

Indian Affairs

● (1610)

Shortly after the election of September, 1984, I placed the same motion on the *Order Paper*. There was no response until, I should add, very recently when I received several reports, all of which had already been obtained, some from opposition Members.

The Westbank affair is before the House once more and I sincerely hope the facts I and other Members bring forward today will convince the Minister of Indian Affairs and Northern Development (Mr. Crombie), and this Government, to seek a full inquiry under the Public Inquiries Act.

There are many aspects of this affair which bear investigation, but I will relate just a few. My hon. friend from Okanagan-Similkameen will also speak on this issue, particularly on the injuries suffered by mobile home park owners and tenants.

One of the most outrageous aspects of this matter involves Toussowasket Enterprises, one of the questionable deals to which I earlier referred.

Here is the history. In June, 1973, Chief Noll Derriksan, by band council resolution, gave himself possession of a lot on Indian Reserve No. 9, the future site of his mobile home park. The BCR was signed by Derriksan, who was also band administrator, and his mother, Margaret, who was a band councillor. Derriksan then incorporated a company called Toussowasket Enterprises, which undertook to lease the land from the locatee, who was, of course, Noll Derriksan.

In August, 1973, Noll Derriksan also gave himself a lot on Indian Reserve No. 10. While it was noted in two departmental reports that the band was reallocating land to its members after an unsuccessful leasing plan, it would seem that there is a clear conflict of interest here. Derriksan, as chief, was allocating choice land to himself.

This was confirmed by Mr. J. D. Leask, former Director General of Reserves and Trusts, who said in testimony before the Standing Committee on Indian Affairs on December 1, 1982:

It is most certainly prohibited for the chief to sit in a council meeting, for example, and to vote or to be involved in a motion which allocates land, which may be allocated to him or to someone he has an interest in.

Let me add that this conflict of interest is minor compared to the many which follow.

Noll Derriksan then applied to the Department for a loan under the Indian Economic Development Fund for \$72,000 in May, 1975. In March of 1976, the loan was approved for a larger amount of \$197,000. There are several points here worth noting. Number one, the earlier loan application was approved at headquarters in Ottawa by Acting Director D. G. Meredith. Mr. Meredith later went into business for himself as a consultant, and one of his most important clients was to be Chief Ronald Derriksan. It is also noteworthy that the increase

of \$125,000 from 1975 to 1976 was made despite the view expressed in the Hobbs Report that:

Available documentation is inadequate to determine if this increase is justified.

Noll Derriksan's net worth in 1975 was more than \$1 million. In 1976 the Federal Business Development Bank approved a loan to Toussowasket for \$170,000, taking as security a first mortgage on the property and Derriksan's personal guarantee. The Department of Indian Affairs took a second mortgage as security. It was found out later that Derriksan never formally surrendered his property, making the arrangement highly suspect because Indian lands must be surrendered prior to the registration of mortgages.

A departmental memo dated January 31, 1977 calls the project a retirement fund for the locatee, Noll Derriksan. In 1977, incidentally, Noll Derriksan's net worth was calculated to be in excess of \$2 million. A departmental document prepared by Economic Development Officer Flora Benoit concludes the following:

This project has not provided any Indian employment, nor is it of much social or economic benefit to Indians, other than to its owner, Noll Derriksan.

In July, 1977, Noll Derriksan applied for additional funds for cost overruns in the construction of his mobile home park. Stewart Wong, an accounting consultant to the Department, prepared a report which was quoted in testimony before the standing committee on May 25, 1982. The report states the following:

It is obvious that the subject does not feel obligated to fulfil his agreement with the Department, not even a token payment has been received from Derriksan since disbursement of the original loan.

The Acting Speaker (Mr. Paproski): I regret but the Hon. Member's time has expired. Is there unanimous consent to allow the Hon. Member more time?

Some Hon. Members: No.

[*Translation*]

Mr. Jean-Guy Hudon (Parliamentary Secretary to Minister for International Relations): Mr. Speaker, it is my pleasure to respond today on behalf of the Minister of Indian Affairs and Northern Development (Mr. Crombie) to the motion presented by the Hon. Member for Cariboo—Chilcotin (Mr. Greenaway).

I can inform the Hon. Member and the House that the Minister of Indian Affairs and Northern Development has said he will table the papers as requested in the motion. I have been told that over two full files of papers have been examined to date, and it has been established that there are over 400 pages dealing specifically with the Hon. Member's request and that these have been carefully screened in accordance with the Access to Information and Privacy Legislation. Translation of the papers is now under way, and they will be tabled in the House as soon as feasible under the Standing Orders of the House of Commons. It is hoped the papers can be tabled before the summer recess.