

*Natural Resources—Development*

total cost of the highway to Yellowknife from Hay river which was started last year and is continuing this year will be of the order of \$12,500,000. Major bridges have been constructed and are being constructed especially in the Yukon.

In addition the Department of Northern Affairs and National Resources, through its officials and through the minister, has made representations to the air transport companies and the water transportation companies and has been successful in obtaining major reductions in freight rates.

The second vital factor which was mentioned by my hon. friend is the development of hydro power in the north. The Northern Canada Power Commission was founded in 1948 under the name of the Northwest Territories Power Commission. Last year a bill was passed by this house to change the name to the Northern Canada Power Commission. Its first major development was at Snare river to serve the mines in the Yellowknife area of the Northwest Territories. Since 1953 the commission has completed a major plant at Mayo in the Yukon at a cost of \$4 million to serve the silver, lead and zinc mines of the Keno area and it is now adding a further unit to this plant at a cost of \$500,000 to double its capacity. The commission is also undertaking at the present time the construction of a major plant at Whitehorse to serve the growing needs of that city. The initial installation will provide 15,000 h.p. at a construction cost of \$7 million.

It will be understood that most of the development in the north will depend on the exploitation of our minerals. My colleague the Minister of Mines and Technical Surveys (Mr. Prudham) outlined last night what his department is doing with regard to the geological exploration of these vast areas, and I can report that the production from existing mines is continuing to expand, generally speaking. Exploration by private enterprises is very active, and lately the department has granted three major mining reservations on areas containing copper and nickel deposits. These are in the far northern part of the Northwest Territories and their resources can only be explored effectively by major companies with large financial reserves. The companies which have obtained these reservations will spend millions of dollars during the coming years in order to explore the quantities and grades of ore which lie in that part of the region, and the development of these areas would make practical expanded exploration by individual prospectors.

The department has also granted two major oil reservations at Peel plateau lying

[Mr. Lesage.]

across the boundary of the Northwest Territories and the Yukon, and the Eagle plain in the northern Yukon. Exploration by the companies concerned is going forward and is very active. Apart from these reservations there are 11 million acres in the Northwest Territories under ordinary oil and gas exploration permits.

Last summer we turned to exploit the woodland resources of the Northwest Territories for the first time. To make possible the better management of forest in Wood Buffalo park on the boundary of the Northwest Territories, the department gave five cutting rights following public competition for two major timber berths. This involves cutting rights on about one and a half billion feet board measure of spruce and poplar. It is resulting in the erection of sawmills, a planing mill and a plywood plant; and in the employment of some 250 persons based at Fort Smith in the Northwest Territories. Commercial use of this timber will, no doubt, stimulate interest in the vast timber resources of the Territories.

I could go on to talk about the townsite improvements at Whitehorse and Aklavik—

**Mr. Diefenbaker:** Before the minister goes on, can he tell us whether or not there has been any survey or estimate made as to the power potentialities of the Northwest Territories, and if so, what estimate has been arrived at?

**Mr. Lesage:** I would be in a position to give the hon. gentleman a figure tomorrow. I do not have it here.

As I was saying, I could go on to talk about townsite improvement at White Horse and Aklavik, and about the large education program which is going forward and the vocational training program for the Eskimos and Indians of the Northwest Territories. We are doing everything we can to deal with the difficult problems we have north of the 60th parallel and especially in the Northwest Territories where the key to economic development is transportation.

Then there is the human problem of this population in the north. We cannot develop 40 per cent of Canada in five years; I do not believe we can have people who are still living in the stone age transferred overnight to the atomic age. We have to proceed regularly and in an orderly fashion, but we are making steady progress and, I am sorry to say, sir, I find that the accusation which was made yesterday by the Leader of the Opposition (Mr. Diefenbaker) is certainly unjustified.

During the discussion yesterday, mention was made by a few hon. members, I believe,