

be called a land of tomorrows it is first and above all a land of the present. Those statistics showed the contribution of that district to our peace-time and still more, I might say, to our war-time economy.

Pioneers of that district who, like myself, have witnessed the construction of the first Canadian National Railway line, which was completed in 1915, and the economic development that ensued, can easily visualize the progress that will result from the construction of this new branch line.

According to a report published by Mr. K. M. Ralston, mining engineer for the Canadian National Railways, the metal production of northwestern Quebec, at the end of 1945; was valued at more than \$550 million. Agriculture, forestry, fur-trading and the general development of natural resources previously undiscovered have accounted for the settlement and the prosperity of about 125,000 people in that area.

The region offers a geological formation extremely favourable to prospecting where already have been found and proved several ore deposits: gold at Flordin Mines, and Lakerose Mines wonderful finds in the Opewika region, gold and copper at Norbeau Mines, Obalski Mines, Consolidated Chibougamau and Opemiska.

One company has been granted a pulpwood limits estimated at 4,480,000 cords, which cover only part of the pulpwood area located between the Abitibi and Chibougamau districts.

Seven townships have been chosen for settlement purposes and it is expected that 1,700 families will settle on good land. It is estimated that this newly opened area provides 275,000 acres of tillable land which can provide a living for 15,000 inhabitants; we wish to stress the fact that west of the Kiask Falls, there are, in addition to the forest limits already granted, about 4,700,000 cords of pulpwood which ought to bring future settlers immediate benefits and thus help them through the first few years.

I pause here, Mr. Speaker, and urge the Dominion government to do everything in its power to persuade the provincial legislatures to adopt a policy which will help bring factories into the areas where they are tapping natural resources. In a district such as Abitibi, which depends mainly on mining, diversified sources of income are essential; a paper-pulp mill, had it been built, would have made them possible and would also have provided work.

In support of various suggestions with respect to taxation which I intend to put forth for the benefit of my constituency, I

[Mr. Gourd.]

shall take the liberty of quoting, for the information of the house, from "An Economic Survey of the Mining Industry in Northwestern Quebec" a report published thanks to the efforts of three economists and one lawyer: Dr. O. J. Firestone, Dr. B. H. Higgins, Dr. E. F. Beach and Mr. Jean-Joffre Gourd, of the Mines and Natural Resources section of the Montreal Board of Trade.

You will see on page 1 that our own Canadian government has stated boldly that "the central task of reconstruction must be to maintain a high and stable level of employment and income".

I quote from page 4—

It seems clear that postwar policy must be directed towards giving every reasonable incentive to private investment . . . There are various factors in Canadian economy that will make the achievement of a high level of private investment more difficult after this war than it was before the last one. In 1913, Canada came to the end of a period of enormous expansion, based on opening up the west and financed to a large extent by foreign capital. During the 20's, the last stages of this expansion of the west were completed, and, indeed, signs of retraction already appeared.

Then, on page 7—

It must not be thought from the foregoing account of Canadian economic problems that the outlook for Canada is necessarily gloomy. On the contrary, there are a number of factors of potential economic expansion.

Further, on page 8—

Most important perhaps, there is room in Canada for the development of new resources, especially in the Canadian north. The development of our northland, a development which must be based largely on mining resources but which would involve many forms of supplementary expansion, affords one possible field for investment that may prove comparable to economic expansion in the west as it was before 1914. Not only is the potential of our Laurentian shield still not fully realized (except, perhaps, by Canadian painters), but, as pointed out in the report of the advisory committee on reconstruction, one of the costs of war to Canada has been a depletion of her mineral resources. "There will be a serious time lag in mineral output which can only be shortened by systematic prospecting. It will also be necessary to make mining sufficiently attractive for private capital, and to this end your committee recommends that study be given to the taxation regulations at present in effect with a view to maximizing the ore production of our mines."

I quote from page 9—

From what has been said above, it would be apparent that the mining industry is a matter of peculiar concern for postwar economic policy. The mining industry of our northland, and all that goes with it in the way of building of new towns and transportation facilities, the opening of new agricultural districts, seems to represent our chief remaining frontier. If full employment is to be maintained with a minimum of unnecessary public spending, it is essential that the opportunities in this field be exploited to