

Supply—Northern Affairs

have a very heavy tax in this country called the corporation tax which takes half the profit. I pointed out the merits of the idea. If you spend \$5 million or \$6 million of the taxpayers' money which will trigger off several hundred million dollars worth of investment of private enterprise backing and so on for opening up our natural resources and if that operation is successful and if they make a profit, we would get half the profit through the corporation tax. I pointed out my strong belief that for every dollar the taxpayer is asked to spend in opening up this northern country, all the rest of Canada would benefit many times over.

The second point in my reply is purely political and not designed to stir up any trouble or anything like that. I happen to come from the province of Saskatchewan and I have seen the group of people who form the government there move into the development of resources with a socialistic attitude at the beginning. Then, because the experience they were obliged to face up to brought a difference of conditions from those that existed previously, they have changed their thinking around entirely. I should just like to point out that the premier of the province of Saskatchewan is on public record with a letter to all the oil and gas companies saying that his government would never think of expropriating or taking over the oil and gas companies if they come into Saskatchewan. The provincial treasurer, Mr. Clarence Fines, is also on public record as saying that he would not stay in a government which took any part in the development of natural resources and that this matter should be left to private enterprise.

The third subsection of this political answer which I hope does not stir up a political argument is that these people who are very sincerely interested in bringing in social enterprise in Saskatchewan are withdrawing from the crown corporations for the very simple reason that experience has taught them that it is very difficult to go into competitive business. I may say quite frankly that I appreciate their very practical nature in adapting themselves to conditions as they are and not as they hoped they would be. I hope that this answer has not precipitated an academic debate on this subject. I just wanted to make it clear that we were not using the taxpayers' money to open up a great resources area in order for a few people to exploit them. The profits will come to all the people of Canada. I think I made it abundantly clear in the house when I spoke that the people in the central parts of Canada will be the chief beneficiaries of this development program at the first stages.

Mr. Martin (Timmins): If I may, I should just like to say a word. I hope that the minister did not get the interpretation that I was advocating that the federal government should go in as a national industry and open up these resources. What I was advocating merely was that some provision be made or some control be kept in order to prevent the same thing happening here as has happened in the United States because apparently these measures that the minister outlined have applied in the United States and have not prevented it from happening there.

Mr. Hamilton (Qu'Appelle): I think we are in agreement on that point. We will use the regulations as we have them and they are being amended. They are also amended in so far as gas and oil regulations are concerned. We are now starting work on the quartz mining regulations. All these resources will be looked at in the light that we are merely looking after the resources in the Northwest Territories as a public trust for the people who will live in that part of the country in the future.

Mr. Granger: I should like to ask the minister whether his department assumes the same responsibility for the Eskimos' welfare in the provinces as it does in the territories?

Mr. Hamilton (Qu'Appelle): I am informed that in Newfoundland the situation is a little bit different from that in the rest of Canada. I am informed that at the time of confederation with Newfoundland special arrangements were made with the new province whereby financial considerations were given in return for the province of Newfoundland looking after the Eskimos as well as the Indians. However, in the province of Quebec and to a limited degree in the province of Manitoba the federal government has responsibility for the Eskimos.

Mr. Pickersgill: I wonder whether the hon. member for Grand Falls-White Bay-Labrador would permit me to ask a question.

Mr. Granger: Yes.

Mr. Pickersgill: I should like to ask the minister to give a little bit more consideration to the answer he has given and to give a more extended answer the next time his estimates are up for consideration.

Mr. Granger: If I may, I should like to follow that question with another question. I wonder whether the minister can tell me what proposals he has received from the province of Newfoundland with regard to particular roads to resources? I think that is a fair question.