

*The Budget—Mr. Faulkner*

The northern mining industry and my department are just now going through a distinct phase in this ongoing process. A few months ago, industry representatives were clearly anxious about one or two of the courses we were following. We recognized they had legitimate concerns, so last month I met with mining industry officials in Yellowknife and invited them into the process of planning a comprehensive mineral strategy for the north. At the time, we agreed to assemble a joint industry-government consultative committee to develop that strategy. Its first meeting took place in Edmonton this week. I have also appointed a special adviser, nominated by the industry, to keep me abreast of its requirements and to support the consultation process.

I understand that both my own and the government's initiatives in the budget are receiving an encouraging response from people who are affected by them. After our meeting in Yellowknife, the president of the Yukon Chamber of Mines acknowledged that together we had made more "substantial progress". He further declared—and I am using these quotes very carefully and not taking them out of context—that:

We recognize that this direct participation of the industry . . . in the development of major government policy as an unusual and innovative step.

I understand that even the hon. member for the Yukon (Mr. Nielsen), in what must have been something of a lapse for him, said the budget was very good news.

The hon. member for Peace River (Mr. Baldwin) mentions the vote. The vote went like this, Mr. Speaker: 37 per cent for the Conservatives, all the rest against. The majority were against—something like 68 per cent. The trouble with the vote is that those who were against were somewhat divided amongst themselves. Next time there may be a greater degree of cohesion.

Mr. Speaker, if I may continue to inform the House about the development in the north—I know the Conservatives are not particularly interested in the north but we on this side have a great interest, seeing it as the frontier of Canada, and we are attempting to address some of these issues this afternoon.

If I may, without further interruption from my friends opposite, I should like to take a moment to outline to the House a couple of other steps the government has taken in recent months that have encouraged confidence among people who depend on a healthy northern economy. Last May I convened a conference on economic prospects in Hay River which brought together for the first time, people from all walks of life and divergent interests throughout the Northwest Territories. Delegates at that conference developed a framework for working towards a balanced economy. By and large they were talking about general principles, but since then we have been tackling the specifics.

Among the most visible evidence of economic progress has been the numerous offers of financial assistance to small industry in the north. From May to mid-October, about \$600,000 was committed to a wide variety of local and community enterprises. Earlier this month an agreement between the government and the Yukon was announced which proposes to spend up to \$11 million over three years for special econom-

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ic stimulation and job-creation. Officials in my department have been working with the government of the Northwest Territories and other federal departments on several new initiatives which arose out of the Hay River conference. These programs are still in the formative stages, but I can tell the House what a few of them involve.

First are the measures to promote tourism. The Northwest Territories government is establishing a tourism division. My department, together with the Canadian government office of tourism, the territorial government and the travel industry association of the Northwest Territories will be undertaking a \$100,000 study to develop an integrated tourism strategy.

Second, through the special ARDA program, capital assistance is being made available to increase the amount of inter-settlement trade in such things as country foods. Training and managerial assistance will also be provided.

Third, assistance to improve the harvesting, processing and marketing of products from both the sea and the land is another area of activity at which we are looking. For example, Inuit harvesting of seals in the Northwest Territories provides an important source of food for local consumption, and the sale of sealskins is a major income factor.

An August conference in Yellowknife brought together all of the participants in sealskin harvesting, followed by a review of the market's quality requirements. Sealskin prices, which were depressed in 1977-78, have more than doubled since January, and with a new insight into market needs the industry will be better able to profit from this upturn.

Mr. Speaker, these are just a handful of the deliberate measures which are being taken to break the spell of post-pipeline depression in the Northwest Territories, particularly the Mackenzie Valley. The government is also ready to meet unique circumstances when they arise—such as in the case of the recent setback in Frobisher Bay when weather conditions prevented a supply ship from unloading its cargo. The consequences could obviously have been dire for the people in Frobisher, but we gave the authority to go ahead and fly the materials in. Those flights are now en route.

Before I conclude, I would like to turn my attention to the role that land claims play in the northern economy. The House is well aware of the effects of culture clash that native people have suffered since this country was traversed by early explorers and traders. The legacy of anguish for native people that lay in the path of those early adventurers and the settlers who followed them is still straining our ingenuity. It is still draining the energies of natives and non-natives generations later. In a few relatively short decades, settlement and development have already had a dramatic impact on the north. We are on the threshold now of breaching workable accord with northern native people so that development can proceed with minimal injury to their traditional way of life and livelihood. But it would be negligent, Mr. Speaker, to say there will be no more development until we settle land claims. That would be unrealistic and unworkable.