

*Northwest Territories Act*

now speaking as a Manitoban, that when Manitoba became a province in 1870 and Winnipeg was declared the capital of that province the total population of the city of Winnipeg was 215 souls. Today, less than 100 years later, Winnipeg has an urban population of some 500,000 people. The philosophy the minister has been expressing today that the Northwest Territories is a deficit area is almost on all fours with the philosophy that was enunciated by the Liberal party back in those early days when we emerged as a confederated nation.

For instance, when the construction of a transcontinental railway was mooted there was opposition because they said that a railway through this trackless wilderness would not even pay for its own axle grease. We have moved far beyond those negative concepts in this day and age in Canadian development. The minister was equivocating on this point. He almost apologized for making enthusiastic statements recently about the great economic potential of the Northwest Territories largely based on another Conservative program, the construction of the Pine Point Railway, which was opposed by the Liberal party in the same terms, that it was a railway that would not pay for itself. We know now what this one example has meant in terms of the economic upsurge in Pine Point. We are going to have a community there in the next three years with a population of 7,000 or 8,000 people.

As I said last night, I think this is an eloquent demonstration of the fact that the critical point of the movement of the Northwest Territories from a position of a deficit economy is not too far removed into the future. The minister has quoted statistics, and I am quoting them from memory, to the effect that the total income from minerals in the Northwest Territories last year was something like \$15 million. This year it is \$72 million, and projected into 1968 it will be about \$115 million. We are moving ahead much more rapidly than we could ever have expected, even in the visionary days of the Conservative northern development program. We are moving ahead much more rapidly in concrete, tangible terms.

Unfortunately we are not setting the same pace in our movement toward greater provincial autonomy. There is agitation coming from the northerners themselves. You are getting a population upsurge in the north which is bringing with it, in addition to the

pioneering spirit that has always been part of these people who move north of the 60th parallel, a group of people who are equipped with managerial and administrative skills that are second to none. The people who will be working on the development at Pine Point, for example, are men of considerable managerial and administrative background. They are not going to be happy remaining in a semi-colonial position with reference to their own government.

● (1:40 p.m.)

I do not want to prolong the discussion but I heartily endorse what was stated by the hon. member for Yukon. We are taking in this particular clause a retrograde step rather than a step forward. As we have indicated, we cannot move the amendment that the government through the minister might move and which would at least keep the financial situation of the Northwest Territories in the same position it was previous to the introduction of this amendment.

**Mr. Nielsen:** Mr. Chairman, had the fiscal argument not run off the tracks I would not be rising again, but I must answer a misconception which seems to be held by the hon. member for Comox-Alberni. With great respect to his argument, one cannot endorse its validity. Certainly the Northwest Territories is a deficit area. But so is every other province in the country with the exception of the province from which the hon. member for Comox-Alberni comes, British Columbia, and also Ontario.

**Mr. Barnett:** Mr. Chairman, may I rise to correct what I consider to be a misapprehension in the mind of the hon. member for Yukon. According to statistics tabled in this house during the last session of parliament there was only one non-deficit area, on the basis of federal calculations, and that was the province of Ontario.

**Mr. Nielsen:** Then that makes my argument all the stronger, and I thank the hon. member for correcting me in this regard. Accepting that, is it any justification for saying that the federal government have the right, for instance, to appoint members to the legislatures of all other provinces except Ontario simply because they are deficit areas? Does that give any validity to the principle that because all these other provinces except Ontario are deficit areas we must not allow those provinces to legislate on money matters until such time as the federal government has approved, through the Lieutenant Governors, money