ATTACHMENT October 25, 2022 Federal Authority Advice Record: Designation Request under IAA Response due by November 15, 2022

Sugar Creek Peat Harvesting Project

Department/Agency	Indigenous Services Canada
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1. Has your department or agency considered whether it has an interest in the Project; exercised a power or performed a duty or function under any Act of Parliament in relation to the Project; or taken any course of action (including provision of financial assistance) that would allow the Project to proceed in whole or in part?

Indigenous Services Canada (ISC) has considered an interest in the Project related to impacts on Indigenous peoples, impacts to traditional territory and reserve lands and the rights of Indigenous peoples. ISC has not exercised a power or performed a duty or function under any Act of Parliament in relation to the Project or taken any course of action that would allow the Project to proceed in whole or in part.

2. Is it probable that your department or agency may be required to exercise a power or perform a duty or function related to the Project to enable it to proceed?

ISC will not exercise a power or perform a duty or function related to the Project and therefore, is not responsible for approving or issuing licences, permits or authorizations for this proposed project.

3. If your department or agency will exercise a power or perform a duty or function under any Act of Parliament in relation to the Project, will it involve public and Indigenous consultation?

Not applicable.

4. Is your department or agency in possession of specialist or expert information or knowledge that may be relevant to any potential adverse effects within federal jurisdiction caused by the Project or adverse direct or incidental effects stemming from the Project?

Indigenous Services Canada has a mandate to support Indigenous people (First Nations, Inuit and Métis) in their efforts to improve social well-being, health and economic prosperity; to develop healthier, more sustainable communities; and to participate more fully in Canada's political, social and economic development.

Indigenous Services Canada also has information and knowledge of Indigenous matters on Federal lands. For example, ISC – Lands and Economic Development may have relevant information on the following areas depending on the final scope of the project: climate change impacts to traditional lands and reserve lands, cumulative effects on traditional territories and reserve lands, the assessment and remediation of chemical contamination of traditional territories and reserve lands.

First Nations and Inuit Health Branch (FNIHB) has specialized knowledge pertaining to First Nations people. Areas of expertise include but are not limited to: the provision of health services, community health and wellness programs, drinking water quality on First Nation Reserves, and social determinants of health, such as mental health and addictions, language, diet, or the chemical contaminants of traditional foods and perceptions of contamination.

5. Has your department or agency had previous contact or involvement with the proponent or other parties in relation to the Project?

To the best of its knowledge, ISC has had no previous contact or involvement with the proponent or other parties in relation to the project.

6. From the perspective of the mandate and area(s) of expertise of your department or agency, does the Project have the potential to cause adverse effects within federal jurisdiction or adverse direct or incidental effects as described in section 2 of IAA? Could any of those effects be managed through legislative or regulatory mechanisms administered by your department or agency? If a licence, permit, authorization or approval may be issued, could it include conditions in relation to those effects?

Currently, ISC does not have enough information to make determinations as to whether or not the Project may pose adverse direct or incidental effects as described in Section 2 of IAA 2019. However, any proposed changes from the Project activities may interfere with land use/access, loss of traditional lands and ability to hunt, fish gather and/or trap as well as the ability for Indigenous People to practice their culture. As such, consideration should be given to:

- drainage to downstream environments and resulting potential for flood impacts to the community with the removal of peat;
- analysis of cumulative impacts given the other current peatland harvesting and other economic initiatives in the area;
- sensitive habitat and downstream impacts of peatlands loss to traditional and cultural areas as well as the Fisher Bay Provincial Park and Proposed Expansion
- watershed level impacts and specifically impacts to flooding around the community;
- displacement of wildlife/wildlife relocation, resulting in reduced access to traditional foods (which could affect food security);
- potential changes to quality in soils, waters, and fish habitat (changes to water environment for fish); and
- changes in the health, socio-economic conditions and community well-being due to reduced access to land, resources, and sites of spiritual and cultural importance.

The potential impacts of the proposed Project should be considered over an extended period of time (80-100 years) and with particular attention paid to anticipated impacts of advancing climate change on food security and traditional activities of Indigenous peoples potentially affected by the proposed mine. Common concerns surrounding impacts to Indigenous communities may potentially be centred around:

- loss of reserve lands due to flooding;
- loss of food security (traditional foods);
- loss of lands with native habitats and associated wildlife;
- impacts to soils, waters, and fish habitat;

- loss of habitat for migratory birds;
- localized climatic changes due to potential emissions during construction, operation, and decommissioning
- social well-being and economic prosperity;
- impacts to sacred sites and other cultural and heritage-sensitive areas; and
- cumulative effects due to significant peat development activities over the past several decades.

Although this project is not on reserve land, and ISC has no specialist or expert information or knowledge relevant to potential adverse effects, reserve lands may experience downstream effects from Project activities. These potential impacts include large withdrawals and altered flow regimes on riparian and aquatic ecosystems.

There is not much information on the extent of the project impacts, however, any project activities will likely interfere with land use/access, loss of traditional lands and ability to hunt (loss of terrestrial habitat), fish, gather and/or trap as well as the ability for Indigenous People to practice their culture. However, the potential impacts of the proposed project have to be considered over an extended period of and with particular attention to anticipated impacts of advancing climate change on food security and traditional activities of First Nations potentially affected by the proposed Peat harvesting.

Additional considerations should be given to the letter from Fisher River Cree Nation to Hon. Steven Guilbeault, ECCC Minister (dated October 14th) which outlines several concerns of impacts the project may have in the community.

It would be important to consult with potentially affected First Nations, as well as any Metis group or Metis Settlement within the respective areas.

- 7. Does your department or agency have a program or additional authority that may be relevant and could be considered as a potential solution to concerns expressed about the Project? In particular, the following issues have been raised by the requestor. The Project could result in potential:
 - adverse effects to areas within federal jurisdiction, including Indigenous peoples and lands, species at risk, and fish and fish habitat;
 - alteration of the land and hydrological and ecological functions of groundwater, surface water, and wetlands in Fisher River Cree Nation (FRCN) traditional territory;
 - adverse effects to fish habitat and spawning within the Sugar Creek watershed system;
 - adverse effects to wildlife populations, migration patterns, and wildlife habitat;
 - significant adverse impacts on the treaty and aboriginal rights of FRCN, as well as significant adverse effects on FRCN's health, social, and economic conditions;
 - change to FRCN's ability to develop its land and economic plans;
 - impacts to locations of cultural and historical importance to FRCN and other Indigenous communities;
 - adverse effects to the Fisher Bay Provincial Park and Proposed Expansion that is underway;
 - contribution to climate change due to loss of peatland carbon storage and sequestration area; and
 - cumulative effects of existing peat harvesting operations in the area, which were not considered in previous provincial licensing processes and are likely irreversible or not restorable for well over 100 years.

ISC does not have any thorough legislative or regulatory mechanisms that could manage the potential adverse/incidental effects of the Project.

In terms of programs that relate to potential effects on health, social or economic conditions of the Indigenous Peoples of Canada, ISC manages several kinds of programs that may relate to the above specific potential adverse and cumulative effects of the project:

1. Lands Operations – The Lands Operations unit is responsible for the administration and management of Reserve lands, as well as land devolution programs in Manitoba. These latter programs are funded initiatives that support First Nations' control and access to their land, as well as financial resources. Further, this unit is responsible for the development of land instruments as required under the Indian Act, relating to land tenure; some examples are permits (ex. commercial, agricultural, natural resource based) leases, designations (i.e., "zoning"), and other forms of land

holding instruments. Further, the unit is responsible to maintain a land registry to record property interests in First Nations lands.

Fisher River Cree Nation is an FNLM Band and may have their own land code which could extend into their traditional territory. The Land Code must be equivalent or better than existing federal/provincial acts/regulations. Specific links that may be relevant:

- First Nations Land Management
- Land Registration (isc.gc.ca) First Nations Land Registry System
- 2. Environmental Planning and Management: The focus of this Unit is to provide technical and environmental support services to First Nation communities in the areas of climate change, solid waste, water quality, additions to reserve, environmental assessment and contaminated sites assessment and remediation. As well, the Unit strives to enhance capacity in First Nations to address local environmental matters. The following are two links relevant to two of the noted EPM programs:
 - Lands and Economic Development Services Program
 - Contaminated Sites Management Program

3. ISC – First Nation and Inuit Health Branch Programs:

ISC-FNIHB has several programs that may be relevant and could be considered as a means of assisting First Nations people in further investigating and scoping out their concerns about the Project:

- The First Nations Baseline Assessment on the State of Health and the Environment program supports community-based research in First Nation communities that are interested in assessing the baseline health and environment status of their community prior to the implementation of planned large-scale industrial projects on their traditional territories, and when such projects may have potential impacts on the community.
- First Nations Environmental Contaminants program supports community-based research in First Nations communities that are interested to improve their health and wellbeing by supporting their capacity to identify, investigate and characterize the exposure to environmental hazards on their health and environment through community-based research, monitoring, risk assessment and risk communication.
- Climate Change Health and Adaptation Program supports community-based research and action oriented projects, to help southern First Nation communities minimize risks and adapt to the impacts of climate change on human health. More on the program can be accessed at: <u>https://www.ClimateTelling.info</u>
- 4. Emergency Management The Emergency Management Assistance Program provides funding to First Nations communities in order to build resiliency, prepare for natural hazards and respond to them using the 4 pillars of emergency management (mitigation, preparedness, response, recovery). This program is jointly implemented with provincial and non-governmental organizations. – <u>Emergency</u> <u>Management Assistance Program</u>
- 5. Economic Development: ISC supports First Nation's in building sustainable economies through economic programs to build economic ventures, participate in economic opportunities and partner to develop the local economy through the Lands and Economic Development Services Program (LEDSP) Program Guidelines Lands and Economic Development Services Program (LEDSP) (sac-isc.gc.ca) and
 - Community Opportunity Readiness
 - COVID-19: Indigenous businesses initiative
 - Indigenous Business Development
 - Lands and Economic Development Services Program
 - Strategic Partnerships Initiative

8. Does your department or agency have information about the interests of Indigenous groups in the vicinity of the Project; the exercise of their rights protected by section 35 of the *Constitution Act, 1982*; and/or any consultation and accommodation undertaken, underway, or anticipated to address adverse impacts to the section 35 rights of the Indigenous groups?

If yes, please specify:

ISC is aware of the following external report that may be relevant to the project and potential impacts to interests of Indigenous Groups that may be impacted by the project – a full scope of the project would need to be established to determine relevance:

- Fisher River Watershed | Environment, Climate and Parks | Province of Manitoba (gov.mb.ca)
- 9. If your department has guidance material that would be helpful to the proponent or the Agency, please include these as attachments or hyperlinks in your response.

ISC has some general information on First Nations communities that are accessible to general public. This information can be accessed via the First Nations Profiles and the Community Well-being Index.

First Nations Community Profiles

The First Nation Profiles is a collection of information that describes individual First Nation communities across Canada. The profiles include general information on a First Nation along with more detailed information about its reserve(s), governance, federal funding, geography, registered population statistics and various Census statistics. This information can be accessed here: <u>https://fnp-ppn.aadnc-aandc.gc.ca/fnp/Main/Index.aspx?lasng=eng.</u>

Community Well-being Index

ISC maintains the Community Well-being Index (CWB). This index measures socio-economic wellbeing for individual Indigenous communities across Canada. It has 4 components: education, labour force activity, income, and housing. It is compatible with other community-level data to facilitate a wide variety of research on the factors associated with well-being, and allows for cross-comparison with other Indigenous and non-Indigenous communities. The Community Well-being Index can be accessed through the following website: <u>https://www.sac-isc.gc.ca/eng/1100100016579/1557319653695</u>.

Shelly Johnson Name of departmental / agency responder

Sr. Environmental Specialist Title of responder

November 14, 2022 Date