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Chair

Mr. James Bezan

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• (1535)

[English]

The Chair (Mr. James Bezan (Selkirk—Interlake, CPC)): We'll call this meeting to order. I'm sorry for the late start. I was held up in the House.

Before we get going with our presentations and our witnesses, there are a couple of housekeeping matters to take care of that we have to do publicly.

The first is that I received an e-mail from Dean Holman, who appeared on our SARA study. It's regarding the budget of the National Aboriginal Council on Species at Risk, and he has to correct the record. He says:

The current budget is approximately \$350,000, which has decreased over time. My apologies in providing a misinformed figure. Thank you.

So that impacts the blues in four different places, in questions from Mr. McGuinty, Ms. Duncan, and Mr. Armstrong, who quoted the number he had given us.

So the numbers are actually.... Mr. McGuinty's statement changes to: "I support your caution, but it's a \$350,000 organization..."

Ms. Linda Duncan's record changes and says "\$350,000" in her first statement and questions.

Mr. Scott Armstrong's changes are that the last full-time coordinator for NACOSAR was in "July 2007"—that was the other information that had to be changed—as well as "\$350,000" in his comments.

The other thing on the agenda is that we have received a letter from the Minister of Environment saying that he is not available to appear on the main estimates on either May 25 or May 27. I believe that at our last meeting when we talked about the schedule we figured that if we couldn't get the minister we'd do our work on the oil sands and SARA, unless there is a desire to have officials.

Mr. Warawa.

Mr. Mark Warawa (Langley, CPC): Chair, speaking to the first item you brought up, I didn't catch it all. As you started talking, I wasn't quite sure what the—

The Chair: It was the correction of the testimony that was provided by Mr. Dean Holman when he appeared on SARA from NACOSAR. He had given us a wrong number and a wrong date. In order to change the blues, we have to deal with it in a public setting.

Mr. Mark Warawa: So he has then provided clarification—

The Chair: Yes.

Mr. Mark Warawa: —and we're just receiving that....

The Chair: Yes.

Mr. Mark Warawa: Thank you.

The Chair: Okay.

Seeing no other comments or questions, when we come back from break week, we'll continue with SARA and the oil sands.

With that, I want to welcome to the table the Office of the Auditor General. Of course, she is no stranger to all of us as parliamentarians. We have the Auditor General herself, Sheila Fraser, along with the Commissioner of the Environment and Sustainable Development, Scott Vaughan.

On behalf of the Department of Indian Affairs and Northern Development, we have Patrick Borbey, who is the assistant deputy minister.

From the Department of the Environment, we have Sue Milburn-Hopwood, who is the director general of environmental protection operations.

They're here pursuant to Standing Order 108(2), to study the spring 2010 report of the Auditor General, chapter 4.

With that, Madam Fraser, you can give us your opening comments.

Ms. Sheila Fraser (Auditor General of Canada, Office of the Auditor General of Canada): Thank you, Mr. Chair.

We are very pleased to have this opportunity to discuss our office's work related to chapter 4 of our spring 2010 report, entitled "Sustaining Development in the Northwest Territories". As you mentioned, I'm accompanied today by my colleague Scott Vaughan, Commissioner of the Environment and Sustainable Development.

The federal government has a mandate to promote political and economic development in the Northwest Territories and to protect the environment. Our audit looked at whether responsible federal departments have implemented key measures to prepare for sustainable and balanced development in the Northwest Territories.

These measures included: settling comprehensive land claim agreements and self-government agreements; establishing and implementing a regulatory system that protects the environment; and supporting appropriate economic development and skills training programs for aboriginal peoples in the Northwest Territories.

These three measures are very closely linked. Agreements with aboriginal peoples that set out the governance rights and rights related to the ownership of land and resources are important for environmental protection and economic development. They help to provide a level of certainty and predictability for business, industry, communities, and government.

Similarly, protecting the environment is important since aboriginal communities in the Northwest Territories depend on wildlife, water, and land for subsistence and for economic development opportunities.

For the purposes of today's discussion, I will focus my opening comments on the first two measures.

Almost all of the Northwest Territories either lies within settled land claim areas or is the subject of ongoing negotiations. At the time of our audit, four land claim agreements had been finalized. One of them, the Tlicho agreement, was also a self-government agreement.

Four other land claim agreements and ten self-government agreements were under negotiation. While much remains to be done, it is our view that the efforts to settle land claim and self-government agreements represent a significant achievement and an important step toward sustainable and balanced development in the Northwest Territories.

[Translation]

Mr. Chair, let me now turn to our examination of the environmental regulatory system. Protecting the environment is critical, both for Aboriginal communities, as I have mentioned, and because of northern ecosystems are often more fragile than in the south. There are also profound changes taking place in the North as a result of climate change and because of the long-range transport of air pollutants, which brings toxic and other substances to northern communities and to the environment of the Northwest Territories.

We examined whether Indian and Northern Affairs Canada, or INAC, and Environment Canada had established and implemented an adequate regulatory system in the Northwest Territories. We found that, in regions with settled land claims agreements, there are systems and structures that support land-use plans and provide a means of adequate consultation with communities.

In regions without comprehensive then claim agreements in place, however—which represent close to 30% of the Territories—there is uncertainty about Aboriginal title to the land, how it may be used, and who should be consulted to make development decisions. Community leaders from these areas have also indicated that the existing process does not provide their communities with adequate representation for considering development proposals that affect their lands under negotiation.

Moreover, in regions without settled land claims, we noted a lack of specific mechanisms for developing land-use plans. Land-use plans are important for developing effective, predictable and consistent regulatory systems. They define where and under what conditions resource development activities may take place. Without a formal land-use plan, development decisions must be made on a case-by-case basis and decisions related to project approvals may therefore take longer.

INAC also has specific responsibilities for monitoring the cumulative impact of development. Community impact refers to changes an activity causes to the environment, added to changes caused by other past, present and future activities. Monitoring community impact on the environment is important because it provides co-management boards with environmental information to make informed decisions on development proposals.

We examined whether INAC had established the needs and priorities for monitoring community impact and had implemented a plan to do so. We also examined whether Environment Canada had supported INAC in these responsibilities.

● (1540)

[English]

We found that 11 years after receiving a mandate to do so, INAC had not yet put in place a program to monitor cumulative impact. Similarly, funding for Environment Canada's program that would support cumulative impact monitoring ended in 2007. As a result, neither department had implemented this program.

We note that the Minister of Indian Affairs and Northern Development Canada has recently announced a proposal for regulatory reform in the north. This proposal includes the appointment of a chief federal negotiator to lead consultations on changes to the land and water boards and \$8 million to support cumulative impact monitoring in the north. Also of note, the proposal reiterates the importance of respecting comprehensive land claim agreements. If these initiatives are fully implemented, they will have an impact on some of the issues that we raise in our audit.

Overall, we concluded that Indian and Northern Affairs Canada and Environment Canada had not adequately implemented key measures designed to prepare for sustainable and balanced development in the Northwest Territories.

Mr. Chair, this concludes our opening statement. We would be pleased to answer any questions the committee members might have. Thank you.

The Chair: Thank you, Madam Fraser.

Commissioner Vaughan, do you have any comments?

Mr. Scott Vaughan (Commissioner of the Environment and Sustainable Development, Office of the Auditor General of Canada): No. Thank you.

The Chair: Mr. Borbey, it's your turn.

Mr. Patrick Borbey (Assistant Deputy Minister, Northern Affairs, Department of Indian Affairs and Northern Development): *Merci, monsieur le président.*

I will deliver a slightly shorter version of my notes to stay within the time.

Mr. Chairman, Indian and Northern Affairs Canada believes this is a very helpful report and appreciates the constructive nature of the review. The department is given credit for a lot of good work and that is very appreciated.

The chapter and the recommendations have been beneficial as we continue to pursue our mandate of supporting and promoting the political and economic development of the north.

[Translation]

Canada's Economic Action Plan included a number of investments in economic development, skills training and infrastructure in support of the Government's Northern Strategy. Budget 2010 builds on these investments by focusing on measures that will improve environmental protection and the business climate, provide opportunities for Northerners and ultimately help unlock the region's vast potential.

[English]

On May 3, 2010, Minister Strahl announced his action plan to improve northern regulatory regimes. The action plan will allow us to respond directly to a number of the recommendations in the Auditor General's report. It will complete and strengthen current regulatory regimes in the north and will focus on three elements.

First, it will provide more efficient and effective processes through the creation and amendment of legislation. Second, it will enhance environmental stewardship by making investments in community-based impact monitoring programs. Third, it will reflect a strong aboriginal voice by building on partnerships that are already established in the north.

The action plan builds on the government's efforts to create a strong and prosperous north that realizes its resource potential while safeguarding environmental health and heritage. It is a key step towards the implementation of the northern strategy.

• (1545)

[Translation]

Budget 2010 announced funding to improve the North's regulatory processes and invest in environmental monitoring both in the Northwest Territories and in Nunavut. Through this year's Jobs and Growth Budget, the Government has committed \$11 million over two years to streamline the regulatory regimes in the North and \$8 million over two years to support community-based environmental monitoring, reporting and baseline data collection.

[English]

Recognition of the importance of these issues in the budget represents a strong signal from Canada on the importance of resource development and environmental protection in Canada's north.

Proposed legislative changes include the creation and amendment of various pieces of legislation. A restructuring strategy for the

Northwest Territories is included in the amendments to the Mackenzie Valley Resource Management Act.

Canada's long-term goal is an amalgamated single board with jurisdiction over the entire territory. The immediate goal, however, is to have one land and water board for the Mackenzie Valley, similar to the situation that exists in the Yukon and in Nunavut. The minister has appointed Mr. John Pollard as chief federal negotiator to pursue this restructuring.

Land and water board restructuring will not undermine the co-management regime approach to resource management decision-making that is rooted in the land claim agreements in the north. There will be no loss of representation.

As set out in the land claim agreements and current legislation, any changes to the resource management structure will respect representation for aboriginal organizations and the territorial and federal governments. We intend to continue to work with our partners in the north to collectively improve the investment climate for the future of northern communities.

[Translation]

The environmental management component of the Action Plan includes the \$8 million commitment I mentioned earlier in the Cumulative Impact Monitoring Program in the Northwest Territories and the Nunavut General Monitoring Plan. These investments will provide critical information to support an land-use planning, environmental assessment and regulatory decision-making.

By investing in the current regulatory regimes, and working together to implement this Action Plan, we will ensure strong and capable northern regimes that will reassure Northerners, Canadians and international partners that development can take place in a responsible fashion.

[English]

Mr. Chair, I would also like to take an opportunity to speak briefly about some of the other measures being taken to address the observations and recommendations in the Auditor General's report.

INAC will continue to work with willing partners to settle land claims. As the report indicates, we have made important progress with respect to comprehensive land claim and self-government agreements in the north.

While work remains to be done, the four completed agreements in the NWT represent a significant achievement and an important step towards sustainable and balanced development, because they introduce greater clarity and certainty.

[Translation]

Meeting the needs of all parties is extremely complicated and challenging, and this is why conclusion of land claims is such a lengthy process. As a rule, Canada has not worked with Aboriginal groups to develop land-use plans until claims are settled. It is far easier to negotiate land-use plans when key questions over rights and ownership have been confirmed by a land claim agreement.

[English]

In the meantime, Canada provides effective representation on bodies that make resource management decisions, and members of unsettled land claims regions may participate on resource management boards. Mackenzie Valley boards are in place to deal with environmental assessments and regulatory issues throughout the valley. Resource management boards apply the same inclusive approaches and processes in unsettled claims areas as they do in settled claims areas. Projects in these regions are being assessed and regulated.

I would like to clarify some of the work Canada has already done with respect to cumulative impact monitoring. Although the program is clearly not completely implemented, an NWT cumulative impact monitoring program has been developed. Further work and investment, such as the development of a comprehensive database, are required, but INAC and other federal departments have taken action and have made investments in cumulative impact monitoring in the NWT.

For example, INAC has been investing almost \$1 million in yearly incremental funding dedicated to this programming, starting in 2008-09. Over the last 10 years, CIMP has funded over 175 community-based programs and related capacity-building initiatives. The program has a secretariat and an established governance structure that includes representatives of land claimant groups, the territorial government, and several observers.

As I mentioned earlier, commitments in budget 2010 will allow us to continue to address the concerns regarding the NWT cumulative impact monitoring program. The government, with its partners, will determine needs and priorities for environmental monitoring so as to meet obligations of the program.

With respect to the recommendations regarding inspections, the department has developed a database tool called the integrated risk assessment, a rating assessment that determines the level of inspections required for specific types of land- or water-use activities. This database will allow us to carry out inspections based on the specific risks the activity represents to the environment.

• (1550)

[Translation]

INAC is addressing issues related to benefit plans and will intensify its efforts, working with parties to meet guidelines. We have initiated the development of a benefits plan reporting database. Once complete, the database will store and track the training, hiring and contracting for Aboriginal, Northern and other Canadian participants.

[English]

We believe that the creation of the Canadian Northern Economic Development Agency, or CanNor, represents a significant commitment by Canada to promoting economic development in the north. The creation of a separate agency to support sustainable development in the territories will help Canada respond to the concerns raised by the Auditor General's report.

[Translation]

Mr. Chairperson, INAC accepts the Auditor General's findings and will continue to work together with its partners to address all the recommendations in her report.

[English]

Indian and Northern Affairs Canada is committed to helping the Northwest Territories realize its true potential as an economically healthy, prosperous, and secure region.

Merci beaucoup.

The Chair: Thank you.

Madam Milburn-Hopwood, it's your turn.

Mrs. Sue Milburn-Hopwood (Director General, Environmental Protection Operations, Department of the Environment): Mr. Chairman, members of the committee, my remarks will be very short.

As the land management authority in the north, the Department of Indian and Northern Affairs is the lead department responsible for monitoring cumulative impacts in the Northwest Territories.

Recommendation 4.62 from the Auditor General's report states that Environment Canada should support INAC "in identifying the information requirements for cumulative impact monitoring, and for planning and implementing programs to monitor cumulative impact in the Northwest Territories..."

Environment Canada has accepted this recommendation and looks forward to working with the Department of Indian and Northern Affairs in implementing this recommendation.

Thank you, Mr. Chairman.

The Chair: Thank you, Ms. Milburn-Hopwood.

We're on to our seven-minute round.

To kick us off, Mr. McGuinty, go ahead, please.

Mr. David McGuinty (Ottawa South, Lib.): Thank you, Chair.

Thank you very much, ladies and gentlemen, for being here.

Ms. Fraser, one of the central thrusts of this was to look at the environmental regulatory system in play at large in the NWT. Did that embrace the Beaufort Sea?

Ms. Sheila Fraser: It would indirectly in looking at the regulatory regime that would cover the Northwest Territories.

I believe Mr. Vaughan might be able to give more precision about that.

Mr. Scott Vaughan: Thank you.

Yes, it was to look at the overall regime, but within the scope of this audit we did not look specifically at the Beaufort Sea.

Mr. David McGuinty: So when you looked at the question of cumulative impact assessment, you did not take into account the prospective drilling and mining and oil and gas leases that have been let, for example, in the Beaufort...?

Mr. Scott Vaughan: It's obviously an important issue for many reasons, but for the specific focus of this audit, we looked at the environmental regulatory regime primarily within the scope of land, land use, and land-use planning within the Northwest Territories per se, so therefore not the offshore-related jurisdictions. No.

Mr. David McGuinty: But presumably offshore activities being contemplated in the Beaufort would link to a pipeline through the Mackenzie Valley, through the NWT, and would have a bearing on cumulative environmental impact. Yes?

Mr. Scott Vaughan: I think that's absolutely right, sir. I think one importance of cumulative environmental effects is to look not at stand-alone specific projects but at the overall cumulative effects of various projects in their entirety from a regional perspective.

• (1555)

Mr. David McGuinty: On May 16, two years ago almost to the day, I asked questions in the House of Commons of the government on the Beaufort issue, linked to overall carrying capacity in the region. I want to raise this because I think that if it's something you haven't examined, it is something that we had better examine quickly.

I know that the National Energy Board contradicted the Prime Minister this week by announcing that Canada really does need a serious re-examination of the offshore regulatory standards. I commend the chair of the NEB for doing so.

I want to turn to Mr. Borbey from DFO. I need to follow up on this line of questioning, because it really is linked not just to impacts monitoring but to environmental assessment.

Two years ago, I asked the government if it had an integrated management plan around the fast-tracking of the leases that were going forward for the Beaufort exploration for, at the time, BP, ConocoPhillips, and Imperial Oil, I believe. It's my understanding that an integrated management plan is mandatory under the oceans action plan.

At this stage, I've checked with the three companies involved. They don't have an integrated management plan, and we have never seen one. Do you know if the Government of Canada...? Has your department produced an integrated management plan?

Mr. Patrick Borbey: I'm sorry. I work with Indian and Northern Affairs Canada. so I'm not with—

Mr. David McGuinty: Excuse me.

INAC is also linked to this—

Mr. Patrick Borbey: Yes.

Mr. David McGuinty: —I understand, to this integrated management plan. Are you aware of that?

Mr. Patrick Borbey: Yes. We're working with DFO on the plan.

Mr. David McGuinty: Is the plan available?

Mr. Patrick Borbey: Again, I would have to ask my colleagues from the Department of Fisheries and Oceans, to be able to provide that. Our responsibilities are with respect to oil and gas activity and working with NEB as the regulator for the Beaufort, or the Delta, or elsewhere in the north.

Mr. David McGuinty: The federal leases, though, have been fast-tracked and sold, have they not? Or are they still under consideration? Does anyone know?

There was \$2.2 billion on the table here two years ago.

Mr. Patrick Borbey: There is a regulatory regime under an act called COGOA, under which parcels of land or areas at sea, in the Beaufort Sea or elsewhere offshore, can be made available if companies desire to make bids. There's an annual process by which we open up expressions of interest. That starts at the beginning of the calendar year. Following expressions of interest, there is a bidding process.

Mr. David McGuinty: Are there any leases now in place?

There are leases throughout the north, both onshore and offshore. I think the two leases that you're mentioning were from two years ago, where BP and Imperial Oil bid for two leases much deeper offshore than we've had. But we've had leases in the offshore since the 1970s.

Mr. David McGuinty: So from an INAC and DFO perspective and from the question of cumulative environmental assessment, are you aware that the leases that have been granted actually embrace and straddle some of the most sensitive areas, such as, for example, bowhead whale feeding zones, the beluga shelf break summer zones, and the ringed seal migration zones? Are your federal departments aware that these leases that have already been granted embrace some of the most ecologically sensitive land in the Beaufort?

Mr. Patrick Borbey: We've done a fair amount of research in this area and we've actually established a tool, available online, that identifies those areas that are sensitive. The regulators, when looking at activity that might take place, whether it's seismic or eventually further activity, would take that into consideration. There has to be an environmental assessment before any of that kind of activity takes place in terms of drilling.

At this point, the only activity that has been taking place is seismic, and that seismic activity has been done in full consultation with the Inuvialuit, who have signed impact benefit plans. They also have wildlife monitors that are included as part of the crew, so that if there is any detection of wildlife, operations cease to ensure that there's no disruption.

Mr. David McGuinty: So when the government says to us that Canada's environmental regime, for example, that embracing the Beaufort, which is contiguous to the Northwest Territories and is part of the cumulative environmental assessment that ought to be looked at going forward...when the government tells us that regime is more stringent than in the United States, for example, it's hard to understand that, given that, for example, in Canada, we don't require an environmental assessment at the licence, bidding, and auction stage, do we, as they do in the United States?

• (1600)

Mr. Patrick Borbey: You'd have to talk to the NEB, really, because those are rules under NEB. But the understanding is that to move forward beyond the seismic activity, that does require a full environmental assessment.

Mr. David McGuinty: Right, but not before the licensing, as they do in the United States?

In the United States, when BP bid for the licence to exploit oil in the Gulf of Mexico, at the point at which they were bidding for the licence, they had to prepare a 90-page environmental assessment. In Canada, it doesn't work that way, does it?

The Chair: Mr. McGuinty, your time has expired. And I question some of the relevance on some of those questions since we're here to study chapter 4 of the Auditor General's report, which never touched on those areas.

Mr. David McGuinty: Well, would you like me to respond to that, Chair?

The Chair: No, I let you have your time.

Mr. David McGuinty: No, no problem. I appreciate that. But if you want to talk about relevance, I'm pleased to enter into dialogue with you.

The Chair: *Monsieur Bigras, pour sept minutes, s'il vous plaît.*

[Translation]

Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ): Thank you very much, Mr. Chair.

I want to welcome the Auditor General, the Commissioner as well as both public servants.

Seeing this report today is rather disconcerting. It gives me the impression that there are two classes of citizens in Canada, depending upon whether or not one lives in a region covered by an agreement. As you said, some 30% of the territory is not covered by agreements. You told us, Mrs. Fraser, that this is an area nearly as large as Newfoundland and Labrador. It is quite significant.

I would first like to know how many people we are talking about. How many citizens are not covered by agreements?

Ms. Sheila Fraser: Unfortunately, I do not know the exact number of people. Obviously, it is a few thousand.

Mr. Bernard Bigras: All right.

Would the department's representative know the exact number?

Mr. Patrick Borbey: Those two territories are the Akaitcho and Dehcho territories. Together, they number probably less than 15,000 people.

Mr. Bernard Bigras: Very well.

I am struck by the fact that we act on a case-by-case basis, which looks like improvisation to me.

Mrs. Fraser, after looking at the situation and seeing that there is no management plan and that the implementation of a sustainable development policy is on a case-by-case basis, do you have the feeling that this is just improvisation? The first victims are the residents of those territories. Am I right in saying that this is a case of improvisation pure and simple?

Ms. Sheila Fraser: There are certainly significant difficulties when land claims are not settled. First, there is the issue of ownership. However, we have mostly noted issues relating to community consultation, which is inadequate. We have seen cases where projects started despite the opposition of communities. Those communities have to take other steps and, after a few years, they have to take legal or other measures to stop the projects. This creates uncertainty for those who want to implement development projects.

We believe that the fact that there is not enough consultation and that there are no co-management organizations as there may be in areas where land claims have been settled is a major issue for that part of the Territories.

Mr. Bernard Bigras: All right.

At page 23 of the Auditor General's report, paragraph 4.54—and this question is mainly to Environment Canada and to Indian and Northern Affairs Canada—I read that Environment Canada currently conducts limited monitoring of weather, climate, water, stratospheric ozone and air quality throughout the North, including the NWT.

How can Environment Canada and the department guarantee, for example, that water quality is excellent? Are we to understand that we are currently unable to ensure those citizens that the quality of their water is acceptable? Can we guarantee that? If there is only limited monitoring, it means that we do not have all the required indicators. Are we able or not to guarantee those citizens that they have access to drinkable water?

• (1605)

Mr. Patrick Borbey: Yes, we can. We are responsible for monitoring and testing those communities' water supply. We have a laboratory in Yellowknife where thousands of samples are tested every year. We share those responsibilities with Environment Canada relating to the hydrographic conditions in the region.

We have also recently developed a water strategy in cooperation with the Government of the Northwest Territories.

We do many things to make sure that the water in the environment and the water used by people is drinkable.

Mr. Bernard Bigras: So, you have never received any negative sampling reports? All the tests have proven that those citizens have access to drinkable water, the quality of which is comparable to that of other Canadians'?

Mr. Patrick Borbey: Exactly.

That being said, there are sometimes mining incidents where waste water is spilled in the environment. When that happens, we send inspectors and we take corrective action. That may happen under any type of conditions. When it does, we take immediate steps to make sure that water quality is re-established. Obviously, we also take steps to protect affected populations.

Mr. Bernard Bigras: So far, how many times has that happened?

Mr. Patrick Borbey: I could not give you this kind of information. It happens from time to time. Generally, it is not a serious problem. Recently, for example, water was spilled into Lake Snap from the local mine, which should not have happened. It is mainly a quality issue, a water turbidity issue, rather than a polluted water issue. In this case, we are talking of a diamond mine where no chemicals are used. The solution is to deal with the turbidity problem and to clean the water. That water was not up to standards before being spilled in the environment. So, we got involved and we are currently investigating.

Mr. Bernard Bigras: What plan have you put in place? Who told you that there was contaminated water? Was it your branch or local citizens?

Mr. Patrick Borbey: Yes, because they have access to what is called a spill hotline. Anyone can call to report a spill of that nature. The company is obliged to do so. Our inspectors visit the sites regularly. Citizens have access to that hotline to report any problem.

Mr. Bernard Bigras: In this specific case, did the company call you to say that they believed there might be a problem with drinking water?

Mr. Patrick Borbey: It is the company that... but it was not a drinking water problem.

Mr. Bernard Bigras: Well, it was a case of water not being up to standards.

The Chair: Thank you. Your time is up.

Mrs. Duncan, you have the floor.

[English]

Ms. Linda Duncan (Edmonton—Strathcona, NDP): I would like to thank the Auditor General and, of course, Mr. Vaughan and the officials, for coming here on relatively short notice.

I found this to be an extremely important report. I want to thank you for focusing on this area. I have to say that I find some of the findings absolutely shocking given the scale of developments about to arise in the Northwest Territories. We've been going through the Mackenzie pipeline review now for about two decades, and now, as Mr. McGuinty referenced, there's the potential for offshore development.

I have to note in your report, Ms. Fraser, on page 21, the response of the department to recommendation 4.61, your recommendation on better monitoring of cumulative impact. The response by Indian Affairs, which is that "Should additional funding become available...", we might do cumulative impact assessment, is one of the most stunning statements I've ever seen by the government, although I have to commend whatever officials had the honesty to write that. At least they're revealing exactly what the problem is.

Recently in the House, the Minister of Indian Affairs was asked questions about the capacity to respond to environmental issues in the north, and his response was that he's looking into the streamlining of approvals and reviews, including, as I understand it, the consolidation of water boards and so forth.

In keeping with the Speech from the Throne and the budget, which is calling for the streamlining of the regulation of resource development extraction in the north, we now have Bill C-25 on Nunavut that has been tabled. On cursory review, it's raising more concerns than solutions, I think, in regard to the report that you've addressed for the Northwest Territories.

It's hard to know where to start. I just want to thank you immensely for the report. I'm hoping that it provides a really good guide for the development of a proper framework.

One thing that I noted and that you, Ms. Fraser, pointed out, is the failure to deliver on what are actually constitutional obligations. These programs are mandated by a land claims agreement, which means they're constitutionally entrenched. It's not just a case of not living up to regulatory responsibility. I would be interested to hear from the two representatives from Indian Affairs and Environment Canada on that.

You've revealed today, Mr. Borbey, that there is somewhat of a program coming forward to respond to the failure to deliver on the north ecosystem initiative and the cumulative effects assessment management framework. Do you feel that \$8 million over two years is adequate to actually deliver a cumulative impact assessment for the extent of the Northwest Territories right up to the polar region?

Do you think that's adequate when we compare it to the hundreds of millions of dollars the federal government has put into simply assessing where the potential is for extracting resources from the Arctic Ocean?

● (1610)

Mr. Patrick Borbey: Thank you, Mr. Chair.

I just want to reiterate that we've had a program in place for a number of years. There have been about 175 projects funded and carried out with communities under this program.

Yes, more money is always a good thing, and we're very pleased that the government has decided to allocate further resources through the budget, subject to parliamentary approval, of course. So we will be able to do better and do more, and certainly the Auditor General has pointed out that we need to do more.

If we were able to, with very limited resources, carry out 175 projects over the last 11 years, including two audits—we completed one in 2005 and are now completing another major audit involving all of the Northwest Territories—I think we should be able to do very well with the additional funds.

I'd like to remind you that those funds are to support both the monitoring program in the NWT and the general monitoring program, which has been co-developed with the Nunavut government as well, as the land claims signatory.

Ms. Linda Duncan: You mentioned these new community-based monitoring programs. Are those all developments since the Auditor General's report? In other words, has that been the response to the Auditor General's report?

And is that only a partial response, or has the government also stepped up to the plate, delivering more on the ground monitoring, including cumulative impact assessment? Or is it only now being delivered by the community-based monitoring?

Ms. Linda Duncan: I'd still appreciate clarification. My question was specifically about these programs that you mentioned. Are those new programs in response to the deficiencies identified in the Auditor General's report? In other words, could you provide to us what are new and additional moneys?

I'd also appreciate a response from the Department of the Environment about what new additional efforts they have invested in to respond to the Auditor General's report and the deficiencies identified.

Mr. Patrick Borbey: The need for further investments in monitoring has been known for some time, so this is not a new issue. We have been working on a plan to access further resources for some time. We're very pleased that the government now, through the budget, has indicated support for this funding.

Ms. Linda Duncan: Does Ms. Milburn-Hopwood want to answer this one?

Mrs. Sue Milburn-Hopwood: Sure.

I think it's important to distinguish between some of the monitoring we're talking about that's specific to cumulative impacts. Particularly, we refer to the cumulative impact monitoring program, which is a community-based program, so there are government scientists but also community members doing some of the monitoring.

In addition to that, Environment Canada and a number of the other departments conduct environmental research and monitoring in the north as well as the rest of Canada. We don't particularly call that cumulative impacts monitoring, but it's the kind of data that can be used to evaluate cumulative impacts.

We collect information through our scientific work in the areas of water, weather, ice conditions, air quality, wildlife, and protected areas. All of these things can be used to help tease out what the cumulative impacts are. They are monitoring programs that aren't necessarily called cumulative impact programs, but their data can be used in the same way.

• (1615)

The Chair: Thank you.

Your time has expired.

Mr. Warawa, you can wrap up the seven-minute round, please.

Mr. Mark Warawa: Auditor General Fraser, thank you for being here.

Commissioner Vaughan and the department officials, thank you so much.

I appreciated the testimony. It was very enlightening. I appreciate the good work done by each of you.

I also had an opportunity to read the testimony of by Commissioner Vaughan a week ago at the public accounts committee. The Auditor General made a comment that there are also profound changes taking place in the north as a result of climate change and because of long-range transport of air pollutants.

Commissioner Vaughan, I think that came up a week ago. Cynthia Wright mentioned a lot of focus on mercury in the north. It's surprising that over 95% of the mercury deposited in Canada comes from foreign sources. So on the chemical management plan and biomonitoring, these are new projects that give us an indication of some problems and some improvements, but also keep a very close look and make sure the north is sustainable.

I want to focus on some of the agreements.

Auditor General, you mentioned that in the Northwest Territories four land claims agreements have been finalized, and that there are four other land claim agreements and ten self-government agreements that are under negotiation. You mention that for those areas where there has been finalization, things work much better than they do in those areas where there hasn't.

Mr. Borbey, in your presentation, you said, and I'm reading from one of your paragraphs here:

Meeting the needs of all parties is extremely complicated and challenging, and this is why conclusion of land claims is such a lengthy process. As a rule, Canada has not worked with Aboriginal groups to develop land use plans until claims are settled. It is far easier to negotiate land use plans where key questions of rights and ownership have been confirmed by a land claim agreement.

I have a concern that I would like to ask you about. Why are aboriginal groups in the Northwest Territories suffering financial hardship because of significant delays in receiving the funding they need to support their self-government negotiations?

• (1620)

Mr. Mark Warawa: Regarding funding, will INAC implement multi-year funding for contribution agreements to ensure that aboriginal communities can continue their self-governance negotiations?

Mr. Patrick Borbey: Certainly multi-year funding is part of the changes to the transfer payment policy, and certainly where it is warranted, where there is good strong governance, we will be looking at multi-year to simplify reporting and to reduce the administrative burden. It's certainly our intention to go in that direction.

Mr. Mark Warawa: Thank you.

Do I have a couple of minutes left?

The Chair: You do.

Mr. Mark Warawa: I am going to ask a question of Environment Canada and Ms. Milburn-Hopwood.

The cumulative impact monitoring program, which you touched on, is an INAC-led initiative to monitor the cumulative impacts in the Northwest Territories, specifically to examine how all the uses of the land, water, and deposits of waste affect the environment now and in the future.

The program follows a community-based approach and provides resources to fill the gaps in current monitoring activities. Budget 2010 provided INAC with \$8 million over two years to support community-based environmental monitoring, reporting, and baseline data collection through the Northwest Territories cumulative impact monitoring program, CIMP, and the Nunavut general monitoring program. INAC and its partners will determine needs and priorities for cumulative effects environmental monitoring in the Northwest Territories.

The CIMP program will provide decision-makers with a monitoring tool to aid in strategic decision-making and continuous learning. CIMP will be a standardized, tiered system of data collection and reporting using common protocols of a partnership network that engages, coordinates, and integrates monitoring and research activities, a network of partners who have the capacity to prepare, implement, report on, and participate in the monitoring programs and accessible baseline and long-term monitoring information.

Ultimately, the program will ensure the effective and coordinated collection and management of regulatory, scientific, and traditional knowledge data related to the environmental cumulative impacts. My question is, how will Environment Canada support INAC in the continued implementation of CIMP?

Mrs. Sue Milburn-Hopwood: Thank you for the question.

Environment Canada has provided technical and scientific advice in support of CIMP since the program's inception 10 years ago. This is a program that's been going on for 10 years. The program has been governed by the representatives of the land claim groups, INAC, and the Government of the Northwest Territories. Environment Canada has been at the table, but in an observer capacity. Despite that, I think it's fair to say that we've contributed quite actively in that role.

We've contributed in the past and expect to contribute in a similar way in the future, and in four ways, really. First of all, we'll be supporting the program partners in determining the needs and the priorities for environmental monitoring in the Northwest Territories, so we'll be sorting out what the needs are before we decide on which projects.

We'll also be providing technical advice on what are the valued components of the ecosystem that we should be protecting, monitoring, and assessing the cumulative impacts for. We'll be looking at indicators and some of the monitoring protocols. It's that whole area of technical advice that we'll be providing.

We'll be reviewing specific monitoring proposals as they come into the program.

Finally, we'll actually be doing some of the monitoring. Some of our scientists can apply and get funding from this program, so they'll bring their own expertise. They'll bring some of Environment Canada's resources to the table and then they'll actually do some of the work, because we have scientists who work in this field.

Those are the four ways in which we contribute to this program. We look forward to working with INAC and the other partners as this program moves into its new phase.

The Chair: Thank you very much.

Your time has expired.

Mrs. Crombie, you'll kick us off on our five-minute round. Welcome to the committee.

Mrs. Bonnie Crombie (Mississauga—Streetsville, Lib.): Thank you. It's a delight to be here.

Greetings, Madam Fraser. We used to sit together on the public accounts committee.

I want to turn your attention to recommendation 4.62 on page 35. Of course, it has to do with cumulative impact monitoring. This is all very new to me, but this certainly stuck out, if I may say so. Of course, Environment Canada agreed. They stated that they:

support the needs and requirements for cumulative impact monitoring in the NWT and acknowledges INAC's lead.

In light of this recommendation and the recommendations contained in the Joint Review Panel...Report for the Mackenzie Gas Project...(released December 2009)—

That was just five months ago.

—Environment Canada will work along with INAC and other government departments to develop the Government Response—

So you know where this is going.

—to the JRP Report that will lay out appropriate actions and in doing so will address the findings and recommendations...

Auditor General, is there such a plan? Did you go further in your analysis with the joint review panel recommendations? Have you looked at them?

• (1625)

Mrs. Sheila Fraser: Mr. Chair, I'll ask Mr. Vaughan to respond to that.

Mr. Scott Vaughan: Thank you for the question.

The joint review panel has made their recommendations. I believe there were approximately 170. I think the government—and my colleagues can correct me—is in the process now of pulling together its response to each of those recommendations.

Mrs. Bonnie Crombie: I understand as well from the panel that it's not always clear to individuals working in the field or the local residents which organizations they should call in the event of an emergency, accident, or spill. Which agency is responsible? Who's in charge?

Mr. Patrick Borbey: If it's a spill, as I explained earlier, there is a spill hotline and there is a requirement to report any spill. INAC immediately intervenes and sends an inspector. After that, we determine what measures need to be taken to immediately fix the problem. Then, after that, we pursue the possibility of charges, fines, or other measures with respect to the incident.

Mrs. Bonnie Crombie: So INAC is in charge.

Mr. Patrick Borbey: If it's a spill. I'm not sure what other—

Mrs. Bonnie Crombie: And if it's an emergency...?

Mr. Patrick Borbey: For any emergency there are protocols in place in the north where multiple agencies have agreed to a protocol to intervene.

If it's a search and rescue situation or something of that nature, the local community works with enforcement agencies, as well as organizations like INAC and even, in some cases, private industry, which may have assets on the ground that could intervene at a very early stage.

There are different protocols in place.

Mrs. Bonnie Crombie: The joint review panel also recommended that:

—within one year of the date of the Government Response to the Panel's Report, the Government of Canada publish a plan that demonstrates that Transport Canada has adequate capacity in place to ensure that spills and accidents in the Arctic marine environment are appropriately prevented, detected and remediated, and that contraventions of existing legislation will be prosecuted.

Where are we with that plan?

Mr. Patrick Borbey: If you're asking in terms of the response, the government is currently considering the recommendations and preparing a response to each recommendation, so I can't really get into that kind of a discussion. In terms of anything that has to do with marine shipping—

Mr. Mark Warawa: Mr. Chair, on a point of order, I think we are on a tangent and the questioning isn't relevant to the discussion today. It may be relevant...and I think that these are good questions, but I ask for your guidance.

The Chair: Well, the guidance is that because the department itself, in the response to the AG on page 35 and also on page 21, referenced the joint review panel and the report on the Mackenzie gas project, it is relevant.

Mr. Mark Warawa: Thank you.

Mr. Patrick Borbey: I'll conclude by saying that Transport Canada is part of the team that is reviewing the JRP report and advising the government. Each one of those recommendations is being studied very seriously. At some point, the government will be moving forward with its response.

Mrs. Bonnie Crombie: When do we expect that?

Mr. Patrick Borbey: I'm not in a position to discuss that.

The Chair: If I could just interject, going to chapter 20 of O'Brien and Bosc, on page 1,068, it is stated that:

Particular attention is paid to the questioning of public servants. The obligation of a witness to answer all questions put by the committee must be balanced against the role that public servants play in providing confidential advice to their Ministers. The role of the public servant has traditionally been viewed in relation to the implementation and administration of government policy, rather than the determination of what that policy should be. Consequently, public servants have been excused from commenting on the policy decisions made by the government. In addition, committees ordinarily accept the reasons that a public servant gives for declining to answer a specific question or series of questions which involve the giving of a legal opinion, which may be perceived as a conflict with the witness' responsibility to the Minister....

I'm going to excuse Mr. Borbey from answering those questions.

You have a minute.

Mrs. Bonnie Crombie: Thank you.

Let me ask the Auditor General as well who she thinks is in charge. Who should be responsible in the event of an emergency?

Ms. Sheila Fraser: Chair, it's not something we looked at, so I really don't feel qualified to be able to answer that. I don't know if the commissioner wants to....

Mr. Scott Vaughan: Yes. Well, just as a point of information for the future, we're in the process right now of completing the examination phase to look at pollution at sea and the federal government responsibility related to both preparedness and response. That will include both east and west, and the north, and it will be presented to Parliament in the fall.

● (1630)

Mrs. Bonnie Crombie: The panel also recommended that "within one year of the Government Response" we:

...update and publish...plans to manage a Project-related accident or spill along the Mackenzie River or in the Mackenzie Delta. The update of these plans should address the specific measures to be taken to notify the public of any spills, the actions to be taken....

So where are we with these? Have these plans been updated? Have they been announced? Who is the lead agency responsible?

Mr. Patrick Borbey: Mr. Chair, I must apologize. This is also a question related to the response to the JRP report, and I'm unfortunately unable to answer.

The Chair: Okay.

Thank you. Your time has expired.

Mr. Calkins.

Mr. Blaine Calkins (Wetaskiwin, CPC): Thank you, Mr. Chair.

Could you give me some clarification, Mr. Borbey, on how these things work? In the area that I represent in Alberta, there are the treaty areas, and then, of course, there are the reserve lands.

All economic development that happens on the reserve lands would have to seek the approval of the band through INAC. All proposals that would need to have permits and licences off the reserve land, but in the treaty area, would fall under the jurisdictions or agreements set out with the provincial government in Alberta and also with the various municipalities, because all the land is divided and quartered that way.

In the Northwest Territories, that's not the case. Could you tell the committee how this breaks down?

Mr. Patrick Borbey: Mr. Chair, I'll try to do it justice. I'm not an expert in this area.

The regime that applies in the north generally, but in the NWT particularly, is quite different from what you would find south of 60, we could say. We have almost no reserves in the north. There is only a very small number of them in the Yukon and NWT.

The north is basically governed through settlement of land claims, wherein aboriginal rights are recognized over the whole territory, where there are land selection and surface and subsurface rights, and where basically any development that takes place has to take into account the rights of aboriginal people over the whole territory.

Where we have settled land claims, and in some cases self-government, then the land ownership is clear, and the roles and responsibilities are clear. Where there are not such settled claims, there are still treaties that apply; the western treaties apply in the southern NWT. And Canada has a constitutional obligation to consult and accommodate on any activity that will take place on that territory that would affect those rights. So if there is any development, whether it's exploration or the development of a mine, or oil and gas development, those rights have to be respected.

Mr. Blaine Calkins: So in the absence of the situation we have, say, in reserve lands versus.... I mean, we can assume for the most part that the entirety of the Northwest Territories would be considered virtually "reserve land"...it would be analogous to the situation I would have, say, in the province of Alberta. Is that...?

Mr. Patrick Borbey: I would stay away from making any comparison, because the reserve system involves INAC's specific responsibilities. Once claims are settled, then aboriginal people are basically autonomous on their own territory and have the right to develop their resources as they see fit.

Mr. Blaine Calkins: The outstanding claims that are there, then, for the purposes of looking after the environment.... This is the question, as far as I can wrap my mind around it. Without the delineation of those authorities, without the appropriate governance structures in place, confusion is created, which is why, in the report, we've seen courts getting involved and setting aside permitting, because it's just not clear.

Now, in the judicial decisions to put aside these permits, has that been because of the lack of representation or a lack of consultation with first nations? Has that been the judicial ruling for these, or is it simply because the judge in the case doesn't find enough rules, enough rubrics, around the governance structure, so that they simply put these things aside?

Mr. Patrick Borbey: There is a regulatory regime that applies for the whole territory, and it is crown land until such time as there is—

Mr. Blaine Calkins: All right.

Mr. Patrick Borbey: So the regulatory regime applies everywhere. It's the same thing with permits, with exploration, etc. However, the test is whether you have met the constitutional obligation for consultation and accommodation.

There have of course in the past been some judgments that have found that the federal government or others have failed to meet that test. I think in recent years we've been putting more resources, more effort, into making sure we meet those obligations, but at the end of the day, that does not prevent some first nations from using the courts seeking judicial review if they feel that at the end of the day the consultations or accommodation measures were insufficient.

• (1635)

Mr. Blaine Calkins: In respect of the areas that don't have the settled claims, will INAC be concluding these agreements?

I'm assuming they're doing this as rapidly as possible. I know that the minister is engaging in a lot of agreements in British Columbia, for example. We know about some of the obstacles to development and also the obstacles pertaining to getting these development permits going and getting the economy going.... And companies, I

think, too, are also very frustrated with the lack of certainty that can exist because of unsettled land claims.

So can you tell us what plans INAC has? What are your priorities on the various agreements as far as the Northwest Territories are concerned?

Mr. Patrick Borbey: Certainly there are active negotiating tables for both the Akaicho as well as the Dehcho regions. Those are two big outstanding claims. There's also a claim with the Northwest Métis that's outstanding.

So there is a negotiating table. There are issues related to financial compensation. There are issues related to acceptance of the land quantum that would be transferred in terms of surface or subsurface rights and how the selection process will take place, and then there are issues with respect to acceptance of the resource management regime that will apply over that territory.

In the case of the Dehcho, we've accepted to move forward in parallel on the development of an interim land use plan. So in parallel with the negotiations, we're also talking about the land use plan, which is a bit of an exceptional situation, but the land use plan will not be concluded until such time as there's an overall agreement on the claim.

The other thing we've put in place, particularly in the Dehcho, is interim measures where both parties agree to under which condition development can take place. So it's not as if it's completely a no man's land; there are conditions under which there's agreement, and there are companies that are doing business in those areas that are doing quite well. They developed good relationships with the local first nations, and that development is going ahead right now.

Mr. Blaine Calkins: Thank you.

[Translation]

Mr. Bernard Bigras: Thank you, Mr. Chair.

I would like us to compare both regimes, especially with regard to operational permits. I refer to oil production permits, whether in the territories covered by the report or anywhere else in Canada.

My question is mainly for the representative of Environment Canada. Whenever a corporation wants to do some oil exploration, it has to request a permit from the National Energy Board and, unless I am mistaken, there has to be an environmental assessment.

What type of assessment is done for a corporation based outside the territories covered by this report? What is the assessment process? Is it a comprehensive assessment? Is it only a preliminary assessment?

I suppose the National Energy Board would not automatically grant a permit to any company wanting to produce natural resources.

Mr. Patrick Borbey: I know you have put your question to Environment Canada but I will try to answer.

Those are good questions which should be put to the National Energy Board, which has those responsibilities. It depends if you are referring to an offshore project or a land project, since the regimes are different. In the case of an offshore project, regulation is strictly federal, but there are still Aboriginal rights that have to be recognized. If it is on land, it depends again. Is it on land covered by Aboriginal rights or is it on Crown land? One has to be very precise.

Mr. Bernard Bigras: Yes but I do not understand why, for the same type of permits, the Mackenzie Valley Land and Water Board does not apply the same rules as the National Energy Board, whether or not this relates to the territories covered by this report.

For example, do you find it normal that there was no environmental assessment for certain projects and that those issues had to be resolved by the courts? Does the federal government, your department, believe that asking the courts to decide whether or not a permit will be granted is good environmental management?

• (1640)

Mr. Patrick Borbey: You seem to be referring to a major project. Of course, in that case, there would be an environmental assessment. I have absolutely no doubt about that. The question asked earlier about the role of the courts referred mainly to situations where Aboriginal groups had not been consulted or the federal government had not sufficiently answered their demands. It was not a matter of environmental assessment but of Aboriginal rights.

Mr. Bernard Bigras: I understand but one of the components of a comprehensive assessment is precisely consultation. That is the difference between a comprehensive and a preliminary assessment. As far as we are concerned, a comprehensive environmental assessment must include consultation.

Do you find it normal that courts should have to make this kind of decisions? Why? Because there is no comprehensive land-use plan, there is no decision, it is only a case-by-case process.

Mr. Patrick Borbey: No, it is not case-by-case. If there is an environmental assessment, Aboriginal groups are part of the process. There are consulted and they are involved. Not only do they participate and are they consulted through this mechanism, the federal government always has the obligation, according to the Constitution, to hold direct consultations. So, the issue is not a lack of consultation. There have been two series of consultations. I am referring particularly to areas where self-government or land claims have not been settled.

Mr. Bernard Bigras: Areas where there are no co-management boards.

Mr. Patrick Borbey: But co-management boards exist and Aboriginal groups that have not signed agreements can be part of them. They are not prevented to do so.

Mr. Bernard Bigras: That is true but how do you explain that a Dehcho first nation had to go to the courts? It claimed that the government had not consulted it sufficiently when it approved the permit. That means that there had not been a really comprehensive study. Otherwise, as for any other project implemented outside the covered territory, first nations would have been consulted.

Mr. Patrick Borbey: Let us take the Mackenzie project as an example. An environmental assessment has just been completed. A

report has been sent to the government. Before answering this report, the government will have once again have to consult the Aboriginal groups of the region even though they were directly involved in the process. They were the ones appointing the members of the panel. They were consulted over several years. Despite that, we will have to relaunch the consultations under our constitutional obligations.

[English]

The Chair: Thank you.

Mr. Woodworth, you have the floor.

Mr. Stephen Woodworth (Kitchener Centre, CPC): Thank you, Mr. Chair.

Thank you to the witnesses for being here with us today.

To use the language of one of my colleagues from across the way earlier, I am “shocked” at how much good news we get reported from reports such as this, good news that is often overlooked by some of my colleagues across the way.

I know and I understand that, like any good management tool, an audit of this sort suggests areas for improvement, but I find your reporting to be balanced and fair and pointing out the good news. I just find that there is a disconnect when I listen to some members, and I want to make sure I'm reading some of this good news correctly.

For example, I see this statement: “In virtually every part of the Northwest Territories...land claims and self-government agreements have either been settled or are being negotiated”. I regard that as good news.

Do you regard it as good news, Ms. Fraser?

Ms. Sheila Fraser: I do, Chair. We indicate that progress is being made in the Northwest Territories and that the department seems quite committed to doing this.

We did raise the question, though, as you mentioned earlier, about giving funding to the first nations to be able to actually continue the negotiations.

• (1645)

Mr. Stephen Woodworth: Correct: it was mentioned as an area for improvement. I understand that there are suggestions for improvement. I just want to make sure we're not missing the good news.

I see that the Government of Canada has negotiated or finalized land claims agreements “in the Inuvialuit, Gwich'in, Sahtu, and Tlicho regions” of the Northwest Territories and “has made progress toward finalizing the four comprehensive land claim settlements and ten self-government agreements still being negotiated...”.

That's good news, correct?

Ms. Sheila Fraser: That's correct.

Mr. Stephen Woodworth: Your report also states:

An environmental regulatory system is mostly in place in regions with settled land claims—co-management boards have been established, development decisions are being made, and land use plans are being developed. INAC has improved its support to co-management boards since 2005....

That's good news, correct?

Ms. Sheila Fraser: That's right.

Mr. Stephen Woodworth: I also notice that there's reference in your report to this fact: "In August 2009, during our audit, the Canadian Northern Economic Development Agency (CanNor) was created".

My own view is that will give some focus to the government's efforts in the Northwest Territories. Would you see it the same way?

Ms. Sheila Fraser: Yes.

Obviously, what they will accomplish remains to be seen.

Mr. Stephen Woodworth: It remains to be seen, but it is a hopeful sign.

Then, on page 14 of the report, in reference to the co-management boards, your report states:

We found that INAC has met its commitments and addressed many of the weaknesses identified, which included a lack of support for developing the capacity of board members....

And so on, and then it continues:

The Department's support through this forum over the last five years has resulted in strategic plans, shared best practices, orientation manuals, and training initiatives.

That's all good news, correct?

Ms. Sheila Fraser: Yes. We did see actually quite a significant improvement in the co-management boards and the support that the department was providing to them.

Mr. Stephen Woodworth: I notice as well that you said that the Minister of Indian Affairs and Northern Development recently made a proposal for regulatory reform, including the appointment of a chief federal negotiator and \$8 million to support cumulative impact monitoring.

Those are steps in the right direction, would you say?

Ms. Sheila Fraser: Yes.

I'm sure that the office will at some point do a follow-up audit to see if progress has been made.

Mr. Stephen Woodworth: Exactly so, and I'm expecting that you will find good things.

Voices: Oh, oh!

Mr. Stephen Woodworth: I just wanted to put on the record that in fact the government has been moving and responding and that there has been a lot of good work going on.

I do have a question for the representatives of INAC, because the one thing that stands out in your report is that there hasn't been a program to monitor cumulative impact of land and water use and waste deposits, even though it has been some time since INAC got that mandate.

I guess I'd like to hear from the INAC representative. What are the reasons behind that, what are the challenges, and what's being done to address them?

Mr. Patrick Borbey: I've already spoken a fair bit about CIMP. We are certainly very pleased that there are going to be additional resources to help us bolster that program.

There is a program that was established in the past, and there has been funding provided to a large number of projects. There is a governance structure in place, which includes participation from the federal government and the territorial government, as well as the aboriginal groups. As I've offered, I'm prepared to share a list of projects that have been funded over the last number of years.

That being said, there's a lot more that we can do. We can perhaps also improve our communication about the program, and the sharing of the results, perhaps also linking to some of the other work that's going on in the Arctic in terms of research—the recent international polar year research that we've conducted—and also feeding into what we're planning for the High Arctic research station, which will also be able to improve monitoring across the High Arctic.

Mr. Stephen Woodworth: Do I have time, Mr. Chair, to—

The Chair: That's all the time you have. It goes by fast when you're having fun.

Mr. Stephen Woodworth: I'd ask for a copy of the list, please.

The Chair: Yes. I was just going to follow up on that, Mr. Woodworth. It's the second time that Mr. Borbey has offered that list, and I do ask that he forward it to committee within the next couple of days. We'd appreciate that.

We're going to continue.

Mr. Martin, it's your turn.

Hon. Keith Martin (Esquimalt—Juan de Fuca, Lib.): I'm giving my time to Mr. McGuinty.

The Chair: Mr. McGuinty, for five minutes.

Mr. David McGuinty: Thank you very much, Chair.

Ms. Fraser, what is the annual budget of CanNor?

An hon. member: Good question.

● (1650)

Ms. Sheila Fraser: I don't have that information. Departmental officials might have it.

Mr. Patrick Borbey: Again, I'm quoting from memory here. I believe that with the economic action plan funding that's been provided, it's roughly \$60 million this year.

Mr. David McGuinty: Does that include the advertising for CanNor in northern Canada...the billboards?

Mr. Patrick Borbey: Sorry?

Mr. David McGuinty: I just wanted to know: do we have a number?

One of your major recommendations in your report, Ms. Fraser—and Mr. Vaughan, I assume, as well—is that CanNor “should clarify the objectives of its economic development programs” and get “a strategic approach to delivering federal programming” that identifies “needs and gaps” and has “clear and coordinated objectives, effective performance measurement, and consistent reporting on results”.

What are we doing with \$60 million?

Ms. Sheila Fraser: Well, unfortunately, we aren't able to answer this. As we were doing the audit, CanNor was created and so was really not part of the scope of this audit, but it did take over responsibility for the programs we audited that were part of INAC previously. So it is really up to them to address the recommendations that we would have made to INAC. But given that the programs were transferred, it would be something I think perhaps to ask the officials of CanNor: what kind of action plan are they putting in place to address these recommendations?

Mr. David McGuinty: Okay.

Could I ask about recommendation 4.78 on skills training and economic development? HRSDC, working with partners, should: ...assess the impact of their Aboriginal skills training programs and ensure that they are leading to improvements in the skills and employment prospects of Aboriginal peoples over time.

Presumably, if you're making that kind of recommendation, right now the moneys that are being spent on skills training aren't leading to improvements in the skills and employment prospects of aboriginal peoples over time. Is that right?

Ms. Sheila Fraser: The issue, Chair, is that the department doesn't know because it hasn't assessed the outcomes of the programs. We found that there were fairly clear objectives for these programs, but the assessment evaluation of outcomes hasn't been done, so they have to do that to see if the programs need to be modified in any way.

Mr. David McGuinty: How much money is involved in this work? We're talking...?

Ms. Sheila Fraser: I'm being told about \$20 million.

Mr. David McGuinty: That's \$20 million annually?

Ms. Sheila Fraser: Annually, yes.

Mr. David McGuinty: Isn't HRSDC obliged to perform, on an annual basis, evaluation monitoring and reporting to show the effects of \$20 million of expenditures? Why would you need to call for this?

Ms. Sheila Fraser: Well, Chair, if I may be so blunt, this is a fairly common recommendation of ours. There is no real obligation of departments other than their departmental performance reports to actually do assessments every year.

There is now a policy that has been put in place by government to do evaluations of direct program spending over a five-year period. That will begin in 2013. So these programs would come into it.

We would expect that on some regular basis—not necessarily every year—departments do assessments and do have the performance data to ensure that programs are meeting the objectives that have originally been set out.

But we found they have not done that in this case. They have agreed to do so and we will look forward to seeing those assessments.

Mr. David McGuinty: My last question may be for Mr. Vaughan. I'm not sure if I heard your answer correctly from the first round.

Just two days ago at the finance committee—this is related to what I'm going to ask you—five witnesses appeared to confirm that, for example, with the environmental assessment changes being made by the government in its budget bill, which has never happened before in Canadian history, none of them have been consulted. I take it that your office wasn't consulted either, because officials at CEAA tells us that nobody was consulted.

But can I ask, on the NEB review that was just launched this week, were you somehow linked to this question of NWT cumulative effects and pipelines? Will you be participating in that consultation or were you contemplating perhaps auditing or reviewing what happens after the NEB finishes its work?

• (1655)

Mr. Jeff Watson (Essex, CPC): On a point of order, Mr. Chairman, I don't recall that particular issue being anywhere in the report. Is there any relevance?

The Chair: I would question that as well.

Mr. McGuinty, can you make relevance...? Because the only thing that leads us down that path is the joint review panel for the Mackenzie gas project and that specific report, which Mr. Borbey isn't prepared to discuss yet because they're still in the process of replying to those recommendations. Plus, we never have it on the agenda to talk about the environmental assessments or the National Energy Board....

Mr. David McGuinty: Well, Chair, I'm not asking the witness to comment on environmental assessments.

The Chair: Well.... But you mentioned that and the National Energy Board is not anywhere in the reports, and I don't believe they were looked at by the....

I'll just ask Mr. Vaughan: did you guys ever look at the role of NEB on any of the auditing that you were doing?

Mr. Scott Vaughan: We did not look at NEB in the context of this audit. We would not normally be invited to an NEB consultation as a matter of course.

Finally, what I can say, and what I mentioned this earlier, is that we're looking at boat pollution at sea in the fall as well as cumulative environmental assessment, so we may be talking to the NEB within the course of that audit. But right now, we don't—

The Chair: So it'll be a topic for the future.

Mr. David McGuinty: Thank you. It was a good answer.

The Chair: Okay. We're moving on.

Mr. Tweed.

Mr. Merv Tweed (Brandon—Souris, CPC): I'm going to give my time to Mr. Woodworth.

The Chair: Mr. Woodworth.

Mr. Stephen Woodworth: Thank you very much.

A voice: More good news.

Mr. Stephen Woodworth: More good news, actually, yes. Actually, I did have a question. I noticed this note in paragraph 4.54 of your report, Ms. Fraser:

Environment Canada currently conducts limited monitoring of weather, climate, water, stratospheric ozone, and air quality throughout the North, including the [Northwest Territories].... Some of these national programs provide data for assessing cumulative impact.

Are these ongoing monitoring programs?

Ms. Sheila Fraser: I'll ask Mr. Vaughan to respond, Chair.

Mr. Scott Vaughan: Thank you.

We noted in that chapter—and I think my colleague from Environment Canada noted it as well—that there are ongoing monitoring programs—

Mr. Stephen Woodworth: Right. Very good.

Mr. Scott Vaughan: —across Canada. Let me also say that we have noted in a chapter we presented to Parliament last year, for example the severe weather chapter, that there is scarce coverage in the north on both air quality and weather warnings—

Mr. Stephen Woodworth: Yes. I remember that well. I recall that the department was in fact working on introducing new systems and continuing to expand its network. So from the point of view of our discussion today, though, and the issue of cumulative impact, I regard it as good news. Although improvements can yet be made, ongoing monitoring is still occurring.

As to the improvements, the \$8 million in good news from budget 2010 that we were speaking about before, which, I'm reminded, both the Liberals and the NDP voted against, that's a two-year program to provide some stability of funding, is it, Mr. Borbey?

Mr. Patrick Borbey: This is incremental funding and of course it's still subject to parliamentary approval. We also need to go to Treasury Board to determine the terms and conditions under which the funding will be spent.

Mr. Stephen Woodworth: We'll cross our fingers and hope that the opposition assists us with the parliamentary approval.

I had the understanding that in budget 2010 there was \$11 million over two years devoted to streamlining the northern regulatory process. Are you aware of that and can you tell us if it will help your department to respond to some of the issues the Auditor General and the commissioner have raised?

Mr. Patrick Borbey: Thank you, Mr. Chair.

The funding that was announced by the minister last week will certainly support dealing with a lot of the recommendations we've received over the years, including the recommendations from the Auditor General going back to 2005, as well as the recommendations of the McCrank report from two years ago.

That money is going to go towards changes in legislation, the negotiations in terms of restructuring or consolidation, and moving forward with other improvements to the regulatory regimes in the north. Again, the details are still subject to approval in terms of what specific investments will be made.

Mr. Stephen Woodworth: Excellent.

I just want to clarify a point with the Auditor General and/or the commissioner. While I can clearly see that there is work to be done in establishing a more systematic approach to the land claims processes, in scanning your report, the major issue I saw arising from the lack of a systematic approach was that there were delays in granting permits and approvals because of consultation issues.

I may have seen one small issue where there was some environmental consequence, but since we're in the environment committee, I just wanted to make sure that you weren't looking for or you didn't find issues where the lack of a systematic approach had actually contributed to any environmental damage. That is, if I stated that question correctly....

● (1700)

Ms. Sheila Fraser: It is correct that the major issue we are raising here is consultation, which has either delayed or, in fact, in some cases negated development projects going forward. We did not specifically assess whether there has been environmental damage. We were not made aware of any that occurred. But it's not something that we would have actually gone out to look for.

Mr. Stephen Woodworth: It's what I thought. I just wanted to make sure there wasn't an environmental red flag out there that we should be looking for. I'm glad you've confirmed there isn't.

Thank you.

The Chair: Thank you, Mr. Woodworth.

Mr. Watson, you're going to clean up the floor with the last question on the second round.

Mr. Jeff Watson: Thank you, Mr. Chair—I think.

The Chair: You're welcome.

Mr. Jeff Watson: I want to start first with a comment regarding the \$8 million for community-based environmental monitoring in our budget—subject to the approval of the budget, of course.

I did want to correct my colleague Mr. Woodworth. There were three parties that voted against that funding. I would go further to suggest or note that they offered no amendment to our budget to suggest that either that amount or any other investment should be otherwise, Mr. Chair.

To go to the report itself, I think the most noted concern with respect to the environmental regulatory system in the report revolves around areas of the Northwest Territories without comprehensive land claims agreements, if I understand it correctly.

I noted with interest, Mr. Borbey, in the responses from INAC, the caveat about settling land claims. Does this mean that authorities for co-management, land use planning, and monitoring flow only from comprehensive land claims agreements? Or do those authorities for that type of management exist in areas without comprehensive land claims agreements?

Mr. Patrick Borbey: They exist throughout the territory, but they are certainly a creation of the land claim settlement process. The MVRMA, the Mackenzie Valley Resource Management Act and also the legislation that applies in the Inuvialuit region are directly the result of settlement of land claims.

As in the case of the Yukon, where even if there are some first nations that have not settled their claims or moved to self-government, there is a co-management regime that applies for the whole territory.

Mr. Jeff Watson: Yet the report highlights a number of conflicts, shall we say, that arise from a lack of certainty, notwithstanding existing mechanisms. Is a comprehensive land claim agreement the only way to achieve greater certainty, or can it be achieved by other mechanisms where you already have legislative authority?

Mr. Patrick Borbey: That's a basic policy question, and the government's inherent right policy does put an emphasis on settlement of comprehensive land claims and moving forward with self-government where it's possible and warranted. So that is the policy, and that is the best way, from our perspective, to ensure certainty.

Certainly, reviewing regulatory regimes and legislative regimes and making sure they meet the highest standard is also a way to improve on certainty.

Mr. Jeff Watson: I would submit perhaps, then, that this report is really at its base an urgent call for settling remaining land claims to provide final certainty with respect to environmental regulatory systems. Would all panellists agree with that?

Fair enough. Okay.

That's all, Mr. Chair.

An hon. member: For the record, the answer is yes.

Mr. Jeff Watson: Yes. For the record, the answer was yes, by all panellists.

The Chair: Thank you, Mr. Watson.

We do have time for a third round of five minutes for each party.

Mr. McGuinty.

• (1705)

Mr. David McGuinty: Thanks, Mr. Chair.

Ms. Fraser, can I go to bullet point 6 of your presentation? You say, "Let me now turn to our examination of the environmental regulatory system. You talk about the fragility of the northern ecosystems being greater than that of those in the south. You say, "There are also profound changes taking place in the North as a result of climate change and...long-range transport of air pollutants", and so on.

In your audit of what you call "sustaining development" as opposed to "sustainable development" of the Northwest Territories, did you examine the state of science being conducted by the federal government to underpin precisely your examination of the environmental regulatory system?

Ms. Sheila Fraser: No. That is not something that we looked at in this audit.

Mr. David McGuinty: So you didn't examine, for example, the extent of scientific investments in climate change in the Northwest Territories?

Ms. Sheila Fraser: No.

Mr. David McGuinty: You didn't examine the foundation for atmospheric and climate change sciences—it's being wound up this year—for example. That wasn't examined?

Ms. Sheila Fraser: No. That would have been a much larger scope of audit than we did here. Actually, it could have been a whole other audit in and of itself to look at science capacity in government.

Mr. David McGuinty: But presumably.... I mean, I find that difficult to understand in terms of the four corners that you set out for yourself, the parameters, in conducting this audit. Presumably you can't have a good environmental regulatory system that's not based on science.

Ms. Sheila Fraser: Mr. Vaughan may wish to comment.

We were not evaluating the effectiveness of the regulatory regime. We looked at three specific areas. One was the regulatory regime that existed in areas where a land claim had been settled versus those where it hadn't, to support economic development, and we looked as well at training programs. So it was with a focus really on the economic development activities in the Northwest Territories, not on the effectiveness of the boards, the decisions that the boards made, and the decisions that went around the specific projects.

Mr. Vaughan, I don't know if you wanted to add anything more.

Mr. Scott Vaughan: Yes, thank you.

Just as the Auditor General said, we essentially looked at "with" versus "without", and clearly, when completed, when settled, we looked at whether the components of an environmental regulatory regime were in place. When they were settled, we looked at the regimes in terms of whether they have the components that are necessary for an effective regime, yes, but as the Auditor General said, we didn't examine...nor do we have the mandate to look at the boards per se.

If I may, Mr. Chair, I have just two other points.

We did note in the chapter, as the honourable member said, the importance, the disproportional importance, of climate change in the north. We noted in the chapter that the north has recorded an increase of 2 degrees Celsius in the last 60 years compared to an increase of 1.2 degrees Celsius south of 60. There is vast scientific evidence on the disproportional effects of climate change. We've referenced it. It's widely accepted. We've identified other environmental pressures in the north, with a 63% drop in the Bathurst caribou herd in the north as well.

So science clearly is an important part of this. I think the other part of it is just having real-time data, which is the ongoing basis—and which our colleagues have mentioned—for monitoring stations in order to detect these changes, which could then contribute to the cumulative effects monitoring system.

Ms. Sheila Fraser: Again, Chair, I'd just like to emphasize that we would not do an audit of the effectiveness of the boards or the quality. We did an audit in 2005, a follow-up here, of the co-management boards, but it was really around process. We would not do an assessment of their decisions.

We could, on the other hand, as the member mentions, look at scientific capacity, at the validity of data, at whether the data is complete and accurate, those sorts of things. This is certainly something that the commissioner and I can consider going forward. There has been work done by the commissioner, for example, on severe weather and information gathering. So it is work that could be possible, yes.

• (1710)

The Chair: Thank you.

Monsieur Bigras, s'il vous plaît.

[Translation]

Mr. Bernard Bigras: Mr. Chair, I would like to go back to recommendation 4.61, more specifically to the response of Indian and Northern Affairs Canada. You will remember that page 25 indicated that the Cumulative Impact Monitoring Program was initiated in 1999. I would like to know the total amount of funding provided since 1999.

Mr. Patrick Borbey: I will probably have to send the information to the committee since I do not have it with me. I know that close to \$1 million has been added to the existing budget since 2008.

Mr. Bernard Bigras: I understand why you found some good news, Mr. Woodworth.

Additional funds have been provided in budget 2010, have they not?

Mr. Patrick Borbey: Indeed, the new funding will be allocated once budget 2010 is approved.

Mr. Bernard Bigras: You state in the answer that the department "will determine needs and priorities for environmental monitoring in order to fulfill its obligations". So, you intend to determine future needs.

Mr. Patrick Borbey: With additional funds, we will be able to set priorities relating to the needs and investments.

Mr. Bernard Bigras: What is the plan? Is there a timetable?

Mr. Patrick Borbey: The funds have not been approved yet. We still have to respect the Parliamentary approval process, and we also have to wait for the approval of Treasury Board.

Mr. Bernard Bigras: But you still have a timetable, have you not?

Mr. Patrick Borbey: We are developing...

Mr. Bernard Bigras: All right. You will get the funds but the timetable will come later? In how much time?

Mr. Patrick Borbey: We have to develop those plans on a trilateral basis. We work with Aboriginal groups and the Government of the Northwest Territories, and our people work with people from other federal departments. Then, we would have to sit at the governance table, which already exists, to set the priorities.

Mr. Bernard Bigras: I understand but, still in that departmental response, you said that "ad hoc and short-term funding has meant that it has not been possible to completely deliver on its mandate and objectives". Do you see what I mean?

Mr. Patrick Borbey: Up until 2008-09, funding was relatively ad hoc for that function. In 2008-09, we recognized internally that

funding should be stabilized. So, we allocated \$975,000 per year over the past two years, on a continuing basis. Then, we put our case to the government, we said that those plans have to be improved.

Mr. Bernard Bigras: But you presented... When you prepare a funding submission, you have to submit a project, a timetable, objectives, and so on. I would not believe that a Conservative government would agree to provide additional funding without the minister having submitted a timetable, a mandate, a goal. I am quite convinced that the government would act responsibly and would manage public funds adequately. So, you submitted a proposal, did you not?

Mr. Patrick Borbey: Our responsibility is to present the government with options. Then, the government decides...

Mr. Bernard Bigras: What were those options? This is what I want to know.

Mr. Patrick Borbey: ...in the context of respecting the Cabinet process. So, I cannot really give you a more detailed answer.

Mr. Bernard Bigras: Mr. Bernard Bigras: So, I have to conclude that the government decided to provide additional funding without having seen any proposal from you. Do you understand what I am saying? It is a matter of accountability.

Mr. Patrick Borbey: There is a decision-making process, in government, that is protected by Cabinet confidences and we must...

Mr. Bernard Bigras: Ah, now we are getting somewhere. You submitted a request for additional funding to the government. I prefer getting a clear answer such as that, instead of being told that it will come later or that you are working on it. A proposal was submitted to the government, which probably accepted it since additional funding was provided. There was a submission.

• (1715)

Mr. Patrick Borbey: What I am trying to explain is that the details are still to be determined since we are committed to work on a trilateral basis. The details of this plan will be determined at the discussion table with our partners.

[English]

The Chair: *Merci.*

Madam Duncan.

Ms. Linda Duncan: Thank you.

I want to first follow up with Mrs. Milburn-Hopwood.

You clarified a point and I want to follow up. I asked a question about what the \$8 million was going to and I was told that most of the monitoring is being delivered by community-based monitoring. You clarified and said that in fact that's not the cumulative impact; that's done by somebody else.

So my question would be, how much has Environment Canada budgeted to do cumulative impact monitoring in the Northwest Territories?

Mrs. Sue Milburn-Hopwood: To clarify what I think I said, we've been talking primarily about the community-based cumulative impact monitoring. But the data we collect for all sorts of other reasons—for research purposes, monitoring of weather, monitoring of climate, all sorts of things—can be useful in doing an assessment of whether a particular development, or a series of developments, has made an impact or not.

It would be very hard to come up with the specific numbers, because there's a whole series of data, and the scientists will go at it and look at data that might come from this focus—

Ms. Linda Duncan: I just want to know if there's a specific allocation in the budget this year for additional money in Environment Canada to do cumulative impact monitoring in the north. It's a simple question.

Mrs. Sue Milburn-Hopwood: We wouldn't define it specifically that way. We don't have a budget item that says “cumulative impact is this amount of money”. But there will be a variety of programs that would contribute to that goal.

Ms. Linda Duncan: Okay. Thanks.

The Auditor General might like to respond to this, but perhaps the department representatives could speak to this. The report talks about regulating, monitoring, enforcing, and assessing environmental impacts on the Northwest Territories, but doesn't necessarily specifically talk about also regulating, assessing, and monitoring impacts, including cumulative impacts, of sources of external pollution.

The parliamentary secretary referenced the buildup of heavy metals in the Arctic, which I'm well aware of from my work at the CEC, and Mr. Vaughan would be as well, but there is also a growing accumulation of emissions coming from activities in northern Alberta, and if the tar sands pick up in Saskatchewan.... Downwind of the tar sands, we've received information, a review of oil sands and water, a submission of information. I'm wondering if Ms. Fraser would like to respond to that and if that's an aspect they considered or might want to look at if it wasn't specifically looked at.

But I'd like to hear from the agencies. Do they regularly intervene in tar sands applications, for example, like, say, the site C dam that's being expanded? We heard witnesses from the Northwest Territories to that effect: first nations are very concerned about the potential and growing level of pollutants, both airborne and waterborne, through the Mackenzie Basin region.

Mr. Patrick Borbey: I can share a couple of elements with you.

First of all, I talked a little bit about the Northwest Territories water strategy that we've jointly developed with the Government of the Northwest Territories.

Ms. Linda Duncan: Mr. Miltenberger testified and he was very concerned. He was the one who raised the issue.

Mr. Patrick Borbey: Okay. So we have developed this jointly and I think, again, Mr. Miltenberger was an important partner in that exercise.

We also have a program called the northern contaminants program, which monitors the presence of contaminants throughout the north, including in the food chain. In the past, we've used that

program to be able to help build a consensus, first with the Arctic Council countries, the circumpolar countries, and then after that with the UN, a consensus that we needed to reduce the presence or the emission of certain pollutants. So, for example, on persistent organic pollutants, there was a convention that was adopted as a direct result of our—

Ms. Linda Duncan: Okay. I'm not asking about the international emissions. I'm asking about emissions generated in Canada.

Mr. Patrick Borbey: They come from everywhere. Yes. No, these conventions cover all countries. Right now we're working on a convention for mercury, using the same kind of process, working through the Arctic Council and doing some good science through our program. That's the approach that we take. It's an example. That mercury can come from pretty well anywhere, whether it's Canada or elsewhere internationally.

Ms. Linda Duncan: But my question was, do Indian Affairs and Environment Canada intervene in projects that occur south of the Northwest Territories that can potentially impact the Northwest Territories and have a cumulative impact?

● (1720)

Mr. Patrick Borbey: I'm not aware of any interventions of that nature.

Ms. Linda Duncan: Okay.

Environment Canada...?

Mrs. Sue Milburn-Hopwood: In the environmental assessment process—and the environmental process can be a provincial, federal, or sometimes a joint process—Environment Canada scientists quite often are asked to appear as expert witnesses. We would bring our science and we would indicate what we feel the likely impact of a particular development would be. So we certainly intervene and participate in the environmental assessment process to bring the science to the table.

Ms. Linda Duncan: And is that seen as part of the cumulative monitoring—

The Chair: Thank you. Your time has expired.

Batting cleanup with the last question of the day is Mr. Warawa.

Mr. Mark Warawa: Thank you, Chair.

I just want to change the channel as my good friend, Mr. Woodworth, did, focusing on some positive things that are happening. There are a lot of positive things. I thank him for reminding us of that.

In that vein, Commissioner Vaughan and Auditor General Fraser brought to our attention the point that there is long-range transport of air pollutants in the north and that is a concern. Our good friend, Mr. McGuinty, brought up climate change. These are impacts in the north.

So on biomonitoring, we can see trends, we can see hot spots, and we can see problems. So if there is a problem, we can scientifically look at it and we can look for a solution, hopefully, and also, there are international agreements, to find out where the pollutants are coming from and then try to eliminate the problem. Could you touch on the importance of biomonitoring?

Mr. Scott Vaughan: Yes. Thank you for the question.

In a submission we did last week at the Standing Committee on Public Accounts, we talked about a chapter that we tabled in November 2009 on the federal government's management of toxic chemicals generally.

One of the areas in which we said there was significant progress—an important initiative with important progress—involved various programs at Health Canada, in collaboration with other departments, including Statistics Canada and Environment Canada. It involved putting in place biomonitoring plans nationally in order to identify current levels of exposure for different toxins in the blood of Canadians, as well as, from that baseline information, then detecting changes. We've been very clear that this was an important and significant step.

Mr. Mark Warawa: Thank you.

In closing, Chair, I have a comment. When the Auditor General pointed out that the north has been waiting for 11 years, I want to point out that we were not government for 11 years. We've been government for four years and we're seeing things dramatically improve.

We still have a long way to go. I think we've heard both from INAC and from Environment Canada that they have appreciated the recommendations of the commissioner and the Auditor General and are working hard to improve. And our government is committed to improve.

But also in the spirit of good news, from budget 2010, Mr. Woodworth brought to our attention: the \$8 million over two years for support for Indian and Northern Affairs Canada, for community-based environmental monitoring and reporting and baseline data collection through the Northwest Territories cumulative impact monitoring program; the \$11 million over two years to streamline the northern regulatory process; and the \$18 million over five years to commence the pre-construction design phase for the Canadian High Arctic Research Station.

There have been a lot of good things. The budget process, Chair, is not over. Hopefully we'll have a change of heart in the opposition members and they will support this very good work.

Thank you.

The Chair: Thank you.

On that note, we want to thank our witnesses for coming in and sharing so candidly with us the issues in the Northwest Territories.

Auditor General Sheila Fraser, Commissioner of the Environment and Sustainable Development Scott Vaughan, Assistant Deputy Minister Patrick Borbey, and Director General Sue Milburn-Hopwood, thank you very much.

With that, I want to wish all of you a great break week back in your ridings. I'll have a motion to adjourn.

An hon. member: So moved.

The Chair: We're out of here. The meeting is adjourned.

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