directors to ensure that maximum benefits are derived to indigenous communities from the AIOC.

Page 15 of the annual report states:

The ministry also developed an approach to funding that allows the AIOC to set up and manage its operations, including the provision of capacity grants to Indigenous communities, and establishes effective ministerial oversight of the AIOC.

Would the department be able to elaborate on the funding model that has been set?

Mr. Young: Yes. Thank you. The Ministry of Indigenous Relations has entered into a four-year grant agreement with the AIOC at a total value of \$20 million. With the exception of its first, partial year, 2019-20, the AIOC receives up to three additional payments totalling \$6 million per year based on quarterly financial reporting by the corporation. This funding can be used for capacity grants or operational needs as the AIOC sees fit and is in addition to any revenues the AIOC may otherwise generate.

Mr. Stephan: What sort of oversight measures have been put into place in respect to this funding?

Mr. Young: The AIOC provides quarterly financial reports to Indigenous Relations and is also annually audited by the office of the Auditor General – and you heard that at the beginning of this session – at least the first four months. In addition to financial reporting, the AIOC reports quarterly on all supported investments, including the current state and risk of each investment, and annually with respect to the business plan and annual report. With respect to investments, Indigenous Relations and Treasury Board and Finance staff have formed a working group tasked with reviewing and providing guidance to AIOC investment evaluation, monitoring, and reporting procedures. Finally, the Deputy Minister of Indigenous Relations is an ex officio, nonvoting member of the AIOC board of directors.

Mr. Stephan: Great. I know that we're almost out of time. I would definitely be interested at some point in hearing about the AIOC investment in the Cascade Power project. My understanding is that six Alberta indigenous First Nations did participate. My understanding: that is a 900-megawatt natural gas fired plant. We're probably out of time, but I hope that at some point we do have the opportunity to hear about that.

The Chair: Thank you, hon. member.

We'll now move on to the nine-minute rotation, led off by the Official Opposition. I'm looking at Member Feehan.

Mr. Feehan: Thank you, Madam Chair. I appreciate that. Thank you, Mr. Young, for your information. I am just wanting to go back a little bit to some of the program losses that have occurred over the

last little while just to get some clarity on it. I am aware that the emphasis is being put now on the AIOC and that there has been some First Nations participation. I quite welcome them, by the way. Of course, we did vote in favour of the AIOC in the House as well, so we're happy to hear that there's some success there. But it also seems to me that there's been significant loss in local development. Instead, that money has been investment in large projects with international focuses, which may or may not have its benefit in the end, but I'm happy to ask.

At this particular time I just wonder if you could just even tell me: of the 48 First Nations in the province of Alberta, how many of them have been involved in AIOC programming? Do you know?

Mr. Young: If you mean, sir, by "been involved in AIOC programming" those communities involved in an investment, the board has only made a single investment, the Cascade project.

Mr. Feehan: Six First Nations. Okay.

Mr. Young: Yeah.

Mr. Feehan: Are there any . . .

Mr. Young: There were six . . .

Mr. Feehan: Sorry. Any Métis communities? Sorry.

Mr. Young: No.

Mr. Feehan: I interrupted you. Sorry. I'm having trouble with the . . .

Mr. Young: There were no Métis communities. It was six First Nations who participated in the Cascade project, and that was, yeah, the first one. As I said, we have a couple in the pipeline.

Mr. Feehan: Right. Thank you.

I just wonder, then, if we could look back at the other projects that have been eliminated; for example, the indigenous climate leadership initiative. Of the 48 First Nations, are you aware how many of them took advantage at one time or another of one of the seven programs under the ICLI program?

Mr. Young: I don't know that specifically, but I'm going to say: certainly the majority. But I will defer to . . .

Mr. Feehan: If my memory serves me right, it probably was all 48 that had at least one successful application under the seven programs. Would that be inaccurate to say?

Mr. Young: We're just trying to find the briefing note, but I know that it was a very high amount. It was, if not 48, certainly a majority. It was close to 48 who participated in that.

Mr. Feehan: Okay. Of the eight Métis settlements, are we aware of how many of those participated?

Mr. Young: Not at my fingertips, sir. We'll have to provide that to you.

Mr. Feehan: Okay. Although I suspect I'm not wrong to say that all eight of them participated. Is that right? The reason why I'm asking is because there seems to be an emphasis moving away from local projects that are occurring on each nation and each settlement, a reduction in supports for things such as grocery stores, local heavy equipment, and other things that you've mentioned, through ABIF and so on, to financial investments that are outside the community.

I'm just wondering whether or not you've kept any track of the number of job losses that have resulted in moving away from creating local employment to financial investments.

9:00

Mr. Young: No. As I said earlier, we don't track that information. We don't track the number of jobs created or, as you've just said, potentially the number of jobs lost. You know, we provide indirect support to the community through these grants. They're just not direct contributors to direct jobs. It's not sort of one on one, but . . .

Mr. Feehan: Sorry. You don't have any sense about the number of positions that would have disappeared as a result of the reductions in all of these areas, the loss of money to the MNA, the loss of money to the AWN, the loss of money to the friendship centres, the loss of money to the climate leadership people that are run in each community, no sense of all of the jobs combined that have been lost in those ways?

Mr. Young: No. We don't track that data, the number of jobs gained or the number of jobs lost. We don't have that.

Mr. Feehan: Thank you.

I'd like to turn for just a moment to talk about some of the other losses that appear to have happened in the last year. I want to begin to ask you a little bit about some of the water connection programs, the First Nations access to safe and clean drinking water program. On page 32 of the annual report it indicates the status of these programs. I notice that it indicates that at this time there are only two projects that were completed to reserve boundaries. Is that accurate?

Mr. Young: Yes, for the first part, but there were a number of others. There is a total of 10 projects currently under way, and we're working with 13 First Nations, two completed at the time of the report. But if you want, I can certainly run you through a bit of an update on these projects because we have maintained the program.

Mr. Feehan: I'd be very interested in hearing about those, but perhaps is that something that you could deliver to me on paper?

Mr. Young: Absolutely.

Mr. Feehan: Thank you.

I just do want to note that you said that two projects were completed. They were actually both completed prior to the year in question, prior to the 2019-2020 year. Is that correct?

Mr. Young: Sorry, I'm not sure the exact timing. They might have been completed right around the beginning of the fiscal year. But I can assure you that that program has continued, and we're engaging another 10 projects and 13 First Nations on the water tie-in project.

Mr. Feehan: But no new tie-ins have actually been completed in the duration of the time of this government. Is that correct?

Mr. Young: Well, it depends on what you mean by tie-in because remember . . .

Mr. Feehan: To the reserve boundary.

Mr. Young: . . . that we take the infrastructure up to the reserve boundary. It's up to Canada, then, to take it to the last mile and connect it on-reserve.

Mr. Feehan: Right. So the measure for us would be whether or not we've gone to the reserve boundary, and you've indicated that only

two occurred, I assume the Paul Band and Alexis. So no new nations have received water tie-ins to the reserve boundary?

Mr. Young: I believe that is correct. Construction is under way at Whitefish (Goodfish) and Cold Lake.

Mr. Feehan: Okay. In previous questioning I asked where the money is coming from for these projects, and you indicated that the money that is being used for these 13 projects is the money that was previously allocated under the previous government. Has this government put any additional monies in to either complete some of these projects or to add additional nations to the projects?

Mr. Young: The government has maintained the funding that was in place.

Mr. Feehan: So no new money for new projects, just filling out the projects as they were in the past. Is that correct?

Mr. Young: As I said, no new money yet completing projects under way.

Mr. Feehan: Okay. I notice that in terms of your performance measures there are a number of reports here. For example, on page 33 you indicate a performance measure: "percentage of indigenous communities participating in an enhanced engagement process contributing to land-use." Your target was 69 per cent while the actual was . . .

The Chair: Thank you, hon. member.

We'll now move on to the government side, with Member Rowswell, I believe, to lead off. Nine minutes.

Mr. Rowswell: Okay. Thank you very much, and thank you, Mr. Young, for being here today. On pages 20 and 21 of the annual report it discusses the First Nations development fund. It's a grant program that supports economic, social, community development projects in First Nation communities. I see that the report states that it supported 337 initiatives. Can you explain the application process for this grant program and tell us how many applications were submitted overall?

Mr. Young: Okay. Thank you for the question. In 2019-20 there were 285 applications submitted. Some applications have more than one initiative attached to them. Applications are reviewed by liaison officers in Indigenous Relations to ensure compliance with the First Nations development fund grant agreement. Once applications are reviewed and deemed to be in compliance and complete, the liaison officer recommends for approval. The director of the First Nations development fund has signing authority for applications up to \$5 million while the minister approves any application above \$5 million.

Mr. Rowswell: Okay. That's the criteria that was used to evaluate the application?

Mr. Young: Correct.

Mr. Rowswell: Okay. Good.

Page 20 states that the "First Nations Development Fund Grant Agreement includes a requirement for Indigenous Relations to conduct compliance reviews in First Nations to account for grants provided to their community." Can you explain the compliance review process?

Mr. Young: Sure thing. The ministry conducts compliance reviews of First Nations to account for grants paid to their FNDF projects

as part of continuous improvement to the program and to ensure compliance with the FNDF grant agreement. The FNDF auditors and liaison officers perform a risk assessment of each First Nation to determine which First Nations will have a compliance review in the upcoming fiscal year. FNDF auditors determine what projects and transactions will be sampled, and they work with First Nations to assemble all of the required documentation. The FNDF auditors will either go out to the nations to perform the compliance review or, if the size and scope allows, perform the review in-office with the assembled documents. After a compliance review, a compliance letter and report is sent to the chief and council, First Nation administrator, and the designated FNDF contact and includes next steps for adjusting noncompliance if applicable.

Mr. Rowswell: Okay. That's interesting. I was just wondering. Have there been many, any compliance issues over the years? You know, is it getting better? Like, are there some examples of issues you might have seen, if any?

Mr. Young: It's actually been very clean over the years. I can recall, you know – I've been associated with the program pretty much since its inception in 2005-2006. I'm recalling two or three noncompliance, if you'd like to put it that way, that were of significance. We're actually very pleased with the program. We consider it a gold standard program in the department and in the government that delivers between \$120 million and \$140 million annually to the communities for community, social, and economic development.

Mr. Rowswell: That's good. That's good to hear.

Page 21 identified some cost savings due to this enhanced review function. I was wondering if you could go into a little more depth as to where those savings might have come from.

9:10

Mr. Young: Okay. As a red tape reduction initiative, revisions are being made to the compliance review process, project sampling, and working papers. The revisions will reduce the amount of time staff will be required on-site and reduce the burden on First Nations staff. In some instances the entire compliance review may be completed as a desk review versus on-site review, eliminating additional operational costs such as travel and overtime.

I would also like to mention that it's not tied directly to the compliance review, but administration of the FNDF is extremely lean and efficient. It is administered by the department on behalf of the First Nations. They actually like it that way. They prefer that the department administers the program. We administer it for about 1.3 per cent of the total value of the annual grant, so if you think that, you know, sort of a normal administrative fee is in that 10 to 15 per cent range, we administer it for 1.2, 1.3 per cent of the total value of the grant. What that says is that 98.2 per cent of the total FNDF funding available every year to First Nations actually goes to the communities, and about 1.2 per cent stays in the department for administrative costs.

Mr. Rowswell: Well done. That's good to hear.

Page 20 states that – like, I've been looking at just the First Nations development fund funding model. I was trying to get a handle on where all the money flowed, and I noticed that 30 per cent goes to the Alberta lottery fund. What happens to that? Is that just part of any amount of money that might go there, and it's distributed around Alberta? Is that how that works?

Mr. Young: Yeah. That 30 per cent tied to the Alberta lottery fund goes into general revenue, and the government gives us that to fund

not-for-profit and the charitable sector. Forty per cent of the slot machine revenue comes to the department. That makes up the First Nations development fund. Of that 40 per cent, 30 per cent goes to the host nations. The five nations who actually run casinos get the majority, and 10 per cent goes to nonhost First Nations, the remaining 41 nations. So every First Nation in Alberta in some way participates and benefits from the First Nations development fund.

Mr. Rowswell: Okay. I was trying to get a handle on the total number. There are 48 First Nations, there are eight Métis associations, and then there are five host associations. I just noticed here on the flow chart that it's divided by 41 different nations. There are five hosts. That's 46. So are there a few that don't participate?

Mr. Young: No, no. Not at all. Everyone participates. The difference, really, is that for purposes of this the Stoney Nakoda nation is counted as one, but in actual fact there are three communities in Stoney. For purposes of FNDF the number is actually 46, not 48, because Stoney truly is a single nation with three communities.

Mr. Rowswell: Oh, I understand.

Mr. Young: I do want to just make a slight correction. This is for First Nations, so Métis, whether it's the settlements or the Métis Nation of Alberta, do not participate in this program. This is for First Nations because the revenue really derives from the slot machine revenue in the five host nations' casinos. Métis do not participate in this program, only First Nations.

Mr. Rowswell: Oh, okay. That's good. I didn't understand, so I'm glad you clarified that.

Now on the indigenous litigation fund. Pages 15 and 16 of the annual report outline the indigenous litigation fund, which was created to assist indigenous communities in Alberta "who might not have the financial means to litigate for responsible resource development in their communities." Can the department explain the process for communities to receive this funding?

Mr. Young: Absolutely. The process is initiated by a letter. The applicant sends a letter that provides a clear description of . . .

Mr. Rowswell: Okay. I'll get back to you on that.

Mr. Young: Thank you.

The Chair: Okay. Thank you.

We'll now move over for the third rotation of nine minutes, with Mr. Feehan to lead off.

Mr. Feehan: Thank you very much, Mr. Young. I appreciate that. It's good to hear that the FNDF, which is not government money, continues to flow as best as it can. I know that you've always administered this program for a very little percentage – did you say 1.3 per cent? – so I'm very happy to hear that that's continuing.

Now, just back to some of the performance measures that I wish to speak a little bit about. I'll take you to the first one, on page 33 of the annual report, which is the "percentage of Indigenous communities participating in an enhanced engagement process contributing to land-use" processing. Your target was 69 per cent of communities participating, and the actual was actually 53 per cent. Just asking you to describe why that target may have been missed by that much.

Mr. Young: Well, we set out the targets for the 2019-23 business plan in 2018 based on the status of regional planning at that time.

There's also that 2017 and 2018 were higher than the target for 2019 due to three active regional plans during those years: the lower Athabasca, the North Saskatchewan, and the South Saskatchewan. The target of 69 per cent for 2019 was based on anticipated progress on the North Saskatchewan regional plan in 2019, and indigenous engagement on the regional plan development and implementation paused in spring of 2019 for the provincial election and has not yet resumed. That would explain the lower . . .

Mr. Feehan: Would there be any connection between the reduction in the size of your department and the reduction of staffing in your department to achieve this 69 per cent, or is it just simply a matter of delay because of the election?

Mr. Young: It's the latter, sir. Truly, there's no connection to staffing levels in the department.

Mr. Feehan: Okay. Thank you.

I notice that, as well, on page 38 you indicate that you had an objective of signing off on two protocol agreements, either renewed or developed, and achieved only one. Can you just help us understand why that did not happen this particular year?

Mr. Young: Well, as I said in my opening comments, we signed with Blackfoot Confederacy in last September, renewed with the Blackfoot Confederacy. We were getting ready to sign with the next, Stoney Nakoda Tsuu T'ina Tribal Council, when COVID hit, so we had to delay that. We've since signed with Stoney and Tsuut'ina. That would really be the difference.

Mr. Feehan: That's fine. So it just simply reflects the delay of the G4 signing from one year to the next year. There's no change.

Do you continue to have a protocol agreement with Treaty 8?

Mr. Young: No. We're wanting to renew it. Discussions are under way with Treaty 8 to renew that protocol agreement, but we have yet to sign.

Mr. Feehan: So the previously existing one expired, the protocol agreement with Treaty 8?

Mr. Young: I wouldn't say that it expired. Both parties, both on the government side and on the First Nations side, wanted a refreshed or renewed protocol agreement with the current government. There were frustrations expressed by the Treaty 8 nations especially. The old protocol agreement, if you will, was a bit cumbersome and didn't really produce the kind of results that they wanted, so they sort of wanted it refreshed. Those discussions are under way.

Mr. Feehan: Thank you.

I wonder if you could now just tell me a little bit about the First Nations and Métis women's councils. Have they both produced their report of recommendations in this last year?

Mr. Young: I'm going to ask Phillip Lamouche. I don't want to answer incorrectly.

Phillip, could you answer that question, please?

9:20

Mr. Lamouche: Hi, Donavon. Yes, certainly. Phillip Lamouche, indigenous women's initiatives. In 2019-20 the First Nations and Métis women's councils undertook a review of the previous recommendations and did a progress report, so they didn't . . .

Mr. Feehan: Can you tell me whether or not any of the recommendations have been implemented by this department or government, if they referred to the larger government?

Mr. Lamouche: Yes. Some of the previous recommendations: as you know, they take a bit of time to implement. There were certainly some recommendations that were moved forward.

Mr. Feehan: Do you have any description of which ones were moved forward?

Mr. Lamouche: Yes, certainly. There was one around the aboriginal tourism association. The First Nations women's council was looking at tourism, so the ministry worked on that.

Mr. Feehan: Perhaps, Mr. Lamouche, is there is a report available outlining what the recommendations were and which ones were in fact fulfilled and which ones have been delayed?

Mr. Lamouche: Yes. We can certainly get that report to you.

Mr. Feehan: Great. Thank you very much. I'll just leave it at that. I appreciate that.

Just with regard to the establishment of the murdered and missing indigenous women and girls report – perhaps, Mr. Lamouche, you were also involved with that – can you tell me: has the committee that you put together on murdered and missing women provided any list of recommendations at this point?

Mr. Young: Not at this point. That work is still under way. They meet monthly. I think one month they met twice. That work is ongoing, and we don't expect the report until later this spring.

Mr. Feehan: When was that committee originally established? If you could remind me.

Mr. Young: I'm going to say that it was established last March or April of 2020.

Mr. Feehan: So at this point in the last eight months or nine months they have not established any recommendations for their own achievement at this time, achieving particular outcomes?

Mr. Young: They haven't, but they weren't meant to do so, either. Their report is due to government on the anniversary, so in roughly April 2021 their report is due.

Mr. Feehan: The anniversary of the establishment of the committee, which would be about a two-year anniversary since the recommendations from the national committee. Is that right?

Mr. Young: Correct. That national committee report came out in June 2019.

Mr. Feehan: Right. Okay. Thank you very much.

Madam Chair, I wonder if you could just tell me how much time is available.

The Chair: Thirty seconds.

Mr. Feehan: I'm sorry?

The Chair: Thirty seconds.

Mr. Feehan: Thirty seconds. Okay.

Can you tell me if you have reintroduced the indigenous internship program into the department? Yes or no?

Mr. Young: No.

The Chair: Thank you.

We will now move over to the Member for Vermilion-Lloydminster-Wainwright. Mr. Rowsell will lead off.

Mr. Rowsell: Yeah. I'll just finish off our last question there, just relative to the indigenous litigation fund. I was talking about the process, and then I was going to ask about any projects that have been funded. I understand from the report that \$187,000 went to the Woodland Cree First Nation to intervene in the province's court challenge to the federal impact act, Bill C-69, and maybe C-48 in the future. I was just curious, like, about the process they went through to get that, and then what if they need more money? Do they have to reapply, or is that something that's monitored as you go along?

Mr. Young: If they needed more funding, they would simply ask for an amendment to the grant. It's a grant that we provided to them, so they would need to provide, you know, a description, the rationale, why they need the amendment, the additional funding. They would almost certainly have to show us work done to date, milestones, and that sort of thing.

But if it was deemed important, certainly on the government side, and that the work being conducted is of value, it would not be unusual for us to amend the grant. At this point they have not asked for that. And you're right. It was about \$870,000, which was provided to Woodland Cree to support them in seeking intervenor status in the government of Alberta C-69 court challenge.

Mr. Rowsell: Do you monitor that, or you've given them the money and you're kind of hands off at that point?

Mr. Young: No. I wouldn't say that it's hands off. I don't have the contract right in front of me, but there are deliverables due and reports due and so on. We do monitor. We stay, absolutely, in touch with them and see what kind of progress is being made and so on, if they're on track to completing the deliverables that are outlined in the grant. So there would be a close contact maintained throughout.

Mr. Rowsell: Okay. Very good.

I'll pass it on to MLA Reid.

Thank you.

Mr. Reid: Thank you, Garth. Thank you, Chair. And, Mr. Young, thank you for joining us today. I appreciate the time that you and your officials are spending with us, and I also want to congratulate you on no outstanding recommendations from the Auditor General. Kudos to your department for that. I think that's great.

I want to focus, to begin with, on the investing in Canada infrastructure program. Turning to page 27 in your annual report, it states that "Indigenous Relations evaluated 77 [expressions of interest] submitted by Indigenous communities in Alberta" and that "the Government of Alberta continues to support eight provincially endorsed applicants." What criteria was used to evaluate these expressions of interest?

Mr. Young: Okay. Alberta Infrastructure is the lead ministry for accepting expressions of interest and then assigning them to the most appropriate partner ministry for review. The intake for receiving these expressions of interest closed on July 31, 2019, and a list of assigned EOLs was provided for review and prioritization. And as you mentioned, a total of 77 were assigned to Indigenous Relations. The projects were evaluated using criteria that assessed the applicant submissions based on identifiable government and ministry priorities, indigenous populations served, identification of

stakeholder needs, socioeconomic and environmental benefits, and project readiness.

Mr. Reid: Thank you.

I want to now turn to the indigenous tourism strategic partnership initiative. I think there's a great opportunity for our indigenous nations to participate in sharing their culture with us here at home as well as with those around the world as they visit Alberta. Again, turning to the annual report, page 27, you mention that "Indigenous Relations provided committee support and participated in the design, development and selection process to modify the Indigenous Services Canada Indigenous Tourism Strategic Partnership Initiative." Can you give us more detail on the ministry's role in developing the Indigenous Services Canada indigenous tourism strategic partnership initiative?

Mr. Young: Yes, and thanks for the question. Since June 2019 Alberta Indigenous Relations has been attending meetings as part of a crossgovernment steering committee with Indigenous Services Canada; western diversification Canada; Alberta Jobs, Economy and Innovation; and Travel Alberta on a three-year special projects initiative with Indigenous Tourism Alberta and six indigenous tourism pilot sites entitled growth of indigenous tourism in Alberta. Indigenous Services Canada leads the initiative with supporting community members by using shared resources for codevelopment and codelivery of the initiative.

Mr. Reid: Thank you.

Continuing on, page 28 outlines that there is \$3.1 million in federal funds to help these six pilot sites. Can you tell me what progress has been made in selecting these six businesses and what criteria was used to do so?

9:30

Mr. Young: Yes. During September 2019 the six pilots were selected from an assessment tool to ensure gaps in the indigenous tourism industry were identified, and selection was done in an equitable and transparent manner across all assessment criteria, both quantitative and qualitative. Projects were assessed under five competency categories as criteria. They are leadership and governance, financial planning and management, business management, project visibility, and cultural content and indigenous authenticity. Projects are under way and progressing with three consultants working with two pilot projects each.

Mr. Reid: Thank you. Of the \$3.1 million that's been received so far, how much has been allocated to these programs?

Mr. Young: Well, today, for the first year of the program, \$1.2 million in funding has been committed. Indigenous Services Canada is the entity that manages the financial allocations. Indigenous Services Canada has allocated the remaining \$1.9 million allocations for the fiscal years 2021-22 and 2022-23, so no money will be left on the table.

Mr. Reid: Thank you very much. I appreciate that, Mr. Young. I want to now turn my focus to the Alberta-Métis Nation of Alberta framework agreement, page 36 of your report. Page 36 states, "The Alberta-Métis Nation of Alberta Framework Agreement promotes and facilitates the advancement of Métis people in Alberta." Would you be able to give a bit more detail on how this collaboration process works?

Mr. Young: Okay. Thank you. First off, let me say that this is an agreement that the government holds in high regard. We've actually

had such a framework agreement in place with the Métis Nation of Alberta since 1987. They're one of the longest standing partners that the government works with. The framework agreement commits to an annual meeting between the Premier and the president of the Métis Nation of Alberta to discuss mutually agreeable subjects and issues. The framework agreement also commits to regular discussions between the Minister of Indigenous Relations and the president of the MNA. As a practice the minister keeps in regular contact with the president. Of course, there's a technical committee, or an officials committee, of the Métis Nation of Alberta and Indigenous Relations staff who work together to jointly plan and implement the framework agreement. So it's really conducted at all levels. It's at the official level in the department and the MNA, and it involves the minister with his elected counterpart, most notably, the president of the MNA, and culminates annually in a meeting between the Premier and the president of the MNA.

Mr. Reid: Thank you. Can you let me know what agreed-upon objectives have been decided on by this committee and any progress or what's been done to achieve these objectives?

Mr. Young: Sure. The framework agreement commits both parties to working together to enhance socioeconomic conditions of Métis people.

The Chair: Thank you. We will now move on to the fourth rotation, nine minutes for the Official Opposition. I have Member Schmidt.

Mr. Schmidt: Thank you, Madam Chair, and thank you, Deputy Minister, for joining us today. I want to talk about the indigenous litigation fund. Of course, there was, in Budget 2019-2020, \$5 million earmarked for that fund. Less than 2 per cent was actually granted in the 2019-2020 year. I guess, in your experience, Deputy Minister, are there any other programs in Indigenous Relations that have had such low uptake?

Mr. Young: Well, I think there are good reasons for that. This is a very specialized and a very highly technical, highly, sort of, competency-based initiative. Most of our programs are, you know, application-driven at the community level for grants, maybe for employment or business development, but this one involves preparing briefs and submissions, really, to courts of appeals across the land on matters related to legal challenges. This really is in a different league requiring a high level of professional and technical and legal competency.

Mr. Schmidt: Okay, but still, you know, this government was elected in April, brought forward its budget in October. That's a period of seven months, six months to come up with a ballpark number for the indigenous litigation fund. Can you give me a sense of how the \$10 million budget figure was arrived at?

Mr. Young: It was a platform commitment.

Mr. Schmidt: It was a platform commitment. Okay. The government didn't actually do any work, then, to revise its platform commitment to see if it was feasible or realistic to spend \$10 million on this kind of litigation fund?

Mr. Young: No; I wouldn't say that that's entirely true. The platform commitment was for \$10 million over one year – so one year – but when we instituted it, we spread it over two years, because, again, we realized that, first of all, the first year was a short year. As you say, the budget came in in October, but I think the

government, certainly the department realized that this was a fairly, as I say, very technical program, if you will. We did adjust it and modify it to over two years, and since then we have extended it likely to three years.

Mr. Schmidt: Sorry. Can you repeat that? You've extended it, likely, into three years?

Mr. Young: Yeah. The program will likely continue into next year.

Mr. Schmidt: Okay, so initially you said that it could potentially extend for three years, but . . .

Mr. Young: Well, we are in year two.

Mr. Schmidt: Yeah.

Mr. Young: So final decisions have not been made, but we are in year two of the program. It is already year two.

Mr. Schmidt: I see. I see.

Can you explain to me – in answer to Member Rowswell's questions you explained some of the eligibility criteria. Can you tell me: how many applications for the indigenous litigation fund has the department received?

Mr. Young: I don't have that number right in front of me, the number of applications. I can tell you that there has been lots of toing and froing with communities or with organizations, so an application will come in, and we'll work closely with them, and it doesn't quite meet the mark. We'll, you know, provide some feedback, and they'll revise the application and resubmit it and so on. The number is relatively low, but again, we're looking for quality here, strong quality, and the application process does go back and forth between the department and the applicant.

Mr. Schmidt: So in the 2019-2020 year, I hope, Deputy Minister, that you can follow up then with us in writing as to how many applications were received and either a decision wasn't made or it remained in process at the end of 2019-2020. Can you provide that in writing?

Mr. Young: Sure. Yeah, we can get that, the number of applications for 2019-2020.

Mr. Schmidt: Thank you very much.

Can you give me a sense of what kind of projects are not eligible?

Mr. Young: Well, it certainly has to, you know, align with the government's interest of supporting natural resource projects. It's certainly within that bailiwick of resource development, so if it was something around – I don't know – economic development generally, you know, that would not qualify. It has to align with the government's interest of promoting natural resource projects and development.

I don't have an application right in front of me, sir, so I don't have any more detail, but that would be sort of the main distinction.

Mr. Schmidt: It's fair to say that if an indigenous nation wanted to – I don't know – litigate against the government of Alberta for a natural resource decision that it's made, that a First Nation wouldn't be eligible for that kind of litigation. Is that correct?

Mr. Young: Yeah, that's correct. We don't fund groups that sue us.

Mr. Schmidt: Okay. Have you rejected any applications?

Mr. Young: We've sent some back because they didn't meet the mark, and then in the end, you know, I'm thinking of one that may have just realized that they weren't going to proceed any further, but usually the process has been: applications come in, we review them, and we don't sort of accept or reject. We try to work with the community. If there's something there that we want to support and they want to go forward, we really do our best to work with the community, so we'll provide feedback to them about where they need to strengthen their application, and then they may resubmit. That's usually how it is. It's really a fluid process, back and forth, as opposed to accept or reject.

9:40

Mr. Schmidt: Okay. Thank you.

Can you explain to me: were there any costs associated with setting up the fund?

Mr. Young: Only internal costs, so no direct costs. We set this up within the department. I am told that, based on your previous question – sorry – that it looks like there were four applications that we have, you know, sent back for further work. Again, not sure if you'd qualify that as rejected, but certainly there are four, and we've had a number of inquiries, 12 inquires.

In terms of out-of-pocket costs or direct costs to set this up, no. The set-up costs were really carried out by staff costs in the department, working closely with our colleagues in the Department of Justice and Energy.

Mr. Schmidt: You mentioned that there were four other applications. What was the estimated value of those applications if they had been successful and they had received the amount of money that they were asking for? Do you know?

Mr. Young: No, I don't. Sorry. I do not have that information in front of me.

Mr. Schmidt: If you could provide that with us in writing, too, would you be able to do that?

Mr. Young: We will see what we can do, sure.

Mr. Schmidt: Thank you very much.

What were the discussions within the department for 2019-20 about what will happen with the money that is set aside in the indigenous litigation fund if it can't be spent?

Mr. Young: Well, if the money can't be spent, I mean, you know, you really have, I guess, a couple of choices. I mean, it goes back to Treasury Board and Finance if you don't spend it . . .

The Chair: Okay. Thank you, Deputy. The timer has gone.

Now it's nine minutes to the government side for the fourth rotation.

Mr. Reid: Mr. Young, it's MLA Reid again. I just wanted to follow up with a request for a written response to my last question in terms of the agreed-upon objectives and progress on those objectives under the framework if I could, please.

Thank you.

Mr. Young: Sure. Yes.

Mr. Reid: All right.

I cede the remainder of the time to MLA Toor.

Mr. Toor: Thank you, Mr. Reid, and thank you, Chair, and thank you to the department for showing up. I will start with page 26. It

highlighted some concerns regarding addiction rates on-reserve and how culturally relevant and strategically targeted programs such as those that can be accessed by the indigenous people, regardless of where they live, are likely to have significant and positive effects on their lives and futures. Can the department elaborate on their role in developing an Alberta addiction and mental health strategy, please?

Mr. Young: Sure. Thanks for the question. The Ministry of Indigenous Relations participated in the provincial psychosocial emergency strategic committee and the development of the addictions and mental health response plan to the COVID-19 pandemic. This plan was built to ensure the unique needs of the indigenous community were met and supports and services were culturally relevant and informed. The government of Alberta provided \$25 million for eligible projects and services to enhance community mental health and addiction recovery supports and services. A number of indigenous communities and indigenous service organizations received funding to provide mental health and addiction recovery by providing information about and navigation to community services and supports.

Mr. Toor: Thank you.

Can the department go into more depth about the Alberta addiction and mental health strategy and how it addresses and reflects the needs of the indigenous people especially?

Mr. Young: Sure. In November 2019 the government of Alberta announced the creation of Alberta's Mental Health and Addictions panel. The panel's mandate was focused on recommendations to increase quality and access to a recovery-oriented mental health and addictions system, with a particular focus on treatment. The Ministry of Health is currently reviewing the panel's findings to determine next steps. Indigenous Relations will continue to work with Alberta Health as they review the panel's findings to raise awareness of indigenous perspectives and ensure that they are considered in the next steps.

Mr. Toor: Thank you very much.

Let's talk about access to safe drinking water. If you look on page 32 of the report, a key objective is identified as follows: "Work with First Nations, the federal government, municipalities or water commissions and other government ministries to improve access to safe and clean drinking water." Can the department provide clarity in how these different jurisdictions work together to achieve this objective?

Mr. Young: Absolutely. Thanks for the question. This relates to a question asked by Mr. Feehan a little while ago on this project. This really is a unique program involving the government of Canada. We work closely with the government of Canada. We work closely with the Ministry of Transportation, municipalities, and water commissions. It does really constitute a high level of co-operation and collaboration by all of the key decision-makers for successful projects.

The grants go to the local water commissions or water supply of municipalities to extend their services to First Nation boundaries wherever feasible. Then the federal government funds are used to develop water infrastructure within the boundary of the First Nation or, as we sometimes say, that last mile. Great co-operation to get the infrastructure up to the reserve boundary, but we would only take it to the reserve boundary if we have a commitment from Canada, the federal government, that they're going to take it to that last mile, either into, say, people's homes or into more of a collective or community resource facility. We would only do the work if we know Canada has agreed to provide that last mile.

In that sense, as I say, high collaboration and co-operation by all parties, and I think it's a model for the future going forward.

Mr. Toor: Thank you very much.

If you look on the same page, page 32, it also mentions that to date there are about 10 projects under way on this. Can the department provide an update on these projects?

Mr. Young: Sure. Let me just see if I can find that.

Mr. Toor: It's on page 32.

Mr. Young: Right. I'm just getting a little bit more detailed information.

Mr. Toor: Sure.

Mr. Young: So 10 projects under way that benefit 14 First Nations. Three are in the construction phase. Alexis Nakota construction to reserve boundary is complete. Paul First Nation construction to reserve boundary is complete. Whitefish, or Goodfish, Lake construction is under way and is expected to be completed in fiscal year 2021. That's this fiscal year.

There are three in the detailed design phase: Cold Lake First Nation, Dene Tha' First Nation, and Frog Lake First Nation. All of these had a feasibility study complete and are now what we call a detailed design is under way for those three communities.

Then there are four communities in that first phase, the feasibility study phase: Alexander First Nation, Beaver Lake Cree, including Heart Lake First Nation. That feasibility study is under way. Mikisew Cree First Nation as well as Ermineskin in the Maskwacis area: feasibility study completed, and they're awaiting a community and water commission decision on next steps.

A total of 10 projects impacting 14 First Nations are all under way.

Mr. Toor: My next question will be regarding building relationships. If you look on page 4 of the annual report, the minister in his message emphasized his goal to build a true partnership with indigenous leaders and communities. Alberta is a large province with many different indigenous groups, each with unique culture and needs. Can the ministry highlight what action the minister has taken to build relationships with these diverse groups and ensure that he's meeting with indigenous leaders from across the entire province?

9:50

Mr. Young: Yes. Thanks for the question. With 48 First Nations and the second-largest Métis population in Canada and a land base of 1.25 million acres for the Métis settlements, it is true that Alberta has very diverse and unique indigenous communities and people. It's not an easy task to build and maintain relationships with so many diverse communities. One way the minister does this is through visiting indigenous communities. Prior to COVID-19 visiting indigenous communities was a regularly scheduled part of the minister's work. The minister would do community visits. That included First Nations, Métis settlements, Métis communities, and friendship centres. These visits were opportunities to see communities first-hand, to experience their local culture, meet elders, and hear directly from leadership about the issues and opportunities they wanted to share. Another way that the minister maintains relationships – and this is a very critical part of it – is by working to formal agreements. There are 10-year agreements in place with both the Métis Nation of Alberta and with the Metis Settlements General Council.

The Chair: Thank you, Deputy.

That concludes our back-and-forth questioning rounds.

We now have the three minutes per side for members to read questions into the record for follow-up within 30 days by department officials. I will begin with the Official Opposition side. You have three minutes.

Mr. Dach: Thank you, Chair. Page 47 of the annual report talks about reductions to Metis Settlements General Council, and if I understand it correctly, we've seen reductions supporting our Métis communities in the following years, but given that the budget was introduced in the 2019-20 fiscal year, can you tell me if you performed any analysis on the impacts on Métis communities from these cuts, and can you share with us the details?

Secondly, one of the projects that supported Métis communities in Alberta was the Conklin Métis community solar project. Can you provide us with the job impact and other benefits to the community that you know of? What is the government doing to enable similar projects in Métis communities, and when do you anticipate seeing them being realized?

I'll move now to harvesting policy. I understand that there have been a number of changes to the harvesting policies. Can you outline them for me and table documents outlining these changes? What are the impacts of these changes? Can you provide us with the analysis you did before implementing these changes?

Regarding consultation policy in 2019-20 I understand that the government was planning reductions in the budget to consultation policy. Can you lay out what kinds of cuts were looked at and if there was any analysis done to understand potential impacts? Further, are there any lawsuits since the 2019-2020 financial year against the government of Alberta on any potential violation of the Crown's duty to consult?

Next, on page 24 of the annual report there is mention that training for a delegated consultation will occur. What is delegated consultation? Who will this duty be delegated to? Is this a responsibility that Alberta can actually delegate?

Next, on page 47 of the annual report it is mentioned that the ministry cut the urban indigenous initiatives program. Can you provide us with any analysis on the potential impact of this decision? For example, 40 per cent of all indigenous people in Alberta live in our largest centres. Can you outline how you support urban indigenous people and how you plan to improve working with them after cutting the urban indigenous initiatives program?

Those are my questions. I move to cede my time to Marie Renaud.

Ms Renaud: Yup. Page 33 mentioned that the ministry struck two internal committees to communicate with indigenous communities on pandemic response. Could we get some information about how many meetings were held? What are the objectives of this committee, the membership of both committees, and the terms of reference? Also, you noted that no provincial COVID recovery dollars were made available to First Nations, but were these committees able to distribute any federal dollars? Can you give us an understanding of how the process worked, and if the province matched any of those funds?

Thank you.

Mr. Schmidt: Great. Okay. I would also like to just understand: of the projects that were approved for ICIP, how much money was committed by the government of Alberta to those projects?

The Chair: Thank you, hon. members.

We'll now move over to the government side for three minutes.

Mr. Stephan: Sure. In respect of the Alberta Indigenous Opportunities Corporation can the department explain how return on investment is being measured?

Thank you.

Mr. Gottfried: Page 21 describes how the employment partnership program, or EPP, “supports labour force development activities, including skills and employment training to increase workforce participation for Indigenous Peoples in Alberta.” Given that the EPP “primarily funds the Alberta Indigenous Skills and Employment Training Program agreement holders,” who then go on to partner with other organizations, what sort of accountability measures are in place? How are projects chosen to be funded? Is it through these partnerships only, or does the ministry also choose projects? If the ministry does have the option to choose, what is the criteria used to make this decision?

Starting on page 20, performance measures, I noticed that the performance measures associated with key objective 1.6 “support the economic, social and community self-reliance of Indigenous communities by funding projects through the [FNDF] and the [EPP]”, but performance measures in 1(a) do not have the targets. Is there a reason for this? Has the department considered adopting performance measures to develop or expand target goal setting? What benefit do you find in using the existing performance measures, and how do you incorporate the data into your decision-making?

Thank you.

The Chair: Very good.

Mr. Gottfried: Do we have any other members on the line with outstanding questions?

Seeing none, I guess we make our way to the Chamber.

The Chair: I would like to thank officials from the Ministry of Indigenous Relations.

Hon. members, we do have the matter of the committee annual report on this agenda, but given the standing orders our time is short to discuss this matter, so I’m going to suggest that we push this off to next week’s agenda, if the hon. members – I’m seeing concurrence with that. Okay. Very good.

We have received a written response to our questions from the Ministry of Municipal Affairs, hon. members, so those are on the committee’s internal website.

Please remove your own bottles and cups.

We will have the next meeting on December 8 with the Ministry of Culture, Multiculturalism and Status of Women, if the Assembly is still sitting.

I will now call for a motion to adjourn. Moved by Member Reid. All in favour? Any opposed? That motion is carried.

Thank you very much, hon. members.

[The committee adjourned at 9:58 a.m.]

