

December 18, 2020

Ms. Shannon Phillips, MLA
Chair of Standing Committee on Public Accounts
Legislative Assembly of Alberta
3rd Floor, 9820 – 107 Street
Edmonton, AB T5K 1E7

Delivered via email to: PACCommittee.Admin@assembly.ab.ca

Dear Ms. Phillips:

Thank you for inviting me to the Standing Committee on Public Accounts meeting that was held on December 1, 2020 to review the Ministry of Indigenous Relations outstanding recommendations of the Auditor General and the 2019-20 annual report.

During the meeting, a number of questions were put forward by members of the committee as well as others in attendance that I committed to respond to in writing within a month of our meeting date. Enclosed is the list of unanswered questions along with the responses for your consideration.

Please contact me should you have any questions.

Sincerely,



Donavon Young
Deputy Minister

Enclosure

cc: Honourable Rick Wilson
Minister of Indigenous Relations

Ministry of Indigenous Relations

Unanswered Questions with Responses for the Standing Committee on Public Accounts Meeting - December 1, 2020

Question:

Mr. Feehan: 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? (PA -373)

Response:

The following urban projects were funded under the Urban Initiatives program in the 2018-19 fiscal year.

Organization	Amount	Project
Alberta Native Friendship Centres Association	\$100,000	Circle of Leaders – Friendship Centre Governance Renewed
Bent Arrow Traditional Healing Society	\$100,000	New in Town Aboriginal Welcome Services
City of Wetaskiwin	\$2,500	Wetaskiwin Mamawi Centre
Grand Prairie Friendship Centre	\$50,000	Reconciliation in Motion
Institute for the Advancement of Aboriginal Women (IAAW)	\$80,000	Transition Services for Indigenous Women – funding to continue beyond 2019-20 for IAAW
Metis Calgary Family Services	\$75,000	Calgary Urban Aboriginal Framework Model Implementation
Native Counselling Services of Alberta (Edmonton Offices)	\$60,000	Trauma-informed Edmonton
Native Counselling Services of Alberta (Lethbridge office)	\$75,000	Implementing Reconciliation Lethbridge
Urban Society for Aboriginal Youth	\$75,000	Unlocking Resources
Red Deer Urban Aboriginal Voices	\$50,000	Implementing the Community Plan
TOTAL	\$667,500	

Question:

Mr. Feehan: The indigenous climate leadership initiative... Of the eight Métis settlements, are we aware of how many of those participated? (PA-375)

Response:

Eight Metis Settlements participated in the Indigenous Climate Leadership Initiatives program.

Question:

Mr. Feehan: 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 and drinking water program. On page 32 of the annual report it indicates the status of these programs..... I'd be very interested in hearing about those, but perhaps is that something that you could deliver to me on paper? (RS-376)

Response:

There are ten projects impacting 14 Indigenous Communities:

First Nation	Status	Grant
Paul First Nation waterline to Wabamun	Construction completed (2017-18)	\$9.4 million
Alexis Nakota Sioux First Nation - West Inter-Lake District Regional Water Services Commission waterline to Onoway and Alexis	Construction completed (2017-18)	\$9.3 million
Cold Lake First Nation-Bonnyville waterline	Is under construction, expected to be complete in 2020.	\$3.2 million
Whitefish (Goodfish) First Nation waterline connecting to the Highway 28/63 Regional Water Services Commission (which serves the areas north to Newbrook and east to Mallaig)	Under construction (Target: 2019-2020)	\$26.2 million
Dene Tha' First Nation (Bushe River/High Level) waterline	Construction expected to begin in 2021	\$2.2 million
Maskwacis (Ermineskin, Louis Bull, Montana, and Samson)	Feasibility study completed Detailed designed expected 2021 Construction funding budgeted	\$26 million *
Mikisew Cree First Nation (Allison Bay)	Feasibility study completed Construction funding budgeted	\$20.1 million
Alexander First Nation (West Inter-Lake District Regional Water Services Commission)	Feasibility study (2018-19) completed	\$50,000
Frog Lake First Nation	Design (2019-20) underway	\$1 million
Siksika Nation	Feasibility study (2019-20) underway	\$50,000
Beaver Lake Cree Nation	Feasibility study (2019-20) underway	\$50,000
Sturgeon Lake Cree Nation	Feasibility study (2020-21) tbc	\$50,000
Bigstone Cree Nation	Feasibility study (2020-21) tbc	\$50,000
Loon River	Feasibility study (2020-21) tbc	\$50,000
TOTAL		\$97.7 million

* In June 2020, an additional \$13 million was announced by Alberta Transportation as part of the Water Infrastructure Grants for the Ermineskin water line project.

Question:

Mr. Feehan: 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...Perhaps, Mr. Lamouche, is there a report available outlining what the recommendations were and which ones were in fact fulfilled and which ones have been delayed?(RS-378)

Response:

For 2019-20, both the First Nations and Métis Women's Councils on Economic Security produced a progress report on the status of the 2014 and 2016 recommendations made to the Alberta government. These progress reports are attached as Appendix 1 and Appendix 2.

Question:

Mr. Schmidt: I want to talk about the indigenous litigation fund...can you follow up 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? (RS-380)... 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? (RS -381)

Response:

Indigenous Relations received five applications under the Indigenous Litigation Fund in 2019-2020. Four of the applications were rejected; one was approved. The total value of all applications received in 2019-20 was \$1,854,386.

Question:

Mr. Reid: I want to now turn my focus to the Alberta-Métis Nation of Alberta framework agreement. 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? (RS-379)... 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? (PA-380 & PA-381)

Response:

The Framework Agreement commits both parties to working together to enhance socio-economic conditions of Métis people. At a June 2019 meeting, the Minister of Indigenous Relations and the President of the Métis Nation of Alberta (MNA) agreed that the best way to make progress was to focus on a few priorities in select areas.

As an example, the MNA identified justice issues as an area where Indigenous Relations could help them path find through the Alberta government. Indigenous Relations worked with MNA to better understand what kind of information they were seeking and then liaised with Justice and Solicitor General staff to help the MNA find and connect with experts. Both parties said this process worked well and intend to continue this way for other areas of interest.

Question:

Mr. Dach: 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? (PA-382)

Response:

The 2018-19 funding for \$5 million was for a one-time operational grant. It supplemented the regular funding for the Metis Settlements General Council and Settlements through the Long-Term Governance and Funding Arrangements agreement (LTA) with Alberta.

Question:

Mr. Dach: 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? (PA-382)

Response:

The Conklin Metis Local 135 is a private developer in an equity partnership with C&B Alberta Solar, a subsidiary of Canadian Solar, to build three solar farms near the southern municipalities of Hays, Tilley and Jenner in the Municipal District of Taber. The partnership has a contract with Alberta Infrastructure to sell electricity to Alberta at a set rate of 4.8 cents per kilowatt-hour. The contract is only for the purchase of electricity without a requirement to report on employment or other community benefits.

Indigenous Relations continues to offer the Aboriginal Business Investment Fund (ABIF) to support Indigenous businesses with capital money to invest in business start-ups or expansions. ABIF is open to any Indigenous community for businesses in any industry. Métis communities are encouraged to apply during the open windows for applications.

Question:

Mr. Dach: 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? (PA-382)

Response:

The *Métis Harvesting in Alberta* Policy outlines rules and guidelines about how Métis rights are recognized and how and where Métis harvesting rights can be exercised.

The revised Métis Harvesting in Alberta Policy (2018) ensures that Alberta's eligibility requirements align with Supreme Court decisions. The main elements of the changes in the revised policy include:

- adopting larger, regional harvesting areas that reflect historical Métis communities;
- enabling both Métis organizations -- the Métis Nation of Alberta (MNA) and Metis General Settlements Council (MSGC) – to have a way to identify eligible Métis harvesters who meet the requirements set out in the Supreme Court of Canada *Powley* decision; and
- identifying the need to improve conservation and harvest reporting among Métis harvesters.

Analysis before implementing the revised policy included identifying direct and indirect changes resulting from the update:

- Direct/observed:
 - increased the opportunities that Métis harvesters have to exercise their rights, and
 - shared role for deciding which Métis persons are recognized as having harvesting rights in Alberta with Métis organizations.
- Indirect/expected/potential:
 - increased numbers of Métis persons recognized as harvesters,
 - increased use of fish and wildlife resources by Métis persons and communities,
 - increased need for monitoring the sustainability of fish and wildlife resources, and
 - increased need to identify and manage conflicts between Métis and First Nations harvesters and recreational users of fish and wildlife.

The Métis harvesting agreements are legally binding and they outline the roles of the MSGC and MNA in identifying eligible Métis harvesters under the Métis Harvesting in Alberta Policy (2018).

- The agreements guide the transition from provincial-led review to Métis organization-led review and approval of eligible Métis harvesters.
- Both harvesting agreements came into effect on September 1, 2019. These agreements are unique to the needs and requirements of each Métis organization.

Environment and Parks is working closely with Métis organizations to monitor fish and wildlife resources and the policy's efficacy.

Question:

Mr. Dach: 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? (PA-382)

Response:

Supporting Indigenous consultation capacity involves more than providing funding. Indigenous Relations supports the consultation process through other initiatives aimed at building the skills, knowledge, expertise and ability of Indigenous Peoples to achieve their own consultation objectives. These include:

- an updated *Government of Alberta's Proponent Guide to First Nations and Metis Settlements Consultation Policy (January 2020)*
- the first Government of Alberta's *First Nations and Metis Settlements Guide to Consultation Policy*, currently in development
- quarterly meetings with Metis Settlement General Council.

In late 2018, Indigenous communities received a one-time increase in consultation capacity funding as a substantive top-up through the Indigenous Consultation Capacity Program (ICCP).

Indigenous Relations needed to make difficult budget decisions given the hit to Alberta's economy due the oil price crisis and a global recession – compounded now by the economic struggles that come with COVID-19. Those decisions included ICCP allocations, which were returned to previous funding levels. ICCP funding provides base funding to help Indigenous communities set up consultation offices and offset office and salary costs.

The ICCP was also meant to be fair to all Indigenous communities across the province. We reviewed the 2018-19 ICCP program for its efficiency, equanimity, and alignment with previous years' grant amounts.

The resulting ICCP 2020 three-year agreement approach is fair, reasonable and efficient, providing Indigenous communities with certainty in funding of consultation operations. Each Indigenous community that directly participates in Alberta's consultation process is offered an equal grant amount. Current ICCP funding is very much in line with previous Alberta capacity funding programs.

Question:

Mr. Dach: 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? (PA-382)

Response:

There have been nine litigations raising the issue of consultation since the 2019-20 financial year. Of the nine, eight are currently open.

Question:

Mr. Dach: 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 is a responsibility that Alberta can actually delegate? (PA-382)

Response:

Alberta recognizes that the legal duty to consult rests with the Crown. However, when consultation relates to specific projects, the law allows the Crown to delegate procedural aspects of consultation to project proponents.

Delegated consultation in Alberta is when a proponent conducts procedural aspects of consultation. In general, procedures that may be delegated to project proponents include:

- Providing Indigenous communities with plain language information on project scope and location;
- Identifying potential short- and long-term adverse project impacts;
- Meeting with Indigenous communities to discuss their concerns;
- Developing potential mitigation strategies to minimize or avoid adverse impacts;
- Implementing mitigation measures, as directed; and
- Summarizing, for both Alberta and Indigenous communities, consultation efforts including an explanation, when required, of how specific Indigenous community's concerns regarding adverse impacts have been addressed.

Even with delegation, the Crown stays engaged in the consultation process and in meeting its duty to consult. It does this by reviewing and assessing the proponent's consultation activities and the documentation of those activities per the Government of Alberta's Consultation Policies and Guidelines. This information forms the basis on which the Crown can determine if consultation adequacy has been met and provide direction to proponents about any mitigation required.

Question:

Mr. Dach: 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? (PA-382)

Response:

Other Government of Alberta and Government of Canada departments continue to fund similar programs and services. Indigenous Relations actively supports Indigenous organizations and communities to find and apply for those funds.

Ministry staff also help Indigenous communities and organizations through non-monetary support. We connect Indigenous organizations, other levels of government, and industry partners; and support other ministries to engage with and connect to Indigenous communities and organizations for activities and projects.

Question:

Ms. Renaud: 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? (PA-382)

Response:

One of the internal committees was dedicated to be sure we kept up clear, proactive communication with Indigenous communities during the pandemic response. Department staff co-ordinated with federal partners in Indigenous Services Canada, the First Nations and Inuit Health Branch, Alberta Health Services, the Alberta Emergency Management Agency, and other provincial ministries to ensure Indigenous communities and organizations had the most relevant information for their communities to address their needs during the pandemic response.

The second internal committee made sure that Indigenous perspective and consideration was given to the post-pandemic recovery plan. Department staff worked with Minister Wilson to engage directly with Indigenous leaders on the Alberta Recovery Plan and technicians worked with Alberta Energy staff to develop economic opportunities through the Site Rehabilitation Program.

Membership for both committees included program and management staff from the various branches of Indigenous Relations. No terms of reference were required as most of the work fit with staff's day-to-day work of engagement with Indigenous communities.

These committees would meet regularly, and created a weekly engagement tracker for the Minister of Indigenous Relations to update him on the latest information coming from discussions with Indigenous Communities. In total, we held 138 meetings between March and November 2020.

With respect to federal announcements for COVID-19 relief for Indigenous communities, there was no provincial involvement in the distribution of those funds.

Indigenous people in Alberta and Indigenous organizations were eligible for provincial COVID-19 relief. Indigenous Relations staff encouraged Indigenous communities to apply for programs announced by Community and Social Services and Mental Health and Addictions.

Question:

Mr. Schmidt: 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? (PA-382)

Response:

The Investing in Canada Infrastructure Program (ICIP) is funded by Infrastructure Canada and administered by Alberta Infrastructure. Indigenous Relations role is to manage the relationship with, and provide support to, Indigenous communities and to help them with the federal application process for the ICIP grant.

In order for the projects to be submitted to the ICIP program, they need to be provincially endorsed. In total, eight Indigenous communities received provincial endorsement.

At this time, Indigenous Relations is entering into grant agreements with applicants with federally approved ICIP projects that have met all federal requirements.

The provincial government does not provide a financial contribution towards the project application, however Alberta Infrastructure and Indigenous Relations provide administrative and technical support to the applicants throughout the process.

Question:

Mr. Stephan: In respect of the Alberta Indigenous Opportunities Corporation can the department explain how return on investment is being measured? (PA-382)

Response:

The Alberta Indigenous Opportunities Corporation (AIOC) aims to backstop game-changing loans for Indigenous investment in natural resources development projects. Working with a \$6 million annual budget, the return can be measured by the number of Indigenous communities supported to make good investments, and the natural resource projects that support Alberta's economy. The AIOC is expected to support only commercial-grade investments with low risk profiles, which will both better support Indigenous communities and keep costs to government low.

Calculating the return on investment to communities for investments the AIOC may or may not support is under the purview of the AIOC board, and is made using conventional measures, such as expected near-term and sustained income, and potentially other considerations, such as employment opportunities and positions on boards of the partnerships.

Question:

Mr. Gotfried: 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? (PA-383)

Response:

Eligible applicants for the Employment Partnerships Program call for proposals are Indigenous Skills and Employment Training (ISET) Program agreement holders who can already provide employment and training services. They are best positioned to put this funding to the best use. An increase to the number of ISET agreement holders in 2018-19 resulted in a department decision to use a call for proposals process in 2019-20 to ensure fairness and transparency.

All applications are reviewed, scored and then potentially recommended for funding through the program call for proposals. In addition, the Employment Partnerships unit may recommend other initiatives and projects that align with government priorities, directions taken by other governments and ministries, and the needs of Indigenous communities. Keeping this, and the eligibility requirements for LMTA projects in mind, Tribal Councils, First Nations, Metis Settlements, Indigenous organizations, and registered non-profit organizations may be eligible to receive special project funding through EPP for projects that fit the program criteria.

Question:

Mr. Gotfried: 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? (PA-383)

Response:**Employment Partnerships Program (EPP)**

In June 2019, Indigenous Relations had an external contractor conduct an EPP Evaluation and develop an Outcomes Measurement Framework.

The Ministry is currently working with the Office of the Auditor General on the Improving Indigenous Economic Participation audit. The auditors are examining whether Indigenous Relations has effective processes to assess and report on the results of our programs that support economic self-reliance and increased participation by Indigenous peoples in Alberta’s economy.

Once the program has been able to go a full cycle with the new grant reporting system and the call for proposals process, the program area will review the Framework to determine whether it is still applicable.

First Nations Development Fund (FNDF)

The fund is based on a non-discretionary, formula-driven allocation of proceeds from government-owned slot machines operating in First Nations casinos. The FNDF allocation varies year-to-year based on actual slot machine revenues in the five Host First Nation casinos.

First Nations Development Fund projects are determined by each First Nation based on their community priorities and on the projected FNDF annual allocation.

Existing measures comply with the FNDF Grant Agreement that is signed with each First Nation.