

Supply

The present Government has also made a firm commitment with respect to post-secondary education. In 1977, federal financing for post-secondary education was less than \$8 million. In 1986-87, it was estimated at \$81.6 million. The Department of Indian Affairs and Northern Development gives some form of assistance to about 11,000 post-secondary students enrolled full-time or part-time.

Every year, Mr. Speaker, about 750 Indians graduate from junior colleges or universities, and a good many of them continue to study to obtain post-graduate degrees. Improved schooling will certainly brighten future prospects for all Indians.

Mr. Speaker, better education, housing and social service programs are truly effective only if there is a corresponding growth in economic development. As it has already been pointed out in this House, genuine self-government is impossible because of the current situation of economic dependence of the Indians.

In 1985 there were only 3,000 Indian businesses in Canada, and 2,000 of them were located on reserves; 56 per cent of these concerns have been established over the past five years.

The federal Government took part in the establishment of about 1,000 such businesses through the award of 188 direct loans. The results are impressive: roughly \$38 million worth of investments on reserves, and more than 1,500 jobs created or maintained.

But a lot remains to be done, Mr. Speaker. This is why last year we set \$25 million aside for the Indian Community Human Resources Program, in addition to the \$18 million already earmarked for native training and employment. The new program includes a sound analysis of long-term economic and employments prospects, as well as an assessment of the skills and abilities of Indian community members. This program will enable Indians to find jobs in both Indian and non-Indian companies.

The program is aimed at encouraging Indian communities to assume full responsibility for the preparation and implementation of their own strategy.

We are confident that this approach will make it easier for them to gain readier access to long-term employment in many other communities.

Some bands have been able to take full responsibility for administering federal funds. The Conne River Band is fully

responsible for its budget, provided it observes the conditions laid down in an agreement that was signed with the Department of Indian Affairs and Northern Development last March. This Government took a historic initiative at the end of last year when it introduced alternative financing modes. The program will give native leaders, within the scope of existing legislation, the greatest possible control over local expenditures.

Alternative financing modes will make it possible for bands to receive a block of funding equivalent to what they would normally receive from Indian Affairs and Northern Development. However, each band will have the option of setting its own priorities, adapting services to the needs of its members and designing the appropriate mechanisms.

In addition to providing a high level of social and economic autonomy, the new modes will make Indian leaders more accountable to their members, and this is an important point. Leaders will be judged on their ability to provide essential services in a reliable and efficient manner.

Treasury Board has approved this initiative, and its implementation is proceeding. It is expected that around thirty or forty bands or tribal councils will take advantage of alternative financing modes in the course of the next fiscal year. However, the Government will be monitoring the way federal funds are spent. The First Nations that take advantage of these alternative financing modes will have to submit an annual audited report as evidence of effective and responsible financial management. The Minister of Indian Affairs and Northern Development will continue to be accountable to Parliament for the funds distributed by his Department, although the Department will no longer be the sole administrator of these funds.

Mr. Speaker, this Government has often demonstrated its commitment to transferring responsibility for local programs to the Indian bands. We have made significant progress in many areas. However, as I said before, much remains to be done. We will be able to succeed thanks to consultation, co-operation and understanding, and we are confident that progress will be even more significant in the future.

Mr. Deputy Speaker: Questions and comments. The Hon. Member for Kenora—Rainy River (Mr. Parry).

Mr. Parry: Mr. Speaker, I want to thank the Hon. Member for her speech. I think it was useful to have an overview of what is being done in this area by the Department of Indian Affairs and Northern Development.

Mr. Speaker, perhaps I may comment that in listening to the Hon. Member's description of the progress made by native