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south of the northermost point of the Queen Elizabeth Islands. Some indication of the vastness, and at the same time the sparse population, of northern Canada is given when we remember that the Northwest Territories and the Yukon together represent about 40 per cent of the land and fresh water area of Canada but contain less than one-fifth of one per cent of the total Canadian population.

I am not suggesting, of course, that these northern regions will ever be populated to the same extent as the southern parts of Canada. Their geography certainly does not indicate this. What I do want to emphasize is that they have vast resources, resources of a type which will soon be most urgently required by the rest of the world. A rapid economic development, accompanied by a substantial increase in population, most surely lies ahead of these regions. Many factors will be important in determining the timing and the speed and the manner of this development, but one of the most important will undoubtedly be transportation.

However, I must not get ahead of myself and anticipate my conclusions. First I want to sketch briefly the part played by transportation in the development of Canada into a great nation, because in this case - as in most others - the past has important lessons to teach us.

Obviously, Canada has always been a vast country - vast not merely in terms of size but in terms of being sparsely populated with large distances between many of the settlements and with formidable natural barriers separating her various economic regions. This is the kind of vastness which presents serious problems of communication, administration and government. It is the kind of vastness which requires men of imagination, vision and faith to overcome.

At Confederation, Canada, economically was a series of disconnected units: the Maritime Provinces were separated by geography and by closed navigation during the winter months from the settled area in the St. Lawrence basin; the prairies were still to a great extent using Hudson Bay as a sea outlet; the Cordilleran regions were facing the Pacific without Canadian land communications with Eastern Canada.

The problems of continental distances were solved only with the advent of railroads. Rail transportation, aside from giving momentum to the economic development, had the outstanding social and political accomplishment of binding together the whole northern portion of the American continent. The building of the intercolonial railway was necessary to bring New Brunswick and Nova Scotia into the Union and the building of a railway to the Pacific Coast within ten years was one of the terms on which British Columbia agreed to enter.

The Intercolonial Railway played a role of the utmost importance as an economic and political link. Nevertheless the building of the Canadian Pacific Railway was the more spectacular feat because the promoters had the courage to dare the distances and the ruggedness of the major portion of a practically empty continent. The Intercolonial had to traverse only a relatively short