

# Mulroney accused of ignoring native poverty

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OTTAWA — Canada's natives, living in Third World conditions, can't jump on the deficit-reduction bandwagon because they're mired in poverty and hopelessness, says the leader of the Assembly of First Nations.

"They're making cuts at the wrong time, in fact at the worst time, for First Nations," George Erasmus said Thursday at a news conference called to review last month's federal budget.

Ottawa has cut per capita spending on natives by 11 per cent since 1985-86, he said.

To meet the 1985-86 level of \$4,658 spent on each Indian, Erasmus said the government would have had to increase native spending by \$333 million in the budget.

Instead, it cut native programs further.

Erasmus said the average Indian makes \$9,300 a year, while the average yearly income for other Canadians is \$18,200. But he said the federal government is treating natives as if they are

residents of some well-off province.

"For some reason, the budget puts first-nation governments in what we're starting to call the Ontario club — fiscally strong governments capable of offsetting federal cutbacks and the elimination of some federal programs."

He added: "We believe very simply what the government is trying to do is to keep us from explaining to Canadians the actual situation we live in.

"The situation among indigenous people in this country is absolutely deplorable. We are the Third and Fourth World of Canada."

Finance Minister Michael Wilson cut \$23 million from Secretary of State multicultural programs for the next two years, including those aimed at natives.

But the government defended \$3.4 million in cuts to native newspapers, friendship centres and advocacy groups by pointing to an increase in the Indian and Northern Affairs Department budget.