Point on Hudson bay that we build a road connecting Hay River to Pine Point, Resolution, Rocher River and the east arm of Great Slave lake. I say this at this particular time because we understand that a railroad is going to be built to Pine Point, something we in the north have looked forward to for many years. By building the road that I have just suggested we will make it possible for known mineral areas and known deposits in the O'Connor lake and Snowdrift area to be shipped to Pine Point and thus give this proposed railroad a larger volume of backhaul, which I am sure the railroad companies are very interested in. At the same time. such a road would connect settled communities on the south shore of Great Slave lake.

Another road which I consider should be built in the immediate future—it was also proposed by the Department of Northern Affairs and National Resources to the Gordon commission in 1955—is the one connecting Yellowknife with the east arm of Great Slave lake where at the present time Taurcanis Mines Limited have sunk a shaft and are drifting into a known ore body. I feel, as many other people in the north feel, that this mine will come into production within the next few years.

I should also like to suggest, as the former administration suggested to the Gordon commission, the building of a road from Fort Nelson to connect with Fort Simpson, connecting Fort Nelson with Liard and Nahanni where there are great prospects of mineral development, and in the Fort Simpson area where there are prospects of oil development. Also, I might add, this road that I have suggested to the east arm of Great Slave lake where Taurcanis, we feel, will be producing in a few years could be extended to reach a deposit of lead and zinc worth \$55 million. I would suggest that we go ahead with this road to the known resources before we start building a road, as I have said many times, from Pine Point to Eskimo Point.

We in the north, Mr. Speaker, have been looking forward for many years to the building of a railroad to the south shore of Great Slave lake and we did greet with enthusiasm the reference made to this project in the speech from the throne. In my opinion this railroad is important to the development of my particular part of the country and should be proceeded with immediately. I would hope that the scrap now developing between certain factions in northern Alberta and northern British Columbia as to the route the railroad should take will not delay the start of the project. With regard to this project I might point out to the house that under the former administration the Department of Northern

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National Development Policy

Affairs and National Resources spent a great deal of time and energy on preliminary studies which it was hoped would bring about the building of the railroad. The railway companies and the Consolidated Mining and Smelting Company, which controls the huge lead-zinc resources at Pine Point were not much interested in the development of this property until a year and a half ago.

At that time the former administration asked the railroad companies to make an economic survey of routes for the railroad. I submit that the information gathered in this survey, which was, as I said, initiated by the former administration, is now the basis for the mention of the building of this railroad in the speech from the throne. Of course, the former government could not go ahead with the building of the railroad because they had not received the report. As a matter of fact the house has not had the report yet but apparently the Minister of Northern Affairs and National Resources (Mr. Hamilton) has. We are all happy that he has and that the government is going to go ahead with the building of the railroad.

Many persons in the north and the minister himself have said that transportation is the key to northern development. Transportation is the key but at the same time it has to be cheap transportation. Over the past four or five years the former government did do something in this regard. Aids to navigation were improved tremendously. Airports were paved at Fort McMurray, Fort Smith and Yellowknife, and a new airport was built within the last two years at Aklavik in the Northwest Territories. These better facilities in the form of improved aids to navigation and paving of airports made it possible for the air lines to reduce their passenger and freight rates.

The crown-owned Northern Transportation Company and the Yellowknife Transport Company, which transport the bulk of the water freight by way of the Slave river, Great Slave lake and the Mackenzie river system, have reduced their rates in the past few years. Improved roads between the provinces and the settled communities of the north will enable the trucking companies to cut their rates. Further reductions in air and water rates are required to lower the cost of living and the cost of production in the north.

I submit that if rail rates can be subsidized in the maritimes and other areas in Canada there is every reason why subsidies should be paid to air line operators, charter aircraft operators and water transport carriers in the north to decrease the cost of production and the cost of living and to accelerate the