

Supply—Northern Affairs

future of this country of combining the spirit of private enterprise with the wealth of natural resources yet to be developed. If this process is helped along and given freedom to operate properly, Canada can and will attain a level of prosperity never before experienced anywhere in the world.

In the general area of northern British Columbia and the Yukon there is a veritable inland empire "on the make". The foundations of a great northern industrial community are there. Preliminary investigations and surveys have disclosed a wealth and variety of natural resources previously undreamed of. These include many kinds of metals, besides huge reserves of coal, iron ore, asbestos, and other resources, plus an immense potential of hydroelectric power. It takes little imagination to envision the industries of the future, such as smelters and manufacturing establishments, supporting many thousands of people in that part of Canada's northland.

One cannot overlook or fail to mention the vast and stirring project that promises to usher in a new era of development and settlement in that northern part of Canada. Certainly I for one am confident that the production potential of that Yukon-northern British Columbia area, with its wealth of minerals and other resources linked to huge waterpower developments, will prove to be an enormously influential factor in future national budgeting.

I have in mind, of course, the proposal of the Ventures-Frobisher interests to develop in Canada, for the use of Canada in Canada, between 4½ million and 5 million horsepower of hydroelectric energy, generated from the upper waters of the Yukon river watershed and waters in northern British Columbia. I was extremely glad to hear my friend the hon. member for Vancouver-Quadra this evening ask questions of the minister with regard to this matter. The plans of these Canadian concerns include the largest waterpower development ever yet visualized in Canada or in the Americas. Not only will all Yukon river water be available in the Whitehorse area but waters from other watersheds east and west of the main Yukon river can, by planned diversions, be utilized under high heads as well.

The Ventures-Frobisher interests have been carrying on field surveys and investigations for well over a year, and these are continuing. Over a quarter of a million dollars have already been expended to date on these preliminary steps. Ample information will thus be available to the provincial and federal governments concerned when the moment arrives for the issue of necessary preliminary licences to proceed with development.

[Mr. Simmons.]

The advantages and stimulation that will be provided to local mines by the establishment of smelters and metallurgical plants in the north are quite obvious. The plants will be built to accommodate everyone. In addition to local ores, raw ores will be brought in from various parts of the world for processing in Canadian metallurgical plants, which is a wonderful conception from the Canadian standpoint.

I understand that the Ventures-Frobisher interests through their subsidiary company, Quebec Metallurgical Industries Limited, have already begun their 1954 survey program and that this program includes detailed surveys for design of initial power plants, so that by fall it will be possible to begin actual preliminary construction work. However, some form of preliminary licence is required before any actual construction could be permitted.

The construction of power plants, producing between 4½ million and 5 million horsepower, with industrial plants to use this power in the Taku river area of British Columbia, will without doubt have a tremendously favourable impact on Canada's export trade. Even with a conservative estimate of a million tons of ore annually being treated in the plants, the volume of business that results will be tremendous and will mean purchases of Canadian mineral products running into the hundreds of millions of dollars a year.

The extent of the contribution which the northland can make to the growth and strength of all Canada staggers the imagination. But that development must rest on the firm base of individual freedom and private enterprise plus government encouragement and alertness to the special needs of the north. The northland's future will come to full flowering through the triumph of the human spirit, struggling with and winning over the tough challenges of nature, unhampered and undismayed by any restrictive practices.

Mr. Macdonnell: With respect to the organization of the department, I see that we have item 320, branch administration, and then I turn over the page and find item 323, operation and maintenance, item 325, also operation and maintenance, and item 327, another item for operation and maintenance. Does that indicate that there are four different branches? Will the minister indicate the organization?

Mr. Lesage: This is the northern administration and lands branch. There is the northern division and the lands division. Item 323 is operation and maintenance for the Northwest Territories. Item 325 is