

of too grandiose a nature and beyond the initial capacity or ability of the Indian people involved to handle.

It is easy to express criticism and be wise after the event. It is more difficult to develop constructive and workable solutions. We still face a grim reality of Indian unemployment. Almost half the Indian labour force is currently unemployed.

It is estimated that 45,000 jobs need to be created to bring Indian unemployment down to the national average. Social assistance, which now totals close to \$100 million a year, has increased by about 30 per cent a year in the past five years. Subsidized housing, health care and penal costs constitute significant additions.

The alternative to a perpetuation of this situation is to make very sure that whatever employment or earning opportunities can be made available to Indian people are made available on a long-term basis and are in keeping with their life-styles and their pace. This takes time and it takes money. The alternatives of long-term maintenance and continual development of the welfare syndrome are simply unacceptable.

Given these concerns, it has not been enough for us simply to assess the effectiveness of our current programming.

Indian thought and Indian assessment are imperative. This means resources for band level planning immediately. It means more organizations, like the national Indian arts and crafts corporation, that can develop strategies and act on behalf of Indians. And, of course, it places greater importance on the long-term studies towards a socio-economic strategy by the National Indian Brotherhood in which the department is co-operating fully.

We are reviewing our current economic development portfolio to re-capitalize and restructure worth-while projects and eliminate projects that are no longer operating, or would cost too much to continue to support.

**Mr. Yewchuk:** That will be 75 per cent of them.

**Mr. Buchanan:** No, that is too high a number. As I said a moment ago, the indication has been that the thrust should be far more toward the smaller projects where one can learn to develop management skills and expertise and to grow, and this is the direction in which we are now moving.

Let me summarize briefly what is proposed in order to stabilize the financial demands upon the Indian Economic Development Fund.

We have proposed that a sum of \$31.7 million be devoted over the next three years to liquidate unsuccessful projects and to restructure projects that are improperly capitalized, by writing off loans and providing further support to those projects which will continue in operation.

We anticipate the need to ask parliament for additional funds in supplementary estimates for the current fiscal year to reduce or delete some of the direct loans outstanding and furnish additional funds for continuing economic development. This would be part of the three-year stabilization action.

### *Indian Economic Development Fund*

We are making immediate adjustments to our current program structures to provide for developmental support to projects; to allow the support of differential costs, such as transportation and scale; and to support the development of Indian-operated economic service organizations.

As well, development is going on of improved programs in other areas to support Indian socio-economic development. These include increased emphasis on housing and community services support; increased resources for planning and technical support; improved short-term job creation and employment services programs.

A program review will be undertaken in response to the final report of the socio-economic task force to define a two year program of redevelopment and adjustment to implement agreed aspects of the policy.

Our over-all object will be to make increased resources available for economic development and to increase still further Indian participation in their management and distribution. We know that we will not eliminate all problem projects. We have made mistakes in the past and we will continue to make mistakes in the future. This is inevitable.

**Mr. Yewchuk:** We should throw you out.

**Mr. Buchanan:** That would be a bad mistake. We would probably not have enough money to meet all economic development needs—

**Mr. Yewchuk:** We can't afford to keep you.

**Mr. Buchanan:** —but these adjustments will allow us to be more efficient, more relevant, and to continue our efforts with the fundamentals of Indian and economic needs.

● (1620)

**Mr. Wally Firth (Northwest Territories):** Mr. Speaker, I want to state at the outset what is very obvious, and that is that economic development is inseparable from social development and cultural traits. The native people of the north and native people generally throughout Canada have survived for many centuries in spite of harsh living conditions which have prevailed. In more recent times native peoples have been offered some opportunities and facilities for strengthening their capacity to survive, but survival must be more than mere subsistence supplemented by government subsidy. It must, above all, permit the people to make their own choices as to the place they wish to occupy and the part they wish to play in the evolving society of Canada.

Natives must be given every opportunity to become an equal and participating part of this socio-economic evolution, and we want to make it very clear that we want jobs and opportunities for jobs, not welfare. We do not want welfare in any form. We are determined that we shall have real choices while retaining our distinctive identity and taking pride in our cultural heritage. Some native people welcome opportunities to adopt what may be termed the new ways, while others wish to follow traditional pursuits. Thus, the challenge is to diversify the