

Minister
of Natural Resources



Ministre
des Ressources naturelles

Ottawa, Canada K1A 0E4

May 31, 2021

Mr. Dale Swampy
President
National Coalition of Chiefs
daleswampy@coalitionofchiefs.ca

Dear Mr. Swampy:

The Prime Minister's Office has forwarded to me a copy of your correspondence of May 3, 2021, regarding Budget 2021.

Thank you for outlining your concerns and reaffirming the importance of inclusive resource development in supporting long-term prosperity of Indigenous communities. I value the support of the National Coalition of Chiefs in helping to create a forum for discussion between First Nation chiefs and natural resource industries in support of this goal. I am pleased to have the opportunity to expand on some of the key funding initiatives announced in Budget 2021, as well as Natural Resources Canada's (NRCan) overall priorities.

I appreciate the importance of Canadian liquefied natural gas (LNG) and the oil and gas industry to furthering Indigenous prosperity. During the height of the COVID-19 pandemic, the federal government pledged \$1.7 billion to facilitate oil and gas well reclamation work in Alberta, Saskatchewan, and British Columbia, and \$100 million was set aside specifically for Indigenous communities. NRCan also continues to implement a suite of programming dedicated to integrating Indigenous inclusion into oil and gas and LNG development. Among these programs is our Indigenous Natural Resource Partnerships program, which commits funding annually for projects that support Indigenous community tools, projects, and engagements that advance economic participation in energy infrastructure. Last year alone, the program committed more than \$2 million in funding in support of Indigenous-led oil and gas and LNG infrastructure projects in Alberta and British Columbia.

Budget 2021 makes clear that no relationship is more important to the federal government than its relationship with Indigenous Peoples, committing to an investment of over \$18 billion for First Nations, Inuit and Métis. Of particular note, \$31.5 million will be used

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to support the co-development of an action plan with Indigenous partners to implement the United Nations Declaration on the Rights of Indigenous Peoples. I anticipate that this process will drive important relationship-building and meaningful partnerships in future responsible resource development.

Budget 2021 also announced significant steps to address and support the financial resilience of Indigenous economies via the establishment of the Indigenous Growth Fund through a \$150-million investment, which will provide capital to Aboriginal Financial Institutions and, ultimately, Indigenous businesses and entrepreneurs. Additional supports to Indigenous entrepreneurs were announced, including \$42 million to expand the Aboriginal Entrepreneurship Program, \$33.4 million to support the First Nations Finance Authority pooled borrowing regime, and \$22 million to support the National Aboriginal Capital Corporations Association's Indigenous Women's Entrepreneurship Initiative. Finally, \$117 million was announced to renew the Indigenous Community Business Fund.

Many of the Budget 2021 investments, which NRCan will deliver directly, address the unique challenges faced by Indigenous communities. Budget 2021 proposes to provide \$54.8 million over two years to enhance the Investments in Forest Industry Transformation program. The program plays a vital role in supporting new forest-based economic innovation opportunities for many rural and Indigenous communities.

Budget 2021 also announced supports to the critical mineral industry, with \$36.8 million in funding allocated to support growing Canadian expertise in critical mineral mining, processing, materials, battery performance and recycling. In addition, \$9.6 million was set aside to establish a Critical Minerals Centre of Excellence to coordinate the development of Canadian critical minerals value chains domestically and internationally. Investing in these resources now will position Canada to become a key producer in these supply chains now and in the future.

NRCan remains committed to seeking opportunities to align our departmental mandate with Indigenous priorities. As we work to deliver on the initiatives described here, we will continue to seek collaboration with organizations such as yours to drive toward success. I appreciate your willingness to provide advice and perspectives as we move forward together.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Seamus O'Regan". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

The Honourable Seamus O'Regan Jr., P.C., M.P.