

points along its route, will be forced to levy high rates in order to stay in business. The necessarily high rates will be further aggravated by the distance factor. It is over 400 miles from railhead at Grimshaw, Alta., to the lead-zinc deposits at Pine Point on the south shore of Great Slave Lake, N.W.T. It is another 100 miles across the lake to Yellowknife. It is another 300 miles in a fairly direct line to Port Radium on Great Bear Lake. From Port Radium to Coppermine on the Arctic Coast is another 200 miles. North, south, east or west, the picture is much the same—scattered settlements and barren distance in between and everywhere the problem of distance from markets and distance from sources of supply. Pound for pound and mile for mile, the cost of carrying goods in the North will inevitably be higher than elsewhere in Canada.

Climate and distance then, will tend to force the development of the Northland into channels which, if at present unpredictable, will undoubtedly be unique in Canada. It may be unique also because of the role of the Federal Government. In other parts of the country, the enterprise of individuals and groups carried the main burden of development. In the Northland, if an hospitable economic climate is to be created in spite of adverse physical climate and barren distance, the role of the Government in the earlier stages of development at least, may have to be much more active than in the south.

The unshackling of northern wealth will, to some extent, follow lines of development already laid down, but the policies and practices of the past must be altered if future development is to be achieved on the scale that the times require.

Mineral Development.—Down to the present, development has consisted mainly of exploiting exceptionally rich or very large mineral deposits. This was unavoidable because of high production costs in the North; nevertheless, it meant that development was limited to a relatively small scale. For example, it is practicable to mine ore in northern Ontario with a gold content of about 0.15 oz. t. per ton and make a profit; in the Northwest Territories, to make the same profit, gold content of the ore must be about 0.45 oz. t. per ton. Evidently, the problem—and challenge—consists in getting costs down to a point where lower grade ore may be mined profitably on a large scale.

What has happened in post-war years in the North, when market prices were relatively high, indicates what might take place if costs could be lowered. In the first post-war year, 1946, the value of mineral wealth (excluding uranium) produced in the Yukon and Northwest Territories amounted to about \$2,700,000. Gold production accounted for about \$2,500,000 of this amount. Silver, lead, zinc and petroleum were produced in relatively small quantities. By 1953, the total value of mineral wealth produced (again, excluding uranium) increased to almost \$25,000,000. The value of gold had risen to \$12,500,000, about \$10,000,000 of it from the Northwest Territories. In the Yukon Territory, the increase in base-metals mining was astonishing; in 1953, \$3,800,000 worth of lead, \$2,300,000 worth of zinc and \$5,250,000 worth of silver were produced. These figures suggest an extraordinarily rapid growth period since 1946, which can be partly accounted for by the fact that, during the war years, the Canadian North was held dormant. At the end of the War, Northland activity spurted forward but, even granting the value of pent-up enthusiasm, it was higher prices that provided much of the impetus. Lower costs would help create the conditions necessary for similar but more permanent growth.