cerned the federal government's decision to to acceptable standards before returning the invest an additional \$13.5 million in Panarctic Oils Limited. Today, with equal pleasure, it is my privilege to move second reading of the Northern Inland Waters Bill.

This Bill represents a major step in the protection and conservation of the ecology and resources of the Yukon and the Northwest Territories. While pollution is a critical problem in many areas of Canada, we have it within our power to prevent the far North from being similarly damaged.

Mr. Stanfield: Why don't you do it?

Mr. Chrétien: This vast region, which contains more than one-third of both the land mass and water resources of our country, is still relatively free from pollution.

Major industrial development, especially in the mining and petroleum industries, is about to get underway North of 60. By acting now, this region can be spared the disasters of environmental mismanagement that now plague other parts of Canada. We are indeed fortunate to be able to profit and learn from mistakes made elsewhere in the past.

By acting with determination and decisiveness today, we may ensure that 20 or 30 years from now we will not be faced with settling another tremendous debt as the price of indifference and mismanagement of the water resources of the North.

I have emphasized the importance of dealing effectively with water pollution in the North. However, the Northern Inland Waters Bill is designed to do much more initiating comprehensive planning and management in developing our northern water resources.

The Bill has four main purposes:

1. To provide for the equitable distribution of sharing of rights to use water in the North among interests with legitimate and sometimes conflicting claims on this resource;

2. To ensure that the disposition or allocation of water rights is done in a manner that is consistent with immediate and long-term regional and national interests;

3. To ensure that all works and undertakings planned for the use, diversion, storage or treatment of water are designed and constructed to acceptable engineering standards; and,

4. To establish and maintain the principle that rights to the use of water are dependent on the users accepting full responsibility for

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Canada's North. That announcement con- maintaining its quality or restoring its quality water to the natural environment.

[Translation]

Under the Northern Inland Waters Act, all property in and the right to the use of surface and ground waters in the Yukon and the Northwest Territories will be vested in the Crown. In other words, ownership of land does not involve any right to adjacent water resources. Inland waters in the North will remain for all time public property to be used, managed and developed in the interest of the region and the nation as a whole.

It also means that rights to the use of water will no longer be based on riparian principles but must be obtained from the Crown. This will be done through water licenses.

The licencing procedure serves a number of functions. First of all individuals and companies applying for water licences will be required to provide details of intended use, the quantity of water required, the locations of diversions and storage and details of the plans and designs of their proposed water development undertaking. They will aso have to spell out in detail the likely effects on water quality that will result from their proposed use of the water, and what facilities are planned to protect or restore water quality. All these details will have to be approved by the territorial water boards before a water licence is issued.

The licencing system also provides for the orderly development of northern water resources. Once a water board has issued a licence on a river or stream, they will not issue additional licences to the point where total demand exceeds available supply. This will eliminate problems associated with such obsolete systems of water rights as are presently contained in the Yukon Placer Mining Act, for example, which allots a share of water to all mining operations on a given stream, whether there is an adequate supply to meet all these needs or not.

I have already said that territorial water boards will be responsible for issuing water licences. One of the most important features of this bill is the creation of water boards located in each of the territorial capitals.

Up until now, various federal departments and the territorial governments have exercised whatever water responsibilities they had in a completely independent manner and with little or no co-ordination with each other. The result has been that water users in