

but it has taken two years to do it. As a matter of fact a ship is on that journey now. Whether or not those conditions will improve, I do not know. Probably some improvements can be made. However, ice conditions appear to be worse in northern Canada than they are in Russia.

I can assure the leader of the opposition, however, that the department is fully alive to the importance of gathering all possible information. I remember reading within the last six or seven years a book entitled, "Forty Thousand Against the Arctic," describing northern developments in Russia. All the data which can be gathered is being gathered. I should like to express a measure of satisfaction that there is among the membership of the House of Commons a substantial growing interest in the possibilities of our north country.

Mr. GRAYDON: The minister should mention the hon. member for Davenport, particularly.

Mr. CRERAR: I have done so, several times.

Mr. MacNICOL: The hon. member for Vancouver South asked a question the answer to which I did not hear. I believe I can answer it. At page 1 of the report of the special committee at Washington investigating the national defence programme, I find something which I believe answers the hon. member's question. After stating that the programme in connection with Canol would cost \$134,000,000, the report states:

The second part of the Canol project will cost approximately \$99,000,000. It includes prospecting for oil and developing new wells in the vicinity of Norman Wells in Canada at a cost of about \$17,000,000.

So that I take it from that that the United States government has undertaken to pay the Imperial Oil company the cost of the drilling, namely \$17,000,000.

Mr. NOSEWORTHY: If I understand correctly, the Imperial Oil company have an option in respect of drilling on 2,000,000 acres. They have a number of years or a given period of time after which they must decide how many acres they want to lease. I did not get the length of time they were permitted to carry out their exploration work before they must name the number of acres they want to lease. Will the minister give us that information?

Mr. CRERAR: They can get the eight permits of 256,000 acres each.

Mr. NOSEWORTHY: Two million acres.

[Mr. Crerar.]

Mr. CRERAR: That is for exploration and drilling. Within three years that must be reduced to 1,000,000 acres. And finally it gets down where they can select 350,000 acres.

Mr. NOSEWORTHY: I take it, that this 2,000,000 acres on which they may take an option includes the territory that has been proven, with the aid of the United States government finances, under our war programme.

Mr. CRERAR: The 5,000 acres, which is what we have been describing as the proven field, is not included in that. They have outside of that, within the radius of fifty miles, 140,000 acres. I understand that the 5,000 is included in the 140,000.

Mr. NOSEWORTHY: This 2,000,000 acres will unquestionably be the 2,000,000 that at this date offer the greatest promise for oil?

Mr. CRERAR: No, not necessarily. It is true that oil has been found in this area; but fifty miles away there may be a better field than was found at Norman Wells. No one can say, until the geological structures are studied. That is nothing new; it has happened in every oil field in the world.

Mr. NOSEWORTHY: The minister did not make clear just how many years the company will have before it must decide finally how many acres it will lease. He has said that after three years the 2,000,000 acres will be reduced to 1,000,000 acres. Then, after a given period, it will be reduced still further. What is the time limit before they must make their final decision?

Mr. CRERAR: Within six years from the time the operation begins they must get down to 350,000 acres or less.

Mr. ROWE: They have been in there for more than twenty-five years.

Mr. GREEN: Have any recommendations been made in connection with development of northern Canada by the joint economic committees of the United States and Canada. On June 20, 1941, these committees were appointed, and on January 25 of last year it was announced that they were going to undertake a study of the north Pacific area, including Alaska, the Yukon and northern British Columbia.

On February 22 of last year the Prime Minister said:

The object is to study the possibilities for the economic development of the region for the benefit of the two countries and for the welfare of the inhabitants of the area.

At that time no recommendations had been received from the committee. Have any been received since that time?