

We are looking at a range of options which could include some changes in the operation of the Canadian Development Corporation.

I think that answers the suggestion of Senator Olson that a trading company was intended. Would he indicate if possible changes to the Canadian Development Corporation are motivated by that company's refusal to participate in the Massey-Ferguson refinancing operation. Further, would he indicate precisely what alternatives are being considered insofar as the Canadian Development Corporation is concerned.

Senator Olson: Honourable senators, attribution of motivation is not, in my view, a particularly useful exercise. I can assure my honourable friend, however, that when the government has reached its decision and is ready to make an announcement, I will advise him as soon as possible.

INDIAN AFFAIRS

INDEPENDENT AUDITS OF INDIAN BAND TRUST FUNDS

Hon. Nathan Nurgitz: Honourable senators, I have a question for the Leader of the Government in the Senate arising out of hearings of the Standing Senate Committee on Legal and Constitutional Affairs in July, just before the beginning of the summer recess, concerning trust funds held by the federal government for various Indian groups. I notice that several previous Ministers of Indian Affairs and Northern Development have fully endorsed the principle of Indian bands being able to request and obtain audits of the trust funds being held for them by the federal government, audits to be conducted by the Auditor General. Is it the policy of this government to support this principle?

Hon. Raymond J. Perrault (Leader of the Government): Honourable senators, the question will be taken as notice.

Senator Nurgitz: I have a supplementary question. I point out to the Leader of the Government in the Senate that in the other place on November 15, 1979, a motion under Standing Order 43 was adopted, mandating the Auditor General to conduct audits of trust funds held by the Government of Canada for Indian bands. I would like to know how many of the audits have, in fact, been requested; how many have been completed; and how many are under way I trust he will take this question as notice.

Supplementary to that, I would like to know if the Auditor General has been directed to give any priority to requests for such audits, whether additional staff has been obtained for him—I understand that was a concern to him—and whether there is, indeed, a movement in the Department of Indian Affairs and Northern Development to co-operate in retrieving the kind of information that the Auditor General would require. I trust the government leader will take that question as notice as well.

Finally, has the Department of Indian Affairs and Northern Development sought the co-operation of the various provincial governments involved, for example, in the particular fund that came under question in July and which concerned the Nelson

River Indian band in British Columbia? Have those various provincial governments been requested to provide information and co-operation?

Senator Perrault: The information will be sought and given to the honourable senator as quickly as possible.

REGIONAL ECONOMIC EXPANSION

FEDERAL-PROVINCIAL AGREEMENTS—GOVERNMENT POLICY

Hon. Lowell Murray: Honourable senators, I want to ask a question of the Minister of State for Economic Development. I regret very much not being present last week when the minister testified before the Standing Senate Committee on National Finance, but I have obtained a copy of the unedited transcript of his testimony. I note that there was one matter that did not come up, and it is in relation to the earlier testimony given by the minister's colleague, Mr. De Bané, before the same committee.

Mr. De Bané had told the committee it was his desire—in fact, his intention—to have the federal government end the sectoral subagreements with the provincial governments in the various economic sectors; and, secondly, it was his desire and intention to have the federal government, through DREE, involved at the community level in community planning in a way in which I felt, and a number of people felt, would create constitutional difficulties with the provinces.

With respect to the first matter, would the Minister of State for Economic Development enlighten us as to whether the federal government officially has a position which would lead the government out of the sectoral subagreements with the provinces?

● (1450)

Hon. H. A. Olson (Minister of State for Economic Development): Honourable senators, I will take that question and refer it to my colleague, the Minister of Regional and Economic Expansion. I think I ought to do that, because what we are dealing with here are perhaps some concepts, and perhaps expressions of opinion, rather than matters of fact. However, if indeed he has moved to the point where he is preparing a paper or, indeed, a submission to government, and he is ready to make, or has already made, that information public, that he is taking such an action, I will obtain some further detail respecting it.

Senator Murray: Perhaps I should say by way of clarification that what Mr. De Bané was suggesting was a system whereby DREE, instead of cost-sharing with the provinces, would cost-share with other federal departments, and would not, as DREE, be involved in subagreements with provincial government. I would appreciate it if the Minister of State for Economic Development would look into the matter and give us a fuller report, because such an intention on the part of the government would create very serious concerns on the part of the provinces affected, which are largely very supportive of the general development agreement and the sectoral subagreements.