

and conservation of mineral resources which are now recognized as existing in fact and are not a mirage. This is the purpose of the bill as I read it, and that is the emphasis the Minister without Portfolio (Mr. Andras) has given in his introductory remarks.

Actually, interest in northern development has only been aroused in recent years. In 1953 the federal government of the day enacted legislation establishing a department of northern affairs which, for the first time in Canada's history, recognized Canadian responsibility in the north. In fact, there are still members in the house who were present when that legislation was first enacted. The development of the late 1950's and early 1960's was received with some scepticism, which is perhaps demonstrable since Canadians, as our history demonstrates, have tended to cluster along Canada's southernmost boundary throughout our entire course of development. The Canadian population is concentrated along the Canada-U.S. border. Someone has said that Canadians live as close to the United States border as U.S. immigration laws permit.

That phenomenon having been part of Canada's history, it is understandable that when the government of Canada between the years 1957 and 1963 began promoting in a major way the concept of northern development, the idea was greeted with some scepticism and even derision. That era has now faded into history and we are pleased that the present government is as enthusiastic about northern development as was the former government of 1957.

To indicate how rapidly interest has grown in prospecting for oil, gas and mineral wealth in the north may I cite some figures. In the late 1950's permits for exploration covered only about 50 million acres. Now 250 million acres are covered by permit. About \$5 million was spent on exploration in the early period of development compared with exploration expenditures of some \$50 million later when the development program got under way. That is almost as much money as is expended in Alberta yearly, which is the great oil and gas producing province in Canada. Expenditures there average about \$100 million per annum.

The bill before us is the by-product of considerable experience, both positive and negative, in oil exploration, conservation and development in Canada. It is not necessary to recite some of the unhappy aspects of this period of development. We learned some hard lessons from our early mistakes in the province of Alberta. These were covered in detail

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by spokesmen in the other place who dealt with the wastage of the Turner Valley field and with policies of past federal and provincial governments which failed to ensure the protection of this rich mineral resource for the benefit of the people of Canada. These are the less happy aspects of the early exploration period of the oil and gas industry of Canada.

May I now mention some of the happier incidents which really are the basis for the legislation before us today. This bill is actually a result of the work of the National Energy Board, now an integral part of Canada's oil and gas policy. It is a by-product of the national oil policy which is administered by the National Energy Board. I presume that involved in the legislation there will be Canadian participation features to ensure that the resources of the Yukon and the Northwest Territories will be developed in the best interests of all the people of Canada.

• (5:20 p.m.)

I have paid tribute to the early pioneers. There have also been some recent pioneers who should receive honourable mention for making possible the development which we see today. It was in 1961-62 that a group of hardy pioneers first ventured into the high Arctic in search of what was then regarded by the sceptical people to whom I have already referred as an oil mirage. Unfortunately we hear very little mention of the wildcatting, as I think it can be called, which took a group of small Canadian companies into the most remote part of the Arctic islands to drill for oil and gas resources that they felt on the basis of the best geological information available at that time lay beneath the frozen barrens of the Canadian high Arctic in billions of barrels. Two of the moving spirits behind that venture were Mr. Jack Gallagher of Dome Petroleum and Peter Bowden who sent his drilling equipment. It is a saga that should not be forgotten because it pointed the way to the current exploration effort taking place in the Canadian high Arctic.

Many of the people working on the drilling crews acquired their experience in the winter of 1961-62 on Melville Island at Winter Harbour. I remember how these enthusiastic Canadians found it impossible to get Canadian transportation facilities to venture into the high Arctic. They were successful in hiring the *Thora Dan*, a Danish vessel, which ventured into the traditional Northwest Passage