

Supply—Northern Affairs

this situation. I have made that very clear. But I do repeat that to me it is a matter of chagrin. I have taken up this matter with our United States colleagues and have had a very friendly and favourable response. Usually the United States government is very good once you bring a matter to their attention, but in the efficient and rapid movement of people in developing an area which is completely empty it is so easy to assume something which many people actually believe. The hon. member referred to the *Financial Post* of August 2, and I would like to refer to an article on page 15 of that paper on the same date which contains a statement, in so far as Washington opinion is concerned, as follows:

An authority on international law says the sector principle doesn't apply to any part of the open or frozen ocean—only to islands which are inhabited.

So here we have a leading authority in the United States expressing his opinion to the reporter who wrote this story to the effect that the United States does not accept the sector theory or even the ownership of these islands if they are uninhabited. Therefore, it is not too difficult for men who are employed by companies working on installations in our northlands to assume that because there are no Canadians there the lands involved belong to anybody who does happen to be there, and that is why over the years I have advocated that the only way in which we can hold this northern area for the use of our future generations would be by the effective occupation and use of these areas by Canadians.

I have also pledged to the Leader of the Opposition and to this house as a whole that every move we make in the north will be made with due regard to economics and that we would not make any move without due consideration of such economics.

Some sport was also made of Frobisher Bay in the statement that there would be skyscrapers in the north and that this was an exciting proposition. I say in all seriousness that the skyscraper is not the thing. The fact is that the people who are building and co-ordinating this development at Frobisher Bay have been instructed to build accommodation there for the men and women who will be working in the area and this is the most safe and efficient type of accommodation they can build. The engineers assure us that it is cheaper, safer and better to build these houses one above the other. They can make them fireproof and can heat them more cheaply and they concentrate people into a smaller area. The skyscraper is not the thing. The fact is that we are meeting this problem of northern development in a way which will

[Mr. Hamilton (Qu'Appelle).]

keep down the costs so that private industries can come in and follow the example we have set and can develop and maintain their operations at costs compatible with their operations in other areas.

I do not intend to go into all the statements made about the possibility of developing atomic power plants in that region, but in general I would suggest to the committee that there is enough evidence now before us to show that if we combine the use of small atomic plants for producing light as well as heat we can reduce the costs of both commodities in a northern community. In other words, the tremendous amount of heat available from nuclear power plants reduces the cost of heating the homes, so that we can foresee a cost of living up there not so far above the point where it would be possible for ordinary people to support it.

These ideas must not be allowed to disappear because people scoff at them since they are new. I am prepared and will be prepared when the information is before me in authentic fashion to bring it before the Canadian people and let them judge whether this is a vision or hardheaded economics.

I think I have said enough about the remarks made up to this point, although I hope I have not missed any particular members' requests for information.

I am reminded of one little question raised by the hon. member for Kootenay West about the size of the roads to resources program and the amount of money involved. One of the reasons why we set it at \$3 million per year per province, of which we would pay half, was that this was the highest amount to which I could get the provinces to agree. British Columbia felt the same way, Saskatchewan felt the same way, as I believe did Ontario and many other provinces, and expressed themselves accordingly. I believe Newfoundland was also in this category, and the \$1.5 million was set as the federal contribution, not from any desire on our part to limit the program but because of the ability of the provinces to pay money into areas which had hitherto not been built up.

Mr. Herridge: That means that the minister would increase his proportion if the provinces were willing to do so?

Mr. Hamilton (Qu'Appelle): I have not said that, Mr. Chairman. What I did say was that I had set it at that figure because I knew that was a figure beyond which any province would not go. I certainly cannot speak for the government after it has decided upon this policy, that the maximum I am allowed to put forward is a figure up to \$15 million in a five-year period.