

*Yukon Minerals Act*

I feel there is an obvious need to establish policies, legislation and administrative capability which will ensure that northern environments will be protected while they undergo mineral exploration and possible development. We must make certain that traditional renewable resources, such as the Arctic ecology, the wild life, and so on; are not wasted or desecrated in a search for wealth that may, in many areas, turn out to be futile. It is for this reason, especially in the north, that we must be extremely careful to preserve for future use the land and its ecology upon which the native people and the residents of the area may eventually be forced to depend for their livelihood. This is the reason we must know what is in the land use regulations and how they will ensure this protection. This is why members of our party and other groups have been urging the Minister of Indian Affairs and Northern Development (Mr. Chrétien) to introduce the land use regulations without delay. We must have them if we are to have a logical and sensible development of oil and mineral resources in the north without immense damage being done to the ecology there.

The record of the federal government in effectively promoting the integration of the native people in our north country into the expanding economic activity which is going on there is both tragic and disgraceful. Adequate plans have not been made to either protect the environment and the wildlife upon which many natives depend or to establish a basic economy which could offer them alternate employment.

Let us look at some facts in relation to the native or indigenous population in our Canadian north. This indigenous group includes the Indian, the Eskimo and the Métis groups. The total population of the north was about 43,000 in 1966; this includes both the Yukon Territory and the Northwest Territories. Of this total about 17 per cent of the total population in the Yukon and about 63 per cent of the total population in the Northwest Territories was in this indigenous group. The average for the combined territories was about 43 per cent. This means that of all the population in the north, 43 per cent belonged to the Indian, Eskimo or Métis groups.

In the mining industry, however, we find about 4½ per cent of the work force coming from the native inhabitants. This figure has absolutely no relationship to the percentage of the total population which natives form. In 1968, there were 11 operating mines in the Yukon and the Northwest Territories, employing a total of 2,002 people. The total indigenous employment on these projects was 91 men, or 4½ per cent of the total. In the Yukon there were 28 out of a total of 820 and in the Northwest Territories 63 out of 1,182 men who were engaged in the mining industry.

There are reasons for this low employment rate, such as the lack of skills, and there is no doubt about that. Then, there is the fact that the employment agencies are centred in Vancouver and Edmonton. But these figures, however, show the dismal failure of federal policies as they relate to the native population and the percentage of employment we should expect them to get from the

[Mr. Harding.]

development of the resources in the land where they have lived for generations.

The Yukon area has always been noted for its mineral wealth and the exciting period of the gold rush in 1898 is well known to most Canadians. However, it is only within the past ten years that increasing attention has been paid to the rich storehouse of wealth in the territories. Prior to 1964, the average number of claims staked north of 60 totalled something below the figure of 6,000. During the next five years there were five major staking rushes, reaching a peak of 52,000 claims staked in 1968. This represented a tremendous level of activity in exploration and development. In the early 1960s the annual value of minerals produced in the north approximated \$30 million. By 1969 this figure had increased to \$153 million and there were 11 major mines in production. Many other large mineral deposits have been discovered and are now undergoing evaluation and feasibility studies. It is of interest to note, however, that 64 per cent of the value of minerals produced in the north in 1969 came from foreign-controlled enterprises.

Petroleum exploration activity built up gradually through the early 1960s and then gradually tapered off until the major discovery of Prudhoe Bay, Alaska. This discovery sparked an unprecedented acceleration in the search for oil in the Canadian north. An additional 250 million acres were quickly brought under exploration permits and early in 1970 we found over 440 million acres were under permit. This virtually blanketed the whole of the potential oil bearing formations in the north. Where there had been \$32 million expended on oil exploration in 1965, it was estimated that \$75 million would be spent during 1970. Eighteen exploratory wells were drilled in 1965, and 56 wells were drilled in 1969. The discovery of oil and gas in the Arctic by the Imperial Oil Company and Panarctic Oils is an indication that activity as far as oil exploration is concerned will continue and grow in the years ahead. However, it is again of interest to note that of the land held under petroleum exploration permit in northern Canada, 69 per cent is held by foreign controlled enterprises.

There is no doubt that the federal government has sparked the oil and mineral exploration which has gone on in the north. A number of federal incentive programs have been set up and many of them are certainly required. I would like to believe that all these incentives were designed to assist in the development of our mineral assets for our own use. This is why we should have more processing of these resources in our own country. All of the incentives to corporations to which I have referred have had some effect on northern development. They have been costly to the Canadian taxpayers. Again, I must point out, however, that the statistics show that about two-thirds of this northern development is being undertaken by foreign corporations. This means we are subsidizing foreign promoters and companies to come into this resource rich land and take their pick of the best minerals available. It is not too comforting to realize most of the processing is not done in our own country. Over 60 per cent of our mineral output is exported and