

Ministre des Affaires autochtones
et du développement du Nord



Minister of Aboriginal Affairs and
Northern Development

Ottawa, Canada K1A 0H4

APR - 4 2013

The Honourable Vernon White
Chair
Standing Senate Committee on Aboriginal Peoples
The Senate of Canada
OTTAWA ON K1A 0A4

Dear Senator White:

Our Government would like to thank the members of the Standing Senate Committee on Aboriginal Peoples for their study on Additions to Reserve (ATR) and the report entitled *Additions to Reserve: Expediting the Process* that was tabled on November 1, 2012. The report identified a number of key challenges that were raised by the more than 28 witnesses that appeared before the committee between February 7 and April 3, 2012. Our Government agrees that we must continue to pursue a strategic approach towards increasing First Nations' access to lands and resources for pursuing economic opportunities.

CONTEXT

It is anticipated that over 500 major economic projects will be developed across Canada over the next ten years. Meanwhile, First Nations own and control a substantial and growing land and natural resource base. Our Government recognizes the clear link between the growing economic base of First Nations and the future strength of the Canadian economy. Since 2006, we have demonstrated our commitment to maximizing the economic assets and potential of reserve lands to create conditions for First Nation communities to participate more fully in Canada's economy.

Increasingly, First Nations are seeking to expand their reserve land base through the federal ATR process, and we recognize the critical role that ATRs play in supporting economic progress both on and off-reserve. In 2009, we introduced

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the Federal Framework for Aboriginal Economic Development, which, among other things, focuses on streamlining and improving federal government roles and responsibilities in order to maximize economic outcomes for Aboriginal Canadians. Under the Framework, Canada invested over \$7 million annually to accelerate ATRs in Manitoba and Saskatchewan, where an increasing proportion of the lands set aside under Treaty Land Entitlement (TLE) are for economic development. As part of the Canada-First Nations Joint Action Plan announced in June 2011, our Government committed to continuing to work with First Nations to explore concrete initiatives aimed at improving the long-term prosperity of First Nations across Canada, including improvements to the federal ATR policy.

At the same time, Aboriginal Affairs and Northern Development Canada (AANDC) partnered with the Assembly of First Nations to create a Joint Working Group to explore options for improving the conversion of land to reserve status across Canada.

PROGRESS TO DATE

We have already taken a number of important and concrete steps to address the delays and costs involved in adding land to reserve. In 2010, we created the National ATR Tracking System to monitor progress and identify where action was needed to address barriers in the process of adding lands to reserve. We also developed an ATR toolkit in partnership with the National Aboriginal Land Managers Association, which has proven to be an effective tool for First Nations in navigating the process of adding lands to reserve. Finally, to reduce processing times, stringent service standards were put in place and approval procedures were streamlined by devolving the final stage of document preparation from AANDC headquarters to regional offices.

A COMMITMENT TO FURTHER ACTION

Despite these improvements and additional supports, the Senate report clearly demonstrates that the process of adding lands to reserve continues to be cumbersome. Specifically, the Senate report criticized unnecessarily high costs and lengthy timelines within the ATR process. Significant delays in the process also occur when negotiations between First Nations and local governments or third parties break down. Further, the Senate report detailed observations by some First Nations that private land holders often inflate the value of their land once they are made aware that a potential buyer is a First Nation. Therefore, our Government has identified a series of strategic actions that will be taken to build a more efficient and effective ATR process. In collaboration with First Nations, the Government will:

- better support productive negotiations between First Nations and local governments and/or third parties through improved guidelines, tools and resources under the ATR policy and access to negotiating expertise through the National Aboriginal Land Managers Association;
- identify and implement measures to mitigate predatory pricing on the sale of private land to First Nations, including an expanded ATR toolkit that outlines best practices and land acquisition strategies;
- examine the provisions of existing federal legislation on claim settlement implementation, which authorize pre-reserve designation and replacement interests, and consider potential policy and legislative changes that would assist in dealing with third party interests in all regions of Canada and expedite the overall ATR process; and
- streamline procedural requirements in relation to the ATR policy through continued implementation of recommendations from the Auditor General, a re-design of internal lands processes, development of service standards for Canada's contribution to the reserve creation process and expansion of the National ATR Tracking System to allow First Nations to view progress on their ATRs.

As described in the points above, our Government is prepared to consider legislation to further expedite additions to reserve. However, we will only pursue legislation following further extensive engagement with First Nations organizations and stakeholders. In the meantime, we will proceed promptly with all non-legislative actions described above and not wait for consensus to emerge on potential legislation. Overall, this will support greater access to lands and resources and provide more economic opportunities for First Nations across Canada. We welcome this opportunity to build upon the significant steps that our Government has already taken towards ensuring greater access for First Nations to economic opportunity.

Sincerely,



Bernard Valcourt, PC, QC, MP