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create jobs. The Government says, "No, because we do not want to prejudice native claims that are now on the verge of completion." I think I can safely stand here and say, with one or two i's and t's to be dotted and crossed, that a total agreement in principle will be out by the end of this month.

It is a sham for the Minister to say that the project is not proceeding because of native claims. I find it difficult to try to figure out why, unless it is because he wants to use the time for announcing the Yukon agreement in principle and the time for announcing the COPE agreement in principle to tie in somehow with his own personal ambitions for what he expects to be a leadership convention of the Liberal Party. That is the only possible reason I can think of why he would reject this project. I understand negotiations are underway through which the CYI might be provided with a loan of \$80 million by the Canadian Government so that it can take an equity position in the Kiewit project, in the King Point project. If that loan is made, over a period of 20 to 25 years the Government will certainly recover its \$80 million loan to the native organizations there. At the same time the native organizations will ensure that their own people are employed in the project.

● (1550)

I would find it quite acceptable if the Government wanted to follow that kind of course. It would be a sound investment. However, if that is the case, and I understand the case is that these negotiations are ongoing, I urge the Government to make that kind of loan so as to ensure that the project goes ahead because it will certainly see its money returned in very short order.

I wanted to say something about northern Canada Power Commission and how tragic that National Energy Board report is and how tragic it is that the Government is not proceeding with the unanimous Penner report in that regard. I wanted to say something about the suffocation that is occurring with respect to the placer mining industry in the Yukon, which is virtually being shut down by the Government's action. I wanted to say something about the taxation of northern benefits, which we have enjoyed in the Yukon and the Northwest Territories and indeed throughout northern Canada for so many years now. Again, the Government is acting in a way that shows a total and complete insensitivity to the problems of northern Canada and particularly to my part of the country.

These and other measures surely have to be reviewed and they must be reviewed by a Minister who is sensitive to northern concerns and the concerns of northern people. They must be reviewed in a fashion which totally separates the Minister from his two hats, one where he is obliged to care for the general welfare of our Canadian native population and the other where he has an obligation to ensure reasonable development in northern areas.

I might say that the Yukon Government is totally supportive of the Keiwi proposal and if we had the decision to make, I can tell you that a Conservative Government would be totally supportive of this kind of development. It is totally incomprehensible why the Minister and his Government would refuse

the only succour that is on the horizon for a part of Canada that has been virtually frozen by the policies of the Government.

The Acting Speaker (Mr. Blaker): Questions, comments and answers. Debate.

[*Translation*]

Mr. André Maltais (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, first of all, I would like to apologize for the absence of the Minister of Indian Affairs and Northern Development (Mr. Munro). The Minister was notified only fifteen minutes before three o'clock that the Hon. Member for Yukon (Mr. Nielsen) would be speaking to the motion before the House today.

There are two important aspects to this debate. It is clear that Canada's North must be developed, but always within the context of native rights. I think that is essential, and the Member for Yukon is well aware of this. As the Member for Manicouagan, I realize the implications, since the Fort Chimo area is part of my riding, and we are very aware of the fact that, in both cases, Canada's North and the issue of native land claims cannot be seen separately from one another.

That being said, I would first like to point out to the Member for Yukon that asking for the resignation of the Minister of Indian Affairs and Northern Development is not the way to settle the issue. I was in Fort Chimo only ten days ago, and their position was the exact opposite. They wanted the Minister of Indian Affairs and Northern Development to stay for a long time, and people were saying that he was one of the few Ministers who had done as much for Indian Affairs and Northern Development. I feel that the report tabled by a House Committee not long ago proves beyond a doubt that the present Minister is very sensitive to native rights and land claims and also to the need for development of the North.

Mr. Speaker, to answer the Member for Yukon, I would like to point out that the present Minister has certainly not dismissed the Keiwi proposal. The minister wanted to examine other suggestions as well, because, as the Member for Yukon pointed out earlier, all kinds of studies have been made concerning the Yukon North Slope project.

Very shortly, in a matter of weeks, a definitive report will be submitted to the Minister on the issue of native land claims. At that point, the Minister intends to consider several other proposals aimed at creating maximum employment and especially at bringing about a balanced development process in the Yukon area, not only for industry but for the native peoples as well. I imagine both sides of the House will agree that development of the North must be achieved in co-operation with the first inhabitants of this area as well as with the various companies involved.

Where the Member for Yukon commented that through nationalization, the Canadian Government was preventing the