

Supply—Northern Affairs

of the recommendations made in the standing committee—for a report on the effects of fiscal policy on the forest industry. I hope that I will be getting something of a nature that will improve the situation in the forest industry. I think that the thanks of the government, the house and the people of Canada generally, go to the witnesses who appeared before the mines, forests and waters committee, for putting forward a very sound proposal.

I should like to deal at some length with the remarks of the Leader of the Opposition. He was very kind to me in his opening remarks in speaking about zeal and energy and I thank him for that. At the same time I hope that when several years have passed he can add one more word to that group of adjectives and that is "intelligence".

Mr. Pearson: I will add that now.

Mr. Hamilton (Qu'Appelle): I do believe that besides energy being applied to these problems which are so manifest and so manifold, there must be some intelligence that looks forward a long way and at the same time can deal with the problems as they arise. I wanted to thank him particularly for the service he has done Canada in bringing to the attention of the house the significance of that atomic-powered submarine passing under the ice-covered waters of the ocean to our north. He used the words, I think, "dramatically underlines". I should like to repeat the significance of what the Leader of the Opposition has told us. No longer can Canadians think that because we have ninety per cent of our country to the north unexplored and undeveloped, because we have a great cold ocean to the north, this is our defence line. We are now fully aware of the fact that the water underneath that ice is available for the movement of underwater craft and this affects the whole future of this country and, I believe, much of the world. He went on to suggest that the possibility of oil transportation underneath the water should be looked into. I just sent out for a little bit of information of which I was already aware.

The British people, and I do not want to say particularly whether it is government or private enterprise effort, have been very much aware of the possibilities of this lead and are presently working on the building of submarines, as I understand it, that will carry up to 100,000 tons of oil. These submarines will operate more efficiently underwater at three times the speed per unit as compared with those using other power sources. Some months ago a member of my department suggested the possibility of a

[Mr. Hamilton (Qu'Appelle).]

pipe line from Ellesmere island to Greenland to Iceland to the United Kingdom, because ultimately the western European nations must be assured of a secure line to energy sources, especially with the line to the Middle East in such great doubt. It seems only logical that this great potential oil land of our northern Arctic islands will no longer be a part of Canada that is far beyond any expectation of development in our lifetime. It is now, I believe, in the front line.

The research we are planning to start on the continental shelf and the islands of the Arctic was designed, as I said in my speech in the house a month ago and in the committee, as part of that program. I tried to say as plainly as I could that I hoped Canadians would see that national sovereignty in the north was not just a matter of politicians speaking at election times but was a vitally important matter. I am very pleased that the Leader of the Opposition has accepted the phrase, "effective occupation", because you can hold a territory by right of discovery or by claiming it under some sector theory but where you have great powers holding different points of view the only way to hold that territory, with all its great potential wealth, is by effective occupation.

The Leader of the Opposition mentioned how few people there were in the north. I had the figures sent to me and the figure he gave is approximately accurate. On the archipelago at the present time there are approximately 300 Canadians, possibly a few more. There are approximately 100 other Canadians up there in business and other occupations of a non-official sort. There are 2,000 other Canadians who are Eskimo by birth, making a total of 2,400 Canadians on the archipelago. On the DEW line sites we have about 250 Canadians and then we have another operation at Frobisher Bay with about 400. That makes a total of roughly 3,000 in the Arctic at the present time.

Obviously that number is not going to increase greatly unless there is an economic base. We are not going into Frobisher Bay primarily because we love to do things that are dramatic. Our reasons for going into Frobisher Bay are, first, the very necessary matter of improving polar transport. We hope to make that whole operation self-liquidating. The second reason for the Frobisher Bay development is the military operations which we have agreed to undertake in partnership with the United States. The third factor is that Baffin island may well be one of the richest iron areas in the Arctic.

I made it very clear to the standing committee that I hoped that what was starting there under the Department of Transport and