

electric power is available. Thompson Lundmark Gold Mines Limited resumed production in September, 1947, and are milling approximately 100 tons per day.

Underground development work to various stages has been carried on by the other companies referred to above. In addition to these, Akaitcho Mines will begin a shaft-sinking program in the summer of 1948.

One of the great needs for the successful operation of mines, whether in the development or the productive stage, is electric power. Because of the high cost of fuel in this northern area, the hydroelectric power will probably be the main source of energy, and will undoubtedly be used in preference to diesel or steam-generated power.

In 1946 the dominion government decided to undertake the construction of a hydroelectric power development plant on the Snare river, and of the transmission line necessary to bring the power to the Yellowknife mining field and to the townsite. The work was begun in 1946 on the Snare river storage and power project, ninety-four miles northwest of Yellowknife settlement, with the object of developing an initial capacity of 8,000 horsepower. An agreement for the sale of approximately 4,000 horsepower has already been made, and it is expected that other agreements will be made in the near future. The characteristics of this project will permit further development as required up to 28,000 or 30,000 horse power.

The dominion's policy as indicated in this bill is to establish a Northwest Territories power commission to develop, operate, and administer electric power in the territories, and which will plan and correlate as much as possible power needs in the mineral area. Power will be transmitted from the Snare river project to those mines and settlements requiring it within economic power transmitting distance, under present circumstances considered to be about one hundred miles, and where demands are established in other areas additional hydroelectric plants will be planned.

The objective is to supply ample power at a low cost and thus assist substantially in the development of the mineral industries in the territories. At present gold is the chief mineral being recovered in the Yellowknife district.

Practically all the mines that have been mentioned are within economical transmission distance of the Snare river development, and it is expected that many other mines will be developed within the same radius.

I shall not go into detailed explanation of the various sections of the bill, because these are covered in the explanatory notes printed with the bill, or by the sections themselves.

Briefly the bill provides for the construction and operation of power plants in the Northwest Territories to sell electrical power at as low cost as possible, subject to the plants being self-sustaining. The proposed Northwest Territories power commission will take over and operate the hydroelectric development under construction on the Snare river, and in addition will develop, operate and administer other power plants needed in the territories. The commission will have authority to sell power generated by its plants in large blocks to mining companies. The commission may also sell power on a retail basis to consumers in any district or area.

Climatic hazards and the short seasons when certain types of construction work or hauling of supplies must be undertaken, make it advisable to invest the power commission with certain authority to make capital expenditure for such things as branch transmission lines, substations, additional installations or works to increase power output of existing plants. If it were necessary to wait for the voting of funds at the next session of parliament, considerable time might be lost and beneficial projects could be delayed a year or more. Every advantage has to be taken of the seasons and limited facilities in the territories. Section 17 of the bill, which is implicit in itself, covers this authority.

With the approval of the governor in council, the commission shall establish schedules or ranges of rates for the power it supplies on the basis of not less than cost, which will include interest on the principal amount made or deemed to have been made to the commission in respect of the plant supplying the power, and all costs of operation and maintenance of the plant lines and other structures, together with costs of administration and salaries. Charges will also cover the establishment and maintenance of a contingency reserve fund. Rates are to be reviewed annually by the commission.

At the request of the commissioner of the Northwest Territories the commission may investigate the supplying of power to any local administrative district, company or other person in the Northwest Territories and advise the commissioner of areas that might be served, the capital cost, and the rates necessary to cover the cost of supplying the power.