

*Indian Affairs*

the company. As a result, the Indians had no control over the management of the company, and the company failed.

In a company called Ehatlesah Co-Op Enterprise Association located on Vancouver Island, \$4.5 million was spent. Some DREE money was added to that. This was a logging operation. As I stated in the committee, a lot of this money was spent deciding whether these logs could be used for export. Trips were taken by great numbers of people to Japan, Hawaii, Fiji and so forth, to find out whether there was a market. The company failed.

The Apanakii motel failed. Millions of dollars were spent in the Arcan timber enterprise. The end result was a couple of sheds. There are many other examples, all documented in reports of the Committee on Indian Affairs and Northern Development in years gone by.

We have used these types of programs over and over again through the years. In most instances the only ones which have been successful are those which have come from the native people themselves where they have had control of the money.

When I look for successes and the reasons for them, I do not have to go far outside my own riding. The native people in my riding have been fortunate to have some revenue from oil. As soon as they were able to get their hands on that revenue, they no longer needed government assistance. They were capable of building their own enterprises and homes. They were capable of setting up trust funds for their children for necessary education. They were capable of managing their own band successfully without government help. That ought to be the goal we should strive to attain. The government should use that as an example of how programs can be successful.

This minister has a feeling for the problem and he is attempting to do things about it. He has travelled the nation to see what can be done. In his generosity, he offers native people various amounts of money to establish their projects, but when the natives go to follow that up, in some instances, the department says it does not have the money, or that all the money has been committed.

● (1600)

I do not know how the minister could make that kind of recommendation. I can give an example of a \$5 million promise made to an impoverished Alberta band in October, which was not followed through. The necessary communication between the minister and his officials is not taking place.

Part of the reason is that many of the deputies and assistant deputies in his department have never come up through the organization, worked on the reserves and understood the problems. They are excellent at creating bureaucracies and looking after the efficiencies of money. They come from that kind of background, and therefore should be able to do this. But there is a communications gap between the minister and his officials in this area and many native communities are suffering because of that.

Another area is the export tax. This has bothered me for years because we have stated that we should not tax native

people. It is in the Indian Act that they will not be taxed, yet the ownership of their resources is denied in allowing that export tax to take place. As many as 19 bands in western Canada have made a commitment of this money into the future and now find 30 per cent of it is lost.

Members of the oil producing bands have never had the export tax returned to them. The provinces had it returned, but never the Indian people. That money could have been used to eliminate some of the statistics I put on the record earlier.

Why has the Department of Indian Affairs not put forward some recommendation on what salaries should be paid for band managers? Native people come to me to show statistics where certain band managers are paid \$70,000 or \$90,000 for a year's work when, in most instances, all that other bands can afford to pay is between \$10,000 and \$20,000. Surely there should be some recommendation coming out so that we do not see these kinds of facts reported in the paper and the problems which result in other reserves because of that.

There are many other problems in the department I could mention. There are so many inefficiencies that I cannot even go into them. However, the problem which bothers me most is that we set aside tax dollars for the Department of Indian Affairs and only 30 cents of each dollar actually reaches the native people on reserves. There must be a better way of running the department to ensure that the money actually gets to those who need it.

When we have an energy problem in this country, such as we have just gone through, the premiers, our Prime Minister (Mr. Trudeau), the government, and all the best minds we can gather together become involved in attempting to solve it. They may not always solve it according to the way certain individuals in this House would like, but at least there is the commitment to solve the problem. Has that ever been done in the Department of Indian Affairs? Not to my knowledge, because we have not seen any extraordinary ideas in the past ten or 20 years to solve the problem. Why is it not done here? It is done in other countries. Land claims are still not settled, and we are falling behind in the statistics on health and housing, yet that has not been done.

Today I was talking to a native person. I asked how we could assist them to become more self-reliant. The department now pays the budget to reserves not once, twice or four times a year, but five times a year. I presume the department feels if it gives out all the money at the beginning of the year, it will no longer have control. They could not make the fatherly hand-out. That is the problem, but how do we solve it?

The person I was speaking with suggested that there be a native person in the districts that are set up, something like a parliament. That person would be responsible to the native bands in that district as well as to the department, would bring forward all the problems and be responsible for the management of money which goes into the district. If just that one suggestion were instituted, I bet it would do away with one-third of those in the Department of Indian Affairs.