DEPT. OF INDIAN AS A AND NORTHERN DEVELOPMENT

A°° 26 1980

MINISTÈRE DES AFFAIRES INDIEVINES ET DU NORD CANADIAN BEBLEGYMÈGUS

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MINISTÈME DES AFFAIRES INDIANNES ET DU NORD CANADIEN BIBLIGYBÈQUE

CHRONOLOGICAL LIST OF

IMPORTANT DATES

CONCERNING THE EFFECT OF

CHURCHILL AND NELSON RIVER SYSTEM

HYDRO PROJECT

ON

NORTHERN MANITOBA

INDIAN RESERVES

Listed here is a chronological accounting of important actions by parties concerned with the effects of the Churchill River system hydro development in northern Manitoba, which has resulted in damage in Indian reserves land.

Some excerpts from letters are produced as they themselves are the best means of showing the history of this hydro development in its relation to the Indian people of northern Manitoba.

First, it is important to realize that Manitoba Hydro and the government of Manitoba were well aware of possible damage before undertaking the development.

February 1974

A letter and brief written by Mr. J.D. Collinson, Assistant

Deputy Minister of the Department of Mines, Resources and

Environmental Management of the government of Manitoba:

"The attached brief analysis suggests that construction of a weir to prevent flooding of Nelson House and the Footprint River Basin may be a less costly alternative to a variety of other mitigations. More significantly,

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perhaps, it would result in considerably less social disruption and stress within the community and would eliminate any physical impact on the Indian reserve lands in that area.

This would not, however, solve all the problems at Nelson House. Certain chronic problems will continue to exist that are not related to hydro development but which might well be blamed on hydro development because it's there. These include water quality, sewage treatment, local road quality, long term employment, etc. Many of these are a direct federal responsibility which should be raised with Indian Affairs."

Mr. Collinson then goes on the make the following recommendations:

"That Northern Affairs and Mines, Resources and Environmental Management review the attached draft analysis and recommend construction of the weir by Manitoba Hydro for policy consideration. It should be noted that pumps must be ordered by about April 1, 1974 to be available and installed in time to correspond to the initial operations of the Churchill River diversion."

The following is taken from the analysis:

The Churchill River diversion plan involves diverting 30,000 cfs for the Churchill River via South Indian Lake through a Diversion Channel to the Rat River, and along the intervening lake systems to the Burntwood River. Eventually, this diverted flow will meet the Nelson River at Split Lake.

The additional 30,000 cfs flow volume along the Rat-Burntwood River system will cause increased water levels on many lakes along this system.

On Footprint Lake, where the community of Nelson House is located, the average mean annual levels will increase approximately 17 feet.* This increase in water levels on Footprint Lake will seriously hamper trapping activities on lines bordering the lake. Also, potential tourism developments will be reduced. Possible bad ice conditions will impede ice travel, and possibly even cause such travel on Footprint Lake to be extremely dangerous. Due to the fact that the natural environment will not remain intact, there will be a disruption in the life style and a change from the present quality of life in Nelson House."

^{*} Source: Manitoba Hydro

May 1974

Following a meeting at Thompson Manitoba attended by the Chiefs of communities concerned, the Manitoba Indian Brotherhood, and officials of Manitoba Hydro, the government of Manitoba and the Department of Indian and Northern Affairs, the Northern Flood Committee requested both moral and financial support from the then minister, The Honourable Jean Chrétien. Following are excerpts of a letter from Mr. Chrétien to Henry Spence the former Chairman of the Northern Flood Committee:

May 29, 1974

"By telex I indicated to you that I am prepared to provide up to a maximum of \$65,000 for support of the operations of the Flood Committee. I understand the Committee represents the Cross lake, Nelson House, Norway House, Split Lake, York Landing and Fox Lake Bands.

... Further funding in the year and any additional funding beyond the period of one year would be dependent upon clearer substantiation of need.

My departmental officers will be happy to assist you in any efforts to carry out the work of the Committee, including the obtaining of such technical expertise as may be available within the government service and the administrative aspects of your Committe's operations.

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June 1974

The Honourable Sidney Green, Manitoba Minister of Mines, Resources and Environmental Management, was asked to provide Churchill and Nelson Rivers Study Board Reports to the northern communities. Although the Province had agreed to provide all relevant information, Mr. Green delayed in releasing information until October 1974.

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July 31, 1974

Premier Edward Schreyer of Manitoba wrote the Prime Minister seeking a meeting of First Ministers:

"I believe that it should be of some concern to the federal government that the province of Manitoba has recently been informed by a solicitor representing a group designated as the Northern Flood Committee that this group intends to seek an injunction restraining the province of Manitoba from continuing to proceed with its hydro development program. We are also informed through statements made in the media that funding of the activities of this group, which include political mobilization of northern communities in Manitoba and legal costs relative to such procedures, is being undertaken by the federal government.

In view of the federal government's relationship to this process, I believe it becomes necessary that there be a meeting just as soon as possible at the First Ministers' level to discuss the implications of these events."

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August 1974

The Solicitor for the Northern Flood Committee,

Charles Huband, wrote Stewart Martin, Q.C., representing

Premier Schreyer, Stating his instructions were to seek

a declaratory judgment from Manitoba Court of Queen's Bench.

August 16, 1974

"... if Manitoba Hydro proceeds with the development which has the effect of flooding reserve lands it will constitute an illegal act. As I mentioned to you, ... the legal procedures which we contemplate avoid the trauma of an injunction and also avoid the problem of attempting to calculate all estimated damages long in advance of the time when the damages can properly be calculated and estimated.

We were surprised to hear your comments that the government of Manitoba would not negotiate with a "gun at its head" and the suggestion from yourself that these legal procedures would involve a lengthy period of time during which no further progress could be made. I cannot understand how, by the Indian communities ascertaining their legal rights, it could be said that the government or Manitoba Hydro would be negotiating with a gun at its head. It seems to me most reasonable that the Indian bands should know their legal position before negotiations with the government and Manitoba Hydro should be to co-operate to have the legal issue disposed of in Court quickly and expeditiously, and not to attempt to drag it out for a protracted period of time."

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August 1974

The Northern Flood Committee submitted a revised budget to the Department of Indian Affairs. A month later the Honourable Judd Buchanan the new Minister wrote the Northern Flood Committee saying he was prepared to support a recommendation to Treasury Board for \$168,162 with conditions attached:

- "a) That any court action against Manitoba Hydro or the Government of Manitoba be deferred for a period of sixty to ninety days.
 - b) That this period be utilized for a review and assessment of the material now provided to the Committee by the Lake Winnipeg, Churchill and Nelson River Study Board and;
 - c) That discussion and negotiations regarding the Hydro project, its impact on northern native communities and compensation for same be initiated with the Province of Manitoba.
 - d) Funding of the Committee would be on the basis of monthly payments subject to a continuing review of progress in the discussions."

The Northern Flood Committee agreed to the conditions and the money was provided as a non-interest loan recoverable when a settlement was to have been reached.

Late Fall 1974

Senior counsel for the Northern Flood Committee and the Manitoba government reached general agreement on the arbitration process for determining compensation for damages The proposal was not accepted by the Committee for two reasons:

- 1) the Province failed to disclose plans for the flooding of the reserves, and
- 2) the committee was seeking to negotiate for a binding agreement on mitigation of damages and compensation for unavoidable damages.

December 1974

The Minister of Indian Affairs sent a strongly worded letter to the Honourable Sidney Green with reference to activities of the Northern Flood Committee and of Province's decision to allow flooding of Nelson House reserve:

December 4, 1974

"...From what I know, I find it difficult to accept that the Committee is engaged in a political campaign against the Government. The steps that the Committee has taken in the past were needed, in my view to impress upon the Province both the uncertainty and the apprehension of the Indian communities, as well as their determination to obtain a just settlement.

I was informed last week that Manitoba Hydro has decided that it would be prohibitively expensive to build a mitigation structure to limit flooding of the Nelson House reserve. The consequences of that decision for the reserve are extreme, given the extent of the flooding that can be anticipated, and given the limited time to formulate an acceptable alternative for the community of Nelson House. It is only prudent for me now to make clear my position in the face of the anticipated flooding of more than 3,000 acres on the Nelson House reserve. The flooding of reserve lands by Manitoba Hydro would require the consent of the Governor-in-Council pursuant to section 35 of the Indian Act. My willingness to recommend to my cabinet colleagues that any such consent be granted is dependent upon the Province committing itself in the first instance to a settlement satisfactory to the Northern Flood Committee and the Nelson House Reserve."

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December 18, 1974

Stewart Martin, Q.C., the lawyer representing Premier Shcreyer, wrote the Northern Flood Committee through its solicitor, Charles Huband, saying, "the Northern Flood Committee is highly presumptuous in ordering Manitoba Hydro to deal through their Committee".

Article II of the By-laws of the Northern Flood Committee clearly state who members can be.

"ARTICLE II - MEMBERSHIP

- 1. There shall be three categories of membership in the Corporation as follows:
- a) Active Members The Chief of each Indian Band, whose rights, interests and property (real or personal) in common or of individual members of the Band are being, or may be affected directly or indirectly by the project including, without limitation, the Bands of Cross Lake, Fox Lake, Nelson House, Norway House, Split Lake, York Landing.
- b) Associate Members The Mayors of Community Councils and Chairman of Community, Committee, or such other duly authorized representatives as may be appointed, of those communities or groups (excluding status Indian Bands) whose rights, interests, and property (both real and personal) in common or of individual members of the group or community are being, or may be, affected by the project and which communities have expressed a desire to work in concert with the active members of the Corporation in promoting the objects of the Corporation.
- c) "Special Interest" Members Such individuals, acting on their own behalf or on behalf of groups, organizations or communities, who have expressed a willingness and a special interest in assisting the active and associate members of the Corporation in promoting the objects of the Corporation."

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February 24, 1975

There was a high level meeting in Thompson Manitoba, attended by Premier Schreyer, the Honourable Ron McBryde, the Minister of Northern Affairs for Manitoba, Peter Lesaux, Assistant Deputy Minister, Indian-Eskimo Affairs Program, Department of Indian and Northern Affairs, the Northern Flood Committee, the Manitoba Indian Brotherhood and various other officials. After that meeting, a joint press release was issued by the Northern Flood Committee, Manitoba Hydro and the government of Manitoba.

A copy of the release is attached but it is important to note particularly that at this meeting, Premier Schreyer undertook to provide preliminary proposals for remedial measures to date. NONE HAVE BEEN PROVIDED.

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JOINT STATEMENT

Northern Flood Committee, Inc., Manitoba Hydro
Government of Manitoba

February 24, 1975

THOMPSON, Man. -- The Northern Flood Committee, Inc., the Manitoba Government and Manitoba Hydro agreed here Monday to meet again in Winnipeg March 3 to continue their discussions relating to compensation to native people for any negative effects that may arise from the hydro-electric developments now being undertaken in Northern Manitoba.

Spokesmen for both sides said they were pleased by the discussions at a four-hour meeting in the Thompson city hall Monday afternoon.

Premier Ed Schreyer agreed with a flood committee request to provide, as soon as possible, preliminary proposals for remedial measures as an initial basis for a working relationship with the committee.

Premier Schreyer indicated that Manitoba Hydro would compensate individuals for actual damages, arbitrated if necessary by an independent third party in case of dispute; that any land that may be flooded could be compensated for on the basis of two acres of every acre flooded; that loss of ability to earn a livelihood could be compensated by

deficiency payments and that the Government is willing to negotiate programs of specific economic benefit to involved communities.

The flood committee indicated that any proposals put forward would be taken back to the communities for further consultation and refinement.

The two sides agreed to meet at the level of appointed officials to draft a memorandum of understanding relating to the Government's recognition of the Northern Flood Committee Inc. as the bargaining agent for those communities which delegate this responsibility to the committee. However, Government spokesmen said they wanted to reserve the right to deal directly with communities and individuals, while at the same time committing themselves to keeping the committee informed of all such contacts that relate to compensation, and refraining from unilaterally soliciting approaches from groups or individuals who are represented by the committee.

Attending the meeting on behalf of the Northern Flood

Committee Inc. were the chairman, Henry Spence; vice-chairmen

Chris McLeod and Ken Young; legal counsel Glen Sigurdson;

directors Peter Spence, Chief of the Nelson House Band;

Walter Monias, Chief of the Cross Lake Band; John Wavey,

Chief of the Split Lake Band and Ken Albert, representing

Chief Jean Folster of the Norway House Band; chief negotiator

Michael Stern and negotiator Oliver Nelson.

Representing the Manitoba Government and Manitoba Hydro were Premier Ed Schreyer; Northern Affairs Minister Ron McBryde; Manitoba Hydro Chairman and General Manager Len Bateman; W. Steward Martin, legal counsel for Manitoba Hydro; Ken Dillen, MLA for Thompson; Les Oslund, MLA for Churchill; Chris Goodwin, director of systems planning for Manitoba Hydro; Nick Carter, Deputy Minister of Northern Affairs; Charlie Jaworski, Manitoba Hydro Churchill River Diversion liaison officer and Bill Laird, Manitoba Hydro area manager for Thompson.

Also attending the meeting were Peter Lesaux, Assistant
Deputy Minister of the Federal Department of Indian Affairs
and Northern Development; Don McCoy and Duncan Marshall, also
of the Federal Department of Indian Affairs and Northern
Development; and Dr. Ahab Spence, President of the Manitoba
Indian Brotherhood.

March 3, 1975

Negotiators for the Northern Flood Committee, Manitoba Hydro and the government of Manitoba met in Winnipeg. The Province's advisory committee said it would give the Northern Flood Committee a schedule of projected water level increases in the Churchill-Nelson diversion and a time table of future construction and impacts on reserve, within three weeks.

NO SUCH SCHEDULE HAS EVER BEEN PROVIDED.

The advisory committee also said it would provide a list of settlement already made with individuals. NO SUCH LIST HAS BEEN RECEIVED.

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March 24, 1975

Premier Schreyer and the Honourable Sidney Green met with the Honourable Judd Buchanan in Ottawa to discuss hydro developments in northern Manitoba. Following the meeting, there was an exchange of letters. Here are some key excerpts:

March 25, 1975

To other

"We are not prepared to enter into any agreement with the Northern Flood Committee unless we have the assurance that any dispute with reference to damage or compensation is subject to some type of arbitrable arrangement just as you indicated only yesterday was understood to be the basis or means by which such disagreements were to be settled."

April 21, 1975

The Honourable Judd Buchanan to the Premier of Manitoba:

"The Northern Flood Committee has indicated that it would be prepared at an early date to have its legal counsel and one or two other representatives to enter into intensive negotiations with Mr. Martin, subject to the condition that Manitoba avoid any action during the negotiations that would impose further damages on the communities concerned. hope that the Province will regard the committee's (position) as a reasonable and fair one to accept. The need to avoid the imposition of damaging actions has been underlined recently by the drastic reduction of water levels at Nelson House resulting, I understand, from the filling of the Notigi Dam reservoir. The effects of that action, which apparently had not been raised in negotiations and had not been the subject of any prior notice to the Nelson House Band, inevitably add to the barriers of negotiations."

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April 25, 1975

An exchange of letters between D'Arcy McCaffrey, the lawyer for Northern Flood Committee, and Steward Martin, Q.C., in which Mr. McCaffrey suggested a statement of remedy, principles and alternative on behalf of the Northern Flood Committee, leading to negotiated settlement.

Mr. Martin's letter was mainly concerned with the status of the Northern Flood Committee.

The exchange of letters at that time was understood by the Department of Indian Affairs and the Northern Flood Committee as to be a means to move towards negotiations on a statement of principles for determining damage and compensation. Mid-April had been adopted as the target date. However, Mr. Martin was required to leave Winnipeg and a substitute spokesman was not appointed by the Province. Since then there has been no attempt by the Province to resume such negotiations.

May 13, 1975

Premier Schreyer sent a letter to "residents of Northern Manitoba". This letter is critical of the Northern Flood Committee and its bargaining position.

This letter is inconsistent with a joint statement the government had issued with the Northern Flood Committee and the Manitoba Hydro on February 24, 1975. That joint statement, which is attached, and was referred to earlier, says:

- 1. That the Northern Flood Committee would be recognized by the government as the bargaining agent for the communities that requested the Northern Flood Committee act for them.
- 2. That the Province would not unilaterally open negotiations with groups or individuals represented by the Northern Flood Committee, but reserved the right to deal with anyone who approached the Province on his own.
- 3. That the Province agreed to inform the Northern Flood
 Committee of all contacts with northern communities
 and residents relating to compensation.

The Province has since ignored the February 24 statement both in word and deed. In March the Province unilaterally requested the Cross Lake Band to negotiate directly with it on compensation for disruption of trap lines. Cross Lake is a most active member of the Northern Flood Committee.

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The Premier's letter of May 13, 1975 was sent without prior notice to the Northern Flood Committee. In the letter the Premier does not refer directly to the Northern Flood Committee, but to "a group calling themselves the Northern Flood Committee."

June 1975

The Honourable Jeanne Sauvé, Minister of the Environment sent a copy of the Summary Report of the Lake Winnipeg, Churchill and Nelson Rivers Study Board, to the Minister of Indian Affairs. Madame Sauvé included in her press statement on the release of the Report that it was her intention to enforce the Fisheries Act, and Migratory Birds Convention Act.

In a letter to his cabinet colleague the Honourable Judd Buchanan wrote:

"I welcome that statement since it parallels and reinforces my objective of ensuring that no reserve lands are flooded by the project without the concurrence of the Indian bands resident on the reserve".

June 2, 1975

The Northern Flood Committee, frustrated by its year-long attempt to deal with the Manitoba Government, came to Ottawa to meet the Minister of Indian Affairs and requested his support for legal action.

Damage to northern Manitoba reserves is increasing and will continue to impair the trapping and fishing livelihood and the tourist potential of these reserves. The impact of the hydro development has a serious social effect on these communities. The affected lands must be compensated for.

Appendix A

Illustrations of Unfulfilled Commitments by the Government of Manitoba

Feb. 24, 1975 - Premier Schreyer undertook to provide preliminary proposals for remedial measures.

NONE HAVE BEEN PROVIDED

March 3, 1975 - Province of Manitoba negotiators said
they would provide a schedule of projected
water level increases and a time table of
future construction and impacts on reserves
within three weeks.

NO SUCH SCHEDULE HAS EVER BEEN PROVIDED

Province of Manitoba negotiators said they provide a list of settlements already made with individuals.

NO SUCH LIST HAS BEEN PROVIDED

March 24, 1975 - Premier Schreyer assured Ottawa that his legal advisor, Steward Martin, QC, upon returning to Winnipeg in April, would make it a first priority to draw up a memorandum of understanding with the Northern Flood Committee to establish a framework for negotiation.

NO SUCH MEMORANDUM WAS EVER DRAWN

May 13, 1975

Premier Schreyer sent an open letter to

"Residents of Northern Manitoba" in which
he was extremely critical of the Northern
Flood Committee despite an understanding
that the Northern Flood Committee would
be consulted prior to any contact with
communities it represented.

NO SUCH CONTACT WAS MADE

NO EXPLANATION FOR DISREGARDING THE

UNDERSTANDING WAS PROVIDED

Churchill Diversion, Lake Winnipeg Regulation, and Hydro-Electric Generation Projects

New title

A Summary Description

(Principal Source: Summary Report,
April, 1975 - Lake Winnipeg, Churchill and Nelson
Rivers Study Board)

1. Purpose

Both the Churchill and Nelson Rivers flow into Hudson Bay. The Nelson River provides considerable potential for hydro-electricity and, being some 100 miles closer to the large population centres than the Churchill, the Province decided in the mid-60's to divert a considerable portion of the Churchill River flow into the Nelson River basin to increase the hydro potential.

The latter goal is also being served by the construction of works designed to give increased control over the out-flow of Lake Winnipeg into the Nelson River.

2. Churchill River Diversion

This river with a historic average flow of 40,000 c.f.s., is to be diverted by a control dam now being built at the outlet of South Indian Lake at Missi Falls, that will send up to 30,000 cubic feet per second through an artificial channel, the South Bay - Issett Lake Channel, into the Rat-Burntwood River system in the Nelson River basin.

It is the diverted flow into the Rat-Burntwood system that will cause flooding of the Nelson House Reserve. The Summary Report forecasts 2000 acres "could be flooded" affecting 17 homes and 27 other structures in the community of Nelson House. Estimates by other agencies range up to 3500 acres to be flooded. The Reserve is bisected by the Footprint River flowing into the Burntwood River. The protective dam or weir planned at one stage by Manitoba Hydro would have protected most of the Reserve from flooding by preventing the higher levels of the Burntwood from backing up the Footprint River.

Manitoba has never disclosed in writing its schedule for the diversion and downstream impacts. However an official of Manitoba Hydro outlined verbally to the N.F.C. in March the following schedule for increasing

the diversion from the Churchill River to the Nelson River.

November, 1975 - 10,000 c.f.s. November, 1976 - 20,000 c.f.s. Spring, 1977 - 30,000 c.f.s.

The Notigi Dam has been completed on the Rat River, upstream from Nelson House. The filling of the forebay caused a drastic lowering of water levels at Nelson House starting last spring that will persist until October.

3. Lake Winnipeg Regulation

Improved control of Lake Winnipeg levels is to be achieved through construction of a number of related channel improvements and control dams. One control dam, at Kiskitto Lake, is complete. The principal control dam, at Jenpeg, is being completed. Operation of these dams will affect the downstream communities including the Cross Lake, Norway House, Split Lake, York Landing and Fox Lake Reserves, all of which are located on the Nelson River.

Filling of the Jenpeg reservoir is expected to drop downstream water levels later this summer, most notably at Cross Lake.

Since the Split Lake, York Landing and Fox Lake Reserves are located downstream from the confluence of the Burntwood and Nelson Rivers, at Split Lake, they will be affected by both the Churchill River diversion and Lake Winnipeg regulation.

4. <u>Hydro Generating Plants</u>

The impacts of the whole project result not only from the construction of dams and other engineering works, but also upon the operating regime which may result in wide fluctuations of water level. The demands of existing and future hydro plants will undoubtedly be a major determinant of the operating regime. Very little information has been disclosed by Manitoba Hydro of its operational plans.

A total of 14 generating plants producing more than 8,000,000 KW (compared with Manitoba's current peak demand of 2,000,000 KW) is foreseen by the year 2000. They are, with the anticipated date of coming on stream, the following:

Location	» -	Capacity	(KW)	Projected On-Stream
Rat-Burntwood Rivers				
Notigi Wuskawatim Manassan First Rapids		90,000 278,000 200,000 168,000	}	Mid 1980's — to early 1990's

Location	Capacity (KW)	Projected On-Stream
Upper Nelson River - Lake Winnipeg to Split Lake		× .
Jenpeg Bladder Kelsey	168,000 565,000 224,000	1976-77 1990's Completed
Lower Nelson River - Split Lake to Hudson Bay		
Upper Gull Lower Gull Kettle Long Spruce Limestone Conawapa Gillan Island	565,000 560,000 1,272,000 980,000 1,100,000 1,100,000 1,000,000	1990's 1990's Completed U.C. 1981 1984 1987

5. Federal Participation

The federal government has been involved in two aspects of the project. In 1966, it undertook to construct the long-distance transmission facilities. They have been completed by AECL. The federal government provided a loan for 100 per cent of the approved capital costs for the first phase of the construction at crown corporation borrowing rates. The total amount provided by the federal government was of the order of \$240 million.

The 1966 agreement pertained only to the generating plants built by Manitoba and the transmission lines constructed by Canada. It made no reference to Indian reserve lands. While, it provided for the transfer of provincial crown lands to Canada as required for the transmission lines, no provision was made for the taking of Indian lands either for the transmission lines or for any other purpose associated with the projects.

Secondly, the federal Department of the Environment participated in a Canada-Manitoba study board that examined all of the environmental effects of the project. Canada paid one-half of the \$2,000,000 study conducted from 1971 to 1975. The final report of the board, including some 47 recommendations on mitigating, and remedies for, the adverse effects, was recently released to the public.

PP&R 15/7/75

Name of Reserve		Chief	Population
Cross Lake		Walter Monias	1882
Norway House		Jean Folster	2192
Nelson House		Peter Spence	1717
York Landing	*	Reg Panash	383
Split Lake		John Wavey	1030
Fox Lake		Tommy Nepitabo	299
× .			
		Total Population	7503

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