

Income Tax Act

If the minister will accept the suggestion for research and development of an RRSP concept, allowing business to accumulate an amount of money to draw on in order to complete research and development programs, and allow the Small Businesses Loans Act to supplement that, he will be taking a dramatic step forward in assisting the small business sector of our economy.

● (1610)

Mr. Skelly: Mr. Chairman, I would just like to take a few minutes to make some remarks about some of the relationships between Indian communities and taxation legislation. I can certainly identify with the remarks of the preceding speaker concerning the impediments of the bureaucracy, red tape and regulations, and his example of a community which suffers to the nth degree because of this problem.

First, in relation to income tax I would like to raise some points. It is the understanding that the purpose of this legislation is to raise funds for the provision of government services, and the basic principle upon which the legislation is based is that it should ensure that the burden falls fairly, and through the progressive system the philosophy is expressed in that direction. But equally, the benefits should be distributed in an equitable manner.

In order to make my case today I would like to select one example of a community in my riding with which I am familiar. It is the Bella Bella Indian community and I want to explore some of the implications of the legislation. The reason I have chosen Bella Bella is that it is a unique case, but the circumstances would clearly apply to at least most other Indian communities in the areas I am familiar with, and most of the proposals I will put forward certainly would apply to many low-income Canadians in this country.

Just as a bit of background for a moment, the community of Bella Bella has a population of 1,200 people, living at a place called Campbell Island, 250 miles northwest of Vancouver. Historically the income of that community has been based on the fishing industry. Many Indians were fishermen in former times. Two very large canneries that consumed a very large amount of labour were based at Klemtu and Namu and there was a very large number of people involved in this seasonal activity.

I would just like to read some of the facts and figures relating to Indian communities very similar to Bella Bella, specifically in terms of employment data in those communities. Alkali Lake is rated to have between 80 per cent and 95 per cent unemployment; Babine Lake 50 per cent to 85 per cent unemployment, and so it goes on and on down the page. Soda Creek, for example, which is very near the Bella Bella area, has 65 per cent to 100 per cent unemployment.

When talking about the equitable distribution of services I will just take a moment to make a comment on education. About 60 per cent of Indian people have an education of grade nine or less. In terms of violent deaths, Indian communities lead Canada and any population group within Canada in the

number of violent deaths. On and on the story goes, no matter what problem we may be discussing.

This community of Bella Bella of which I speak has a number of difficulties, but one of the problems I speak of today is that there are very few opportunities to earn income. The economy is based on the salmon fishing industry. Native Indians have had their boats removed, and major canneries which provided a major source of employment have been closed.

By and large the management of the fisheries in this area on the west coast is chaotic. There are very short periods of openings, and the mismanagement of habitat and what not has ensured that there are very few fish, and those fish available are not available for commercial income activities, but available only for spawning. For two years there has been no herring fishery in the area.

What is required is some initiative on the part of the government to become involved in helping these people balance the economy. The first suggestion which has been put forward is that those Indian communities should be allowed access to tree farm licences. In the off season when fishing is not the main activity, employment could be created by logging. For years they have been denied access, except on an experimental basis, to the timber in order to undertake logging and increase employment.

The next suggestion on how to improve the income-earning potential of many of these communities is that the government should increase its spending on salmon enhancement projects. At this time on the central coast where reduction in stocks is very severe, the government could do a great service to the people of this and other communities by increasing spending on salmon enhancement programs. Not only would this increase a very valuable resource in that area where it is badly depleted, it would provide substantial employment for Indian people in that region. This would be a very valuable activity in expanding employment opportunities as well as increasing a valuable resource.

Another area in which government spending could be improved, and in the long-term increase the income-earning potential of Indian people within this community, is in expanding educational facilities. It is very interesting that this particular Indian community has been battling with the federal government for years trying to get it to approve a school project. They operate a school district, but the Indian affairs department says Indian people are not entitled to the same kinds of benefits that other children in British Columbia enjoy because the guidelines are substantially lower. When that department takes our number of students and compares it to the number of students in a public school, it allocates 13,000 square feet less of usable space on a given population. Over a period of time all educational facilities are reduced in this sense. What there has to be before you can find the people to manage businesses and look after enterprises in these communities is an educational system so the managers can develop.