

study during the past year or so. The Department of Public Works has conducted a thorough engineering study and has calculated the probable costs of undertaking the project assuming a number of alternative plans. My Department has had the Stanford Research Institute conduct an economic study and this study is now in our hands....

Eventually, responsibility for maintenance of the Highway will be transferred to the territorial government. It had been our intention to do this by April 1, 1967. This in itself is a major undertaking and, in the context of possible recommendations by a proposed advisory commission affecting the organization of the territorial governmental structure and other suggestions arising from the economic study it seems wise to delay this move for about a year. I have consulted with my colleague, the Minister of Public Works, and he is in full agreement.

POTENTIAL INDUSTRIAL INVESTMENT

The efforts of my Government to improve and expand the economy of the Yukon will not be restricted only to road-building. You have heard, no doubt, that we are in the process of commissioning a feasibility study in connection with the establishment of a smelter in the Pine Point area. We are going to be equally as interested in knowing if the aggressive exploration work now going on in the Vangorda area, produces reserves sufficient to support a smelter. And if we can assist in pushing forward such a major industrial expansion by a similar study I assure you the funds will be found.

Increased investment by industry is certainly welcome, and I hope that there will be no hesitation to increase such investment in the future. There are, however, certain areas where the Government can provide leadership, assistance, guidance, or ideas and in the future, we will not be backward in doing so.

MANY UNTAPPED RESOURCES

The possibility of a smelter is but one project that may require further investigation. Others would be the use of coal and gas for thermal generation in the territory and the development of hydro-electrical energy....

The potential not only for hydro energy in the Yukon but also for supplying fresh water to other regions is tremendous and we have heard something of this during the Conference. Certainly, we must regard water as one of the prime resources of the Yukon - one which I predict in the future will be of equal, if not of greater importance than the mining industry. But, we must make haste with care, or otherwise we may find that this tremendous resource has been irrevocably committed to a series of projects which may not be in the long-term interests of either the Yukon or Canada as a whole....

Any discussion of resources would not be complete if it did not include the subject of our forests. Paralleling the increasing importance of the nation's water supply is the increasing demand upon Canada's forest resource. I have been told by experts in the field that the demand upon Canada's forests for the manufacture of pulp and paper, lumber and plywood

will, within ten years, be doubled and within 30 years will be five and a half times what it is today. These same people tell me that if the forests of the ten provinces are to provide wood in perpetuity they can only support an increased demand of approximately four times today's production.

PROPOSAL FOR NATIONAL PARK

One thing the Yukon does lack is a national park. Even though I recognize there is an apparent conflict of interest between those who would like to conserve wildlife and preserve the wilderness scene and those who want to search for and exploit the mineral wealth of the territory, there surely must be some common meeting ground.

In my experience, there are few activities of man more challenging or interesting than the search for the hidden wealth that lies buried within the earth and I recognize that this search must be wide ranging and as far as possible look into all potential areas. But national parks are resources too. While their primary purpose is conservation, they provide employment and tourism as well - and they don't run out of ore after a few years! We have, at the Conference, heard a great deal about the best ways to utilize the Yukon's natural resources to further the social and economic conditions of the Yukon. In this we have tended to overlook one important aspect of resource development. In an area where, because of the geographic and climatic conditions, some activities are difficult to encourage, I do not think you can afford to overlook one, ever present, that has good merit for the future. I, therefore, recommend to you most sincerely the establishment of a national park in the Yukon and suggest that you might wish to pursue this objective with the same vigour that has been displayed in the organization of the Conference.

NEED FOR CO-OPERATION

Before closing, I should like to talk about the need for closer co-operation between the two levels of government to ensure that, on the one hand, we in Ottawa have an even better understanding of the requirements of the territory and are thereby in a better position to recommend or assist projects that will benefit the region. Equally as important, you who live here will understand some of our problems and not feel that Yukon matters sit forever in the pending basket. I think the ground work for this co-operation which we all seek is being well laid. ...As I think many of you recognize, the administration of mining in the territory is carried out under the direct supervision of the Commissioner and it is only rarely that any matter is referred to me or my staff in Ottawa. There has been one important exception to this up until now, and that is the processing of mineral leases. This was handled in Ottawa but, in accordance with our policy of bringing the administration of such matters as close as possible to the public we serve, the Commissioner has now been authorized to prepare and execute all such leases. This, I am sure, will eliminate some delays and will enable the applicant for a lease, to talk directly to a member of my staff in the Yukon who will be handling the matter....