



Indian and  
Northern Affairs

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et du Nord

## North of 60

# Mackenzie Valley Pipeline Inquiry, Summaries of Proceedings

Volume 5

The Human Environment — Social and  
Economic Aspects.  
A Regulatory Agency



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# Mackenzie Valley Pipeline Inquiry, Summaries of Proceedings

Volume 5

The Human Environment — Social and  
Economic Aspects.  
A Regulatory Agency

Yellowknife, N.W.T.

April 13 to October 15, 1976

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MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARIES OF PROCEEDINGS

THE HUMAN ENVIRONMENT - SOCIAL AND ECONOMIC ASPECTS

A REGULATORY AGENCY

Yellowknife, N.W.T.  
April 13 to October 15, 1976

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## PREFACE

The Mackenzie Valley Pipeline Inquiry was established on March 21, 1974 by Order-in-Council P.C. 1974-641. The Minister of Indian Affairs and Northern Development, Jean Chrétien, at the same time appointed Mr. Justice T.R. Berger of the Supreme Court of British Columbia as Commissioner of the Inquiry charged with the task of inquiring into and reporting upon the terms and conditions that should be imposed in respect to any right-of-way that might be granted across Crown lands in the Yukon and Northwest Territories for a proposed Mackenzie Valley pipeline, having regard to:

1. The social, environmental and economic impact regionally, of the construction, operation and subsequent abandonment of the proposed pipeline in the Yukon and Northwest Territories, and,
2. Any proposals to meet the specific environmental and social concerns set out in the Expanded Guidelines for Northern Pipelines of 1972.

An application for the grant of right-of-way under authority of the Territorial Lands Act for the purpose of constructing a pipeline across Crown lands in the Yukon and Northwest Territories to transport natural gas from Prudhoe Bay and the Mackenzie Delta to southern markets in the United States and Canada was submitted to the Department of Indian Affairs and Northern Development by Canadian Arctic Gas Pipeline Limited on March 21, 1974. On May 1, 1975, Foothills Pipe Lines Limited, in conjunction with Alberta Gas Trunk Line (Canada) Limited, submitted an application for a grant of right-of-way to construct an all-Canadian pipeline up the Mackenzie Valley to transport natural gas from the Mackenzie Delta to southern Canadian markets. These two proposals were referred to Mr. Justice T.R. Berger for examination by his Inquiry at public hearings.

Justice Berger held preliminary hearings to inquire into and determine the nature of the public hearings in Yellowknife, Inuvik, Whitehorse and Ottawa in late April and early May, 1974, and issued preliminary rulings as a result of these hearings. Procedural hearings were then held by the Inquiry in Yellowknife on September 12 and 13, 1974 to receive comments on proposals by Commission Counsel regarding timing and procedural rules for future public hearings. As a consequence it was decided to hold formal hearings in Yellowknife, N.W.T., and in Whitehorse, Y.T., and that the hearings would be defined in subject areas comprising:

- Phase I - Construction and Engineering
- Phase II - Impact on the Physical Environment
- Phase III - Impact on the Living Environment
- Phase IV - Impact on the Human Environment

Community hearings were to be informal, ie., not confined to a particular phase, and witnesses appearing would be sworn but not cross-examined. These hearings would be held in communities throughout the Territories which were most likely to be affected by pipeline development activity. In addition, hearings would be held in major centres in southern Canada.

This volume is the fifth in a series of summaries of the proceedings of the Mackenzie Valley Pipeline Inquiry. Volume 1, published early in 1976, dealt with the construction and engineering aspects of the evidence presented; Volume 2 with the physical and living environment; Volume 3 with evidence related to the Beaufort Sea and Mackenzie Delta development activities; and Volume 4 with evidence presented in communities in the Yukon and Northwest Territories, and in southern Canadian cities. A final volume will contain the final arguments of the participants.

The summaries were prepared and edited by staff of the Northern Policy and Program Planning Branch of the Department of Indian Affairs and Northern Development. They appeared originally in a numbered, chronological series and were widely distributed in that form. Reference is made to this numbered series in Appendix III. The summaries attempt to provide, in abstract, information which is contained in the lengthy transcripts of the Inquiry proceedings. They are an unofficial guide to the transcripts and should not be construed as representing any position or policy of the Department of Indian Affairs and Northern Development.

Department of Indian Affairs  
and Northern Development  
Ottawa, Ontario

MACKENZIE VALLEY PIPELINE INQUIRY  
SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME 143)

Overview of Aboriginal Rights

Yellowknife, N.W.T.  
April 14, 1976

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TOPIC: Phase IV: The Impact of a Pipeline and Mackenzie  
Corridor Development on the Human Environment.

Overview of Aboriginal Rights

DATE: April 14, 1976 in Yellowknife.

WITNESSES: Appearing for the N.W.T. Indian Brotherhood and  
Métis Association:

- G. Manuel: President, National Indian Brotherhood and  
President of the World Council of Indigenous  
Peoples.

HIGHLIGHTS

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil.

B. Environmental

Nil.

C. Socio-Economic

c-1 Aboriginal Peoples

- Aboriginal peoples everywhere share a common attachment to the land, according to Mr. Manuel in-chief. Vol. 143  
21759-21762  
Governments in co-operation with corporations are depriving them of their human rights and are destroying their social, cultural, economic and political institutions. Aboriginal peoples are demoralized. What the Indian people of the N.W.T. are now experiencing has already taken place in southern Canada. Opposition to the pipeline arises because the human rights of Indians will be expropriated by lust and greed. The project can be supported only if the Indian people are first assured of economic, political and cultural self-reliance.
- The purpose of the World Council of Indigenous Peoples was outlined by Mr. Manuel, in cross-examination by Commission Counsel. He said that the aboriginal peoples of New Zealand have some political status so they can integrate on their own terms and assure their cultural survival. The most important problem facing aboriginal people is political in nature. Their way of life is being destroyed - expropriated - with no meaningful attempt to replace it. Canada should lead in dealing with aboriginal peoples. There are no models in existence that can be used. Everyone is searching for the way and looking to Canada for leadership. Vol. 143  
21748-21749  
Vol. 143  
21781-21783
- The Indian people in Canada, particularly in the N.W.T. are asking for the same sort of political institutions as exemplified by Prince Edward Island, according to Mr. Manuel in-chief and in cross-examination by Commission Counsel. P.E.I. has only half the population represented by the National Indian Brotherhood yet it has a provincial government, four members of Vol. 143  
21766-21770  
21784-21786

TRANSCRIPT  
REFERENCE

c-1 Aboriginal Peoples Cont'd.

Parliament, senators and received federal economic incentive grants of \$720 million in 1970. The Indian people received \$50 million through DIAND for the same year. Indian people identify with the nations of the third world because of their similar experience with poverty, exploitation of their people and lands and their struggle for a new economic order. But Indians are really of the 4th world, the forgotten world of aboriginal peoples.

c-2 Land Claims and Aboriginal Rights

- The solution to land claims isn't money, according to Mr. Manuel in-chief. He criticised the James Bay Agreement because it surrenders the title to the land and thereby negates the establishment of a new economic order for the Native people of the area. It shows that claims negotiations under the gun of development activities are unjust. The main principle in land claims should be that native title aboriginal rights are not to be sold or extinguished. Negotiations should be based on how the principles of Indian title and aboriginal rights will be preserved, developed and put to practice. The government now calls the settlements "agreements" instead of "treaties" as in the past. A treaty implies negotiations with a distinct nation. The original treaties fell flat because they never provided the political authority to enforce the commitments. They denied the rights of self determination. The BNA Act is clear in its designation of Indians as a distinct nation of people - as a founding nation of people in Canada similar to the French and English. The Indians' future will remain hopeless unless they can participate in the financial and government institutions that preside over them. That is what land claims and aboriginal rights means. Vol. 143  
21756-21759
- The statistics on Indian poverty, health, prison inmates, etc., indicate that the present system isn't working for Indian people, according to Mr. Manuel in cross-examination by the N.W.T. Association of Municipalities and Commission Counsel. If the government extinguishes aboriginal rights, it will mean repealing section 91 of the BNA Act. A settlement of claims can't be achieved under the government's present terms of reference. If they change, perhaps there can be a pipeline. Vol. 143  
21778-21780  
21783-21784

c-3 Dene Declaration

- The Dene Declaration is a giant step towards the Indian peoples' goal of breaking out of their position of deprivation and poverty, according to Mr. Manuel. It has become a symbol to all Indian peoples. It is supported by a unanimous resolution of the National Indian Brotherhood. Aboriginal rights settlement must be of land and political authority. "The N.W.T. is North America's last frontier. It can be developed like the frontiers of the past for the benefit of the newcomers at the expense of the Indian people, or we can take a different, more humane route. We are challenging the Canadian government to choose humanity over profits, decency over dollars and justice over self-interest. The time is long overdue for the establishment of new social, political and socio-economic structures where Indian and white society can Vol. 143  
21753-21756  
21770-21775  
21781



TRANSCRIPT  
REFERENCE

c-3 Dene Declaration Cont'd.

co-operate and interact in a positive manner, with pride and dignity...To permit this pipeline to be built against the wishes of the Dene and prior to a just and equitable settlement of their claims means repeating all the mistakes of the past. The choice for Canadians is whether to entrench colonialism or to entrench the democratic rights of the Dene...We must not let greed for a pipeline prejudice this dream...".

c-4 Miscellaneous

- The structure and representation of the National Indian Brotherhood and the Council of Indigenous Peoples was questioned by the N.W.T. Association of Municipalities.
- Vol. 143  
21776-21778

D. Miscellaneous

d-1 N.W.T. Indian Brotherhood/Métis Association Phase IV  
Opening Statement

- Counsel for the N.W.T. Indian Brotherhood and Métis Association outlined the type and purpose of the evidence they will be calling in Phase IV. Basically, it will consist of two parts: (a) a statement of the rights of the Dene and, (b) the Dene's rights to alternative development - how land claims will permit this and how a pipeline would deny it.

MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME 143)

THE IDEA OF NATION AMONG INDIAN PEOPLEYELLOWKNIFE, N.W.T.  
APRIL 14, 1976

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TOPIC: Phase IV: The Impact of a Pipeline and Mackenzie  
Corridor Development on the Human Environment.

The Idea of Nation Among Indian People

DATE: April 14, 1976 in Yellowknife.

WITNESS: NWT Indian Brotherhood and Métis Association witness:

H. Cardinal: President, Indian Association of Alberta

HIGHLIGHTS

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

- nil

B. Environmental

- nil

C. Socio-Economic

c-1 Indian Claims

- The question of Indian claims is based on the relationship between Indian people and the larger society as represented by the Federal Government, according to Mr. Cardinal in chief. The White and Indian races have similar goals in what they want to achieve for their children. That is the common denominator which should be kept in mind as the developmental needs of industrial society are examined.

Vol. 143  
21789-21790

c-2 Nation, Nationhood and Sovereignty

- The Indian concepts of nation, nationhood and sovereignty are difficult to express in English because they spring from the traditions of tribal peoples and the hopes and aspirations of the elders, according to Mr. Cardinal in chief. Indians have always been nations. This concept of nationhood is derived from their world view of themselves as a people and their relationship to the world from which they come. It is a special relationship with the Creator. No secular power has the right to interfere with, or destroy it. It is a view somewhat like that of the Hebrews and involves a special relationship with each other as a people, with the environment and the Creator. It is a vision of a country where the children can live with one another so that the great riches and many blessings that this country has received from its Creator can be recognized. The task is to create an environment where these things can be addressed and changed so that the children will inherit a better life. It is worthwhile for the Inquiry to examine how the nation now shares its wealth and resources between Indian and white peoples. The question of land claims is to derive a sharing formula to satisfy the needs and aspirations of Indian people and the larger society as well. The question isn't who owns everything but rather how we share what we all own as Canadians. The question of Indian nationhood is basically how the people who have always lived in this country

Vol. 143  
21790-21802

c-2 Nation, Nationhood and Sovereignty (Cont'd)TRANSCRIPT  
REFERENCE

can exercise controls over their own lives. The Indian nations are shaky today because the white society outlawed many of their basic institutions. If Indian peoples now seek their own answers to their own problems, will that be perceived as a threat to the Canadian Nation State? The freedom for Indians to control their own lives with their own institutions is inherent in the Canadian Bill of Rights and Constitution. The conflict isn't between the Indians and the Federal Government but between interest groups that have built up within the bureaucracies of all jurisdictions. The land claims are the means for Native people to break out of this deadlock in which the existing self interest groups are in total control of the lives of Indian peoples.

- Some small steps have been taken towards Indian control of education in Alberta but there is still not real control, according to Mr. Cardinal in cross-examination by Commission Counsel. The object is for the Indian people to be truly responsible to themselves for education, industrial and economic development. The goal is to attain rights similar to those realized by French Canada under the terms of the BNA Act.

Vol. 143  
21803-21807

Policy and Planning  
ACND Division  
May 6, 1976.

MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME 143)

ABORIGINAL RIGHTS AND EXPLOITATION OF  
NORTHERN RESOURCES 1870-1939

YELLOWKNIFE, N.W.T.  
APRIL 14, 1976

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TOPIC: Phase IV: The Impact of a Pipeline and Mackenzie Corridor Development on the Human Environment.

"Aboriginal Rights and Exploitation of Northern Resources  
1870-1939"

DATE: April 14, 1976 in Yellowknife

WITNESS: NWT Indian Brotherhood and Metis Association witness:

Fr. Rene Fumoleau: Priest and author of a book on the history of Treaties 8 and 11. ("As Long As This Land Shall Last")

HIGHLIGHTS

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

- nil

B. Environmental

- nil

C. Socio-Economic

c-1 Interpretation of the Events 1870-1939

- "The story of the white man's invasion of the Canadian Northwest may be named by future historians as one of the blackest blots on the pages of Canadian history. It is an ugly story. A story of greed, of ruthlessness and broken promises. It is the story of the degradation of our Northwest Indians. Canadians have heard only of the fortunes in furs and the gold and silver and radium ores of this stern country. Occasionally they have seen newspaper reports of starvation and suffering among the Indians. But Canadians should know all the facts of our Northwest. Because, unless they act at once they will some day bear the scorn of all peoples for having blindly allowed a noble race to be destroyed." Father Fumoleau quoted these words of Bishop Breynot written in 1938. The Bishop had been deeply involved with Mackenzie Indians for 46 years. Besides the treaty commissioner he was the only person who witnessed the signing of both Treaties 8 and 11. Father Fumoleau noted that the same concerns continue today and added his own interpretations:

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21838-21841

1. "Since 1870, the Northwest Territories Dene have continuously expressed their desire to lead their own life, in their own way, on their own land. This was the fundamental aspect of all treaty negotiations, and of all subsequent meetings with Indian Agents and Government officials.
2. All testimonies indicate that, due to the culture and history of the Dene, it was a definite impossibility for them to relinquish their rights to their land. This has been translated into legal terms by Mr. Justice W. Morrow in 1973: "Notwithstanding the language of the two treaties, there is sufficient doubt...that aboriginal title was extinguished."

c-1 Interpretation of the Events 1870-1939 (Cont'd)TRANSCRIPT  
REFERENCE

3. Difficulties arose, not because treaties were signed, but because the spirit of friendship which presided at their signing was quickly forgotten. The chiefs were relegated into oblivion as soon as the Government considered their usefulness to be over.

J.W. Pickersgill, Superintendent General of Indian Affairs, concluded in 1956: "It does not seem unjust to admit that the pre-1939 Canadian policy regarding Indians consisted of kindly isolating them within a structure of forgetfulness." (This policy might even have lasted after 1939.)

4. Since 1870, the Northwest Territories has been viewed by Government and Business not as a land where Indian people live, but primarily
  - as a great storeroom of mineral wealth
  - as a market for southern products
  - as a good place for friends of politicians

5. Many times since 1870, the Federal and Territorial Governments were led or pressured into taking some decisions which were helpful to the Mackenzie Indians. However, in the mountain of documents stored in the Canadian Archives, museums, and libraries, I would have liked to find at least one document indicating that the Governments (or Business) took any decision for the only reason that it would benefit the Dene of the Northwest Territories.

6. Since 1870, Government and business (and many clergymen and many other non-Indians too) made little effort to understand the Indians' way of life, their culture and their aspirations. Government and business have continuously viewed Indians primarily as people standing in the way of what is called development or what is called progress. Government and business have worked either to remove and to ignore the Indians, or to assimilate them.

7. Since 1870, the exploitation of Northern resources, from beaver, buffalo and timber to gold, oil and gas has always been planned and realized with little or no consideration of whether or not it would benefit the Dene of the Northwest Territories."

Father Fumoleau concluded by saying, "There is one document which I haven't mentioned yet. It is so old that many people haven't even heard of it. But it could help us solve most of the problems of the North, be they about exploitation, development, justice, education, etc... or even pipelines. I would like to quote King George III:

"It is just and reasonable, and essential to our interest and the Security of our Colonies, that the several Nations or Tribes of Indians with whom we are connected, and who live under our Protection, should not be molested or disturbed in the Possession of such Parts of our Dominions and Territories as, not having been ceded to or purchased by Us, are reserved to them, or any of them, as their Hunting Grounds."

TRANSCRIPT  
REFERENCE

c-1 Interpretation of the Events 1870-1939 (Cont'd)

This proclamation is dated October 7, 1763.

How much progress was made in honour and justice in the past 213 years?"

c-2 Young Canada and the Old Northwest 1870-1897

- In 1870 the Hudson Bay Company surrendered its trading monopoly in the Northwest and the government of Canada assumed control of what is now Alberta, Saskatchewan, Manitoba, two thirds of present day Ontario and Quebec, Labrador, the Yukon and the NWT, according to the historical documents described by Father Fumoleau. Ottawa's treaty policy was "to remove obstructions" to settlement and to the exploitation of resources and the approach to Indian peoples was: "No settlement - no treaty - no help." The Klondike gold rush introduced the corrupting influences of European civilization and white trappers began robbing the Indians of their living. In 1894 game protection acts were introduced prohibiting Indians from shooting buffalo for food but allowing sportsmen to hunt for trophies.

Vol. 143  
21810-21814

c-3 Treaty 8

- Pre treaty 8 documents quoted by Father Fumoleau state: "it would be easier to deal with them now than when the country is overrun with the prospectors and valuable mines are discovered. They would then place a higher value on their rights". The area around Great Bear Lake was to be excluded because "their territory is of no particular value". Treaty 8 was signed in 1899 but archive documents show that: (1) the Indians and Treaty Commissioner did not understand each other, (2) the Indians considered it only a treaty of friendship and, (3) the Indians' only interest was to maintain their way of life.

Vol. 143  
21814-21818

c-4 Years Between the Treaties 1900-1920

- Fur traders came into the area causing fur competition and reckless trapping, according to Father Fumoleau. Despite the treaty promises, unjust restrictions were placed on the Indians particularly regarding game. In the 1920 boycott of the treaty in Fort Resolution, the chief said "Do you remember what you promised us before? Why do you change now?...You gave us money and paper, now you want to change the law. We will give you back all the money. You can't pay to be the boss of us... Why do you tell us how to run our land? We did not give it to you...All my people will claim this land as their own and it will not be taken away from them."

Vol. 143  
21818-21821

c-5 1920: Oil and the NWT Government

- In 1920 oil was discovered at Norman Wells on unsurrendered Indian land and there was talk of a pipeline to carry the oil south, Father Fumoleau recounted. A Territorial Government Act was passed in 1905 but no sessions were held until 1921 when oil was the main item on the agenda. There was no mention of Indians. "It was as if the Indians ceased to exist."

Vol. 143  
21821-21823

c-6 Treaty 11

- Father Fumoleau quoted from pre treaty 11 government documents..."the Indian title has not yet been extinguished with respect to the entire country north of Great Slave Lake and...it would be desirable to take surrender of this territory from the northern

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TRANSCRIPT  
REFERENCE

c-6 Treaty 11 (Cont'd)

chiefs as soon as possible in order to avoid complications with respect to the exploitation of the country for oil..." The text of Treaty 11 was prepared in Ottawa and the instruction to the treaty commissioner was that there should be no other promises. Basic to the misunderstanding of the Indians and drafters of the treaty was the notion of "land". The Indians did not see themselves as owners of the land or empowered to bestow ownership on others. They were given oral assurances of full freedom to hunt, trap and fish. In essence, the Indians had no part in the events which altered their political and economic structure and shook the foundations of their culture.

c-7 The Years After Treaty 11

- The best the territorial administration did for the original inhabitants was to count them, Father Fumoleau noted. Game laws were established that contributed to the ruin of the Native economy. White trappers exploited the game resources at will. In 1928 a one-man commission visited the area to relate the requests of the residents to the government. Not one Indian was interviewed! The Federal and Territorial Governments continued to fumble. Vol. 143 21830-21835

c-8 Health and the 1928 Flu

- The flu killed one sixth of the Indian population, Father Fumoleau said. A doctor wrote in 1934 "I can see no hope for them. They seem doomed to extinction." Vol. 143 21835-21836

c-9 Exploitation of Resources

- While the Indians were dying, prospectors and miners were more successful than ever, Father Fumoleau noted. In 1932 the richest uranium mine in the world began operating in the NWT. In 1938 oil production at Norman Wells was 22,853 barrels. In 1937 there were 400 prospectors in the Mackenzie District. Yet by 1939 not one native person was employed in these developments. "It was a great period for development." Vol. 143 21836-21837

c-10 The 1937 Fort Resolution Boycott

- The 1937 treaty boycott by Indians was a protest against the endless restrictions and regulations over their way of life, Father Fumoleau said. By 1939 it was apparent that legislation aggravated rather than alleviated the Indians' misery. Vol. 143 21837-21838
- The documentation of events as presented ends in 1939 because the Native people who are alive today will testify to what has happened since then, according to Father Fumoleau in cross-examination by Commission Counsel. The conclusions are the same however. Events since 1939 have been worse because of the scale of interference. The Indian people have lost control of their lives, economy and education. Vol. 143-A 21884-21886

MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME 144)

Aboriginal Rights: A Legal Perspective

Yellowknife, N.W.T.  
April 15, 1976

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TOPIC: Phase IV: The Impact of a Pipeline and Mackenzie  
Corridor Development on the Human Environment.

"Aboriginal Rights: A Legal Perspective"

DATE: April 15, 1976 in Yellowknife.

WITNESS: N.W.T. Indian Brotherhood and Métis Association witness:

- D.E. Sanders LL.M.: Barrister and Solicitor, Victoria, B.C.

HIGHLIGHTS

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil.

B. Environmental

Nil.

C. Socio-Economic

c-1 English Law on the Acquisition of New Territories

- Through colonial practice and a series of judicial decisions, a general framework for the acquisition of new territories was developed by English law, according to Mr. Sanders in-chief. The practical question normally involved in the judicial decisions was the degree to which existing legal systems in the newly acquired territories survived the acquisition of sovereignty by England or, the converse issue, the degree to which English law now applied in the area. The cases were not concerned with international law (that is the relations between the colonial nations of Europe) but with the internal law in force in particular colonial areas. The general legal framework received its classic statement in Blackstone's Commentary on the Laws of England in 1765:

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Plantations or colonies, in distinct countries, are either such where the lands are claimed by right of occupancy only, by finding them desert and uncultivated, and peopling them from the mother-country; or where, when already cultivated, they have been either gained by conquest, or ceded to us by treaties. And both these rights are founded upon the law of nature, or at least upon that of nations. But there is a difference between these two species of colonies, with respect to the laws by which they are bound. For it hath been held, that if an uninhabited country be discovered and planted by English subjects, all the English laws then in being, which are the birthright of every subject, are immediately there in force. But this must be understood with very many and very great restrictions. Such colonists carry with them only so much of the English law, as is applicable to their own situation and the condition of an infant colony... But conquered or ceded countries, that have already laws of their own, the King may indeed alter and change those laws; but, till he does actually change them, the ancient laws of the country remain, unless such are against the law of God as in the case of an infidel country.

c-1 English Law on the Acquisition of  
New Territories Cont'd.

TRANSCRIPT  
REFERENCE

While the acquisition of new territories has roots in international activity, the question of the relationship between the colonial sovereign and the newly acquired territory and its peoples has, traditionally, been seen as a domestic question: (vis-a-vis the native population) by peaceful settlement, that is by "settlement" or "occupation" as opposed to "conquest" or "cession". The term "cession" in this context refers to a cession of sovereignty (such as in the Treaty of Waitangi in New Zealand in 1840 or in the cession of Fiji) not to documents such as the Canadian Indian treaties which are referred to as land cession treaties. Acquisition of new territories by settlement and occupation presumed that the lands were uninhabited. In the words of Blackstone, lands acquired in this manner must be "desert and uncultivated". Chalmers described North America as "waste because it was uncultivated" and a "desert territory". In *Freeman v Fairlie*, it was stated that lands could be taken by settlement or occupation if they lacked "any existing civil institutions and laws". Sir George Cornewall Lewis described North America as an area in which the aboriginal inhabitants had been "expelled or exterminated". The 1858 imperial legislation which established the Colony of British Columbia described the mainland of what is now British Columbia as "wild and unoccupied" (though on two occasions earlier in the 19th century, imperial legislation had described it as being part of the "Indian territories"). In 1889, the Judicial Committee of the Privy Council described New South Wales as having been "practically unoccupied, without settled inhabitants or settled law." (*Cooper v Stuart*). Jenkyns suggested that settlement and occupation was only possible where there was no "civilized society with civil institutions or laws" and where there was nothing "which could be called a *lex loci*." In 1971, in *Milirrpum v Nabalco*, Mr. Justice Blackburn ruled that Australia had been an unoccupied territory at the time of its acquisition by England. He was careful to point out that the conclusion was one of law not of fact. Factually, he conceded, it was untrue.

- In conclusion, Mr. Sanders said English law on the acquisition of new territories provided that England could acquire an uninhabited area and that English law, to the degree applicable to the circumstances of the area, would apply. The text writers extended this principle to areas with scattered populations and no civil institutions. England did not claim to acquire the territories now forming Canada from the native tribes by conquest or cession. If Canada had been acquired from the native tribes by conquest or cession, existing native law would have continued in operation until altered by the colonial sovereign. This would, of course, have meant that Indian aboriginal rights would have been fully recognized. English writers asserted that Canada had been acquired by settlement or occupation. This involved two factually erroneous assumptions: (a) that Canada was unoccupied, and (b) that any occupants lacked civil institutions or systems of law. Current understandings of Indian customary law and social organization make such assertions indefensible. The testimony of Dr. June Helm and Professor Beryl Gillespie in *In Re Paulette* are relevant on that question in relation to the Indian tribes of the Northwest Territories.

c-2 A Common Law of Native Rights Based on  
Imperial Practice

TRANSCRIPT  
REFERENCE

- England developed certain distinct practices in response to the situation in North America according to Mr. Sanders in-chief. These practices did not relate directly or indirectly to the rules concerning the acquisition of new territories. They dealt with indigenous property rights within a jurisdiction generally treated as having been acquired by occupation and settlement. The development of "a common law of native rights" was slow. Jurisdiction over native questions was originally completely decentralized. It was centralized by the imperial government in the years leading up to the Royal Proclamation of 1763. The major events were the Albany Congress of 1754, the administrative centralization of Indian Affairs and the military in 1755, the creation of the two Indian superintendencies in 1756, the instructions to colonial governors in 1761, the Belcher Proclamation of 1762 and the Royal Proclamation of 1763. The centralization meant, for the first time, a uniform English approach to Indian questions, one which recognized aboriginal land rights.
- In the manner of the early common law, particular patterns of practice were established in response to the realities of the situation. Practice became supplimented by formal political and legal decisions. Judicial decisions further supplemented the general legal framework. The origins of the final doctrines cannot be attributed exclusively to British Law on the acquisition of new territories, to specific documents such as the Royal Proclamation of 1763, or to doctrines such as prescription or adverse possession. In the manner of the common law, the evolved principles were rooted in experience and formed part of the general body of the law. They are prospective, for as general principles of law, they apply to subsequent events and areas subsequently brought within the same legal and political regime. The existing case law is limited and, as in any imperfectly developed area of the law, vague and ambiguous on certain points. On no occasion have the courts gone against prevailing historical practices in any national jurisdiction.
- Common law sometimes recognized Native peoples as allies as opposed to subjects which is a type of recognition of sovereignty, according to Mr. Sanders in cross-examination by the N.W.T. Association of Municipalities. English tradition never denied sovereignty. Many of the treaties were in fact peace treaties and did not relinquish land. Examples of this in Canada are limited.

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c-3 Forms of Resolution of Aboriginal Title Claims

- The basic principles of English colonial law which developed in North America in the late 18th century can be summed up in two statements, according to Mr. Sanders in-chief. Native ownership of land was to be recognized. The process of creating non-native interests in native land should be subject to certain protective controls. These principles were applied subsequently in various parts of the world. Their application took two basic forms: (1) land cession treaties (or other large scale terminations of native interests) and the creation of reserves, native allotments or other forms of land ownership or land use rights, and (2) systems of recognition and conversion of native title. We are familiar with the first basic form, for it is seen in North America as the norm. We are unfamiliar with the second basic form, for it has occurred elsewhere - notably in

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TRANSCRIPT

c-3 Forms of Resolution of Aboriginal Title Claims Cont'd. REFERENCE

New Zealand, Oceania and Africa. Although New Zealand has often been cited as a model which Canada might wish to follow, Canadian literature on native questions has never included a description of the land rights system in New Zealand. (1) Land cession treaties: The Royal Proclamation simply provided that Indian lands should be purchased in a public meeting to be held for that purpose by the Governor or Commander-in-Chief of the colony within which the lands were situated. It dealt with the method of sale, but not the timing, area, the Indian land holding units or with the nature or extent of rights that Indians might retain after any treaty. Following the Proclamation there were a series of treaties and surrenders in what is now southern Ontario. Many of these dealt with small populations of Indians and relatively limited areas of land. The pattern there - and the pattern in the early 1850's in the Colony of Vancouver's Island - was to recognize local Indian land holding units and to negotiate with them for their holdings. A significant fact in the history of Indian treaties in Canada is a dramatic alteration of geographical scale. After 1870, the federal government began its treaty making process in what had been Rupert's Land and the Northwestern Territory. The first treaties were on a dramatically larger scale than those that had blanketed southern Ontario in the years between 1763 and 1867. But the geographical scale of Treaties 1, 2 and 3 (1871 and 1873) were immediately dwarfed by the next immediate series; Treaties 5 to 7 (1875-1877). There is a twenty-two year gap between Treaty 7 in 1877 and Treaty 8 in 1899. It seems significant that three of the final Treaties - 8, 9 and 11 - are clearly the largest in Canada and vastly larger than any treaties negotiated in the United States or Africa.

- Clearly the Treaty process changed dramatically from that followed in southern Ontario and on Vancouver Island. It is relevant to ask why this shift took place. Did it represent the logic of colonial legal theory? Did it reflect different patterns of Indian land ownership in the areas in which the treaty process was being extended? Did it reflect other factors? It is suggested that it reflected the increasingly confident and centralized legal and governmental structure created in Canada by the colonial process and the increased political weakness of the Indian tribes. The prairie treaties were negotiated in periods of near desperation for the prairie tribes. With the traditional economic order obviously disintegrating from forces beyond the control of the tribes, the Indian leadership had little choice but to accept the offers of the government to treat the Indians as "children" subject to the benevolence of the "great white mother". The Indian treaties of the "fertile belt" can only be understood in the context of the crisis which the prairie tribes were experiencing in the period. Their political bargaining position had largely been destroyed. In the negotiations, they asked, among other things, for relief in times of famine, for that was what was facing them.
- (2) Systems of recognition and conversion of native title: Systems of recognition and conversion can be described in the following way. The legal system recognizes native land holding rights as established by native customary law. The process of creating non-native interests in native land requires a formalization of the native title and a conversion of the native title (which by customary law would not

c-3 Forms of Resolution of Aboriginal Title Claims Cont'd. TRANSCRIPT  
REFERENCE

be transferable outside a localized native group) into a transferable European style title. Some institution is necessary to ascertain the native owners and to create the European style title. The institution, typically, will also examine the proposed transaction which will create the non-native interests in the land to determine whether it is fair and reasonable. Since the process of determining native owners of particular lands involves understanding customary law, the institution created to handle the process must include native people or, at least, have native "assessors" attached to the institution in some manner.

- Recognition and conversion systems are not limited to territories acquired by conquest or cession, as is shown in the case of Papua.
- Systems of recognition and conversion are well established in a great number of countries which derive their modern legal systems from England. Certain problems have occurred in these systems (a) because of undue pressure on native groups to sell land, and (b) because of distortions in the customary system brought about by possibly premature European style formalization of titles. Nevertheless, the systems are well established politically and legally and are continuing parts of the legal systems in the particular countries.
- (3) Allotments of Land: A resolution of aboriginal title claims has, in certain areas, involved allotments of land to individual native people or to native families. The two major examples appear to be allotments of reservation land in the United States under the Dawes Allotment Act of 1887 (The General Allotment Act, 24 Stat. 338) and the Half-Breed land grants in Canada under the Manitoba Act and the Dominion Lands Act.
- (4) Other land holding systems: Resolution of aboriginal title claims may involve the establishment of reserves or the establishment of other systems for group land holding. As is now well known, the Alaska Native Claims Settlement Act granted land and money to a series of regional and local corporations. They were incorporated under the standard state law relating to corporations. There are other examples of corporations or trusts established to hold land for a native group.
- In conclusion, resolution of aboriginal title claims in English law can result in: (a) a system of recognition and conversion of native title, (b) a system of surrenders and reserves, (c) allotments of land to individuals or families, (d) corporate land holding by a corporation, trust or other body, (e) certain rights to use lands (such as hunting, fishing, trapping and gathering). There is no reason to exclude the application of any of these variant systems to the situation in the Northwest Territories of Canada.
- There is no theoretical difficulty in recognition and conversion of aboriginal rights based on hunting and gathering except that the land area involved may be much more extensive and individuals who want to separate out their interest could cause administrative problems, according to Mr. Sanders in cross-examination by Commission Counsel. Vol. 144  
21948-21950
- The only limitations on aboriginal title compared to Euro Canadian fee simple title is on transferability, according to Mr. Sanders in cross-examination by Commission Counsel. There is no theoretical problem in building into aboriginal title a communal control that would not depend on the will of the sovereign. Vol. 144  
21950-21963



c-3 Forms of Resolution of Aboriginal Title Claims Cont'd.TRANSCRIPT  
REFERENCE

This has happened in New Zealand's land court system to some degree. The political problem of the relationship between the aboriginal population and the settling population would have to be addressed.

c-4 The Present Situation in the Northwest Territories

- (A) The evolution of Canadian Indian Policy, 1763 to the present. Vol. 144  
21918-21934
- Indian policy has been an important part of the constitutional history of Canada, according to Mr. Sanders in-chief. There was the centralization of Indian policy in the 18th Century (referred to earlier), the transfer of jurisdiction over native matters to the Province of Canada in 1860 and the decision in 1867 to assign legislative responsibility over "Indians, and Lands Reserved for the Indians" to the federal government. The decision in 1867 in favour of federal jurisdiction appears to be rooted in a policy commitment to protect native groups and the perception that the centralization of authority was more likely to advance that goal. Because of this centralist decision, the question of native rights has been a significant question in the constitutional evolution of the country since 1867. Canadian constitutional history would indicate that decisions relating to a resolution of native land claims and decisions relating to the constitutional evolution of the Northwest Territories cannot be separated. The recent land claim of the Inuit confirms this analysis.
- (B) The relationship of non-native land use and a resolution of aboriginal title claims.
- It was suggested above that there are five differing kinds of property regimes or property rights which could emerge from a resolution of aboriginal title claims: (a) a system of recognition and conversion, (b) reserves, (c) allotments, (d) corporations or trusts holding land, (e) usufructuary rights to hunt, fish, trap, gather or harvest the land. It seems clear that permitting non-native land use without a resolution of aboriginal title claims necessarily compromises the nature of the claims or assumes a particular type of resolution of the claims. To see the question simply in terms of expropriating government crown land or expropriating Indian land fails to appreciate the alternative possibilities of native ownership that could follow a resolution of aboriginal title claims. To pick two alternatives, the expropriation might be of individual private land holdings under an allotment system or the expropriation of property rights held by a corporation for all Indian people in the Mackenzie District. The variants involved are not simply those of ownership and compensation but also of control.
- A practical method of recognizing Indian title and conversion into a Euro Canadian title was discussed by Mr. Sanders in response to the Judge's questioning. The New Zealand court or a similar institution was suggested as an example. In cross-examination by Foothills, Mr. Sanders explained the right of eminent domain in the conversion of native title in various countries. Mr. Sanders added that in the United States, aboriginal title includes subsurface rights. Vol. 144  
21912-21916
- The New Zealand (Maori) land court deals with two main issues, according to Mr. Sanders in cross-examination by Arctic Gas. These are: (1) if the transfer of property is in the best interest of native people and (2) ascertaining the exact native ownership. If there were a similar institution in Canada, it would be outside direct government administration but Ottawa would maintain a veto over the disposition of Vol. 144  
21943-21947
- The New Zealand (Maori) land court deals with two main issues, according to Mr. Sanders in cross-examination by Arctic Gas. These are: (1) if the transfer of property is in the best interest of native people and (2) ascertaining the exact native ownership. If there were a similar institution in Canada, it would be outside direct government administration but Ottawa would maintain a veto over the disposition of Vol. 144  
21963-21965
- The New Zealand (Maori) land court deals with two main issues, according to Mr. Sanders in cross-examination by Arctic Gas. These are: (1) if the transfer of property is in the best interest of native people and (2) ascertaining the exact native ownership. If there were a similar institution in Canada, it would be outside direct government administration but Ottawa would maintain a veto over the disposition of Vol. 144  
21947-21948



c-4 The Present Situation in the Northwest Territories  
 Cont'd.

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TRANSCRIPT  
RÉFERENCE

- the claimed land.
- To successfully implement a settlement, existing institutions must be used or time must be given for new institutions to form, according to Mr. Sanders in cross-examination by ITC/COPE. The imposition of the Manitoba Métis settlement is a lesson on how the settlement became chaotic quite quickly because of external pressures. Vol. 144  
21935-21937
  - The N.W.T. Government is a colonial institution because the political power does not rest with the resident population, according to Mr. Sanders in cross-examination by the N.W.T. Association of Municipalities. Vol. 144  
21937-21939

MACKENZIE VALLEY PIPELINE INQUIRY  
SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 143-A)  
The Dene Nation and Confederation

Yellowknife, N.W.T.  
 April 14, 1976

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MACKENZIE VALLEY PIPELINE INQUIRY  
SUMMARY OF PROCEEDINGS

TOPIC: Phase IV: The Impact of a Pipeline and Mackenzie  
Corridor Development on the Human Environment.

The Dene Nation and Confederation

DATE: April 14, 1976 in Yellowknife.

WITNESSES: NWT Indian Brotherhood/Métis Association witness:

P.H. Russell: Principal, Innis College, University  
of Toronto.

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

nil

B. Environmental

nil

C. Socio-Economic

c-1 The Dene Nation and Confederation

- The type of land settlement which the Dene people wish to negotiate with the Federal Government, far from violating Canada's constitution, calls for the extension to them of the fundamental principle underlying Confederation, according to Mr. Russell in-chief. The working out of the institutional solutions required to accomplish the purpose would be a major challenge to Canadian statescraft. In a sense, this task entails the completion of Confederation by applying, for the first time, the liberal philosophy of ethnic partnership, to our native people. There are no a priori constitutional reasons for not attempting this task. On the contrary, if the Government understands the ideals upon which our constitutional system is based and wished all of our citizens to participate in those ideals, it is imperative that it not refuse to negotiate a land settlement of the kind envisaged in the Dene Declaration. The opportunity to work out this kind of settlement will be thoroughly undermined if the pipeline is allowed to proceed before a settlement with the people through whose historic homeland this pipeline will pass. Constitutional options are always shaped by historical events and material circumstances. This will be denied by those who have much to gain by precipitating events which will dramatically alter the material circumstances in the Mackenzie Valley hoping to eliminate certain constitutional and legal alternatives in the process. But such a denial is not creditable.

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21845-21867

- A settlement whose purpose is to ensure the Dene people the right to determine what goes on on their land would scarcely be a meaningful possibility after a project of the mammoth proportions of the Mackenzie Pipeline has, independently of the Dene, been initiated on their land. There is the additional objection that for the Federal Government to by-pass normal legal processes and permit a pipeline to proceed through land the ownership of which is a matter of serious legal dispute, is to set an example of lawlessness by its own behaviour which would serve as an unfortunate model for those whom it must persuade to use lawful means to secure their ends.
  
- Ideally, there should be time after a land claims settlement, before major development, so the resulting control institutions could be established, according to Mr. Russell in cross-examination by ITC/COPE. Vol. 143-A  
21867-21869
  
- The Dene Declaration is a fine ideal for the Dene and all Canadians, according to Mr. Russell in cross-examination by the NWT Association of Municipalities. The Calder case confirmed aboriginal rights for all native peoples and there are grave doubts that any treaties could withstand critical examination. Vol. 143-A  
21871-21874
  
- The entire Northwest Territories and Yukon Territory is the historic homeland for native peoples and is subject to claims, according to Mr. Russell in cross-examination by Arctic Gas. Title would probably be based on a statute giving collective ownership to the land. Vol. 143-A  
21876-21878
  
- The analogy of expropriating a persons' land in the south for a project in the national interest and settling later is false, according to Mr. Russell in cross-examination by Commission Counsel. For the native peoples it is not just a matter of compensation, it is a matter of political self-determination. Vol. 143-A  
21880-21881
  
- What the Dene are seeking is certainly no more than what the French and English were granted in Confederation, according to Mr. Russell in cross-examination by the NWT Association of Municipalities. In response to cross-examination by Commission Counsel and the Judge, Mr. Russell emphasized that the native peoples had rights as one of the founding peoples of Canada. Vol. 143-A  
21878-21880  
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MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 144)

Nation and Nationalism in the Third World

Yellowknife, N.W.T.  
April 15, 1976

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TOPIC: Phase IV: The Impact of a Pipeline and Mackenzie  
Corridor Development on the Human Environment

Nation and Nationalism in the Third World

DATE: April 15, 1976 in Yellowknife

WITNESS: N.W.T. Indian Brotherhood/Métis Association witness:

J.S. Saul: Associate Professor of Social Science,  
Atkinson College, York University.

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

nil

B. Environmental

nil

C. Socio-Economic

c-1 Nation and Nationalism in the Third World

- Nationalism is as much a matter of aspiration as Vol. 144  
it is a matter of established fact in the third  
world, according to Mr. Saul in-chief. The  
colonial experience in Africa has shown that  
after the initial resistance of the indigenous  
peoples had been crushed, they were either  
marginalized or forced into playing a subordinate  
role within the overarching imperial economy and  
society. Assimilation failed in any significant  
way to change this. The emergence of the third  
world was effected, in contrast, by regaining the  
historical personality of the people through a  
return to history, thus bringing about the end  
of imperialist domination. The lesson was  
"Become Nations or you cannot become free".  
Nationalism was primarily a claim for equality  
of status, for personal dignity, self respect  
and full participation in the material and  
spiritual world. The positive contribution  
of "nationalism" is political, cultural, and  
economic. The important economic aspect is  
the ability of a new 'nation' to restructure  
itself to provide meaningful local economic  
options rather than perpetuate the multinational  
business interests of colonialism. The  
formalities of "independence" are increasingly  
seen to be much less important than the actual  
substance of autonomy, control and self realization.

- The Dene situation leads to the following observations, according to Mr. Saul in-chief: Vol. 144  
21989-21990
  1. The apparent coherence - in terms of history, territory and culture - of the Dene as a nation is important, but in any case merely strengthens a claim by the native people to guarantee their self-defence via nationhood which is solid on other grounds.
  2. These other grounds are immediately evident from a comparative analysis of Third World nationalism. This analysis suggests that for peoples like the Dene, who have been defeated and colonized, the claim to nationhood has been a necessary though not sufficient condition to their reclaiming the political, cultural and economic autonomy which they require in order to achieve development.
  3. In light of Third World experience of the weaknesses as well as the strengths of nationalism, the refusal of the Dene to fetishize formal independence or "separatism" (as some hostile critics have attempted to portray their position) and instead to concentrate their attention upon the winning (and institutionalizing) of sufficient autonomy to guarantee cultural integrity, economic power and the basis for the genuinely democratic control over their own lives by the people concerned is completely logical and fully justified.
- Third World countries, after asserting Nationhood politically often then seek to emulate the west economically which usually leads to a self defeating kind of progress, according to Mr. Saul in response to the Judge's questions. Emphasis should rather be on a more self reliant growth. Independence is really the creation of economic self reliance on terms that make sense to the "nation". Vol. 144  
21991-21999

MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUMES NOS. 144 AND 150)

COLONIAL POLITICAL INSTITUTIONS  
IBNWT/METIS ASSOCIATION, N.W.T.YELLOWKNIFE, N.W.T.  
APRIL 15 AND MAY 4, 1976

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TOPIC: "Colonial Political Institutions in the N.W.T."

DATE: April 15 and May 4, 1976 in Yellowknife, N.W.T.

WITNESSES: Wilfred Bean, Band Development Consultant, IBNWT.  
 George Kurszewski, President, Fort Smith Local,  
 Métis Association of the N.W.T.  
 Gerry Cheezie, Chief, Fort Smith and Fitz Indian Band.

HIGHLIGHTS

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

- nil

B. Environmental

- nil

C. Socio-Economic

c-1 Local Government

- Wilfred Bean, in chief, stated that local government is controlled by whites using methods alien to native society. The Advisory Councils were colonial elitist groups primarily responsible to agencies and interests outside the community. Development of local government was designed by the Territorial Administration with no consideration for traditional native cultures. Settlement Councils evolved from the Housing Association model. Responsibilities were largely administrative and based on an assumption of an evolving tax base suited to a culture which has an ethic of private property and ownership and any attempts to reform, along more traditional native lines, were frustrated. The Territorial Administration is viewed as a colonialist organ, although its Department of Local Government is seen as the 'de-colonizing' wing of the Territorial Government. The concept of 'nordicity' as expressed by Professor L. Hamelin, is rejected because it does not address itself to who is making decisions affecting the North. According to Mr. Bean a pipeline will function to further colonize native peoples in a number of ways unless an agreement is reached on a land settlement: 1) an influx of settlers will result in non-native dominance of settlement councils, 2) non-Dene tax systems will be reinforced, 3) increased problems will make the Dene more dependent on white "experts", and 4) increased social problems will cause increased colonial bureaucracy. Similarly, a refusal on the part of the territorial administration and the pipeline applicants to recognize the collective rights of the Dene and a series of 'myths' regarding native peoples only serve to encourage the pipeline companies in their belief that their ideas of development are correct and good for native peoples, e.g.: 1) 'native culture is static, 2) full employment equals freedom for self-determination, 3) material well-being equals freedom or fulfillment, 4) negative social impact is merely opinion and not scientific fact, 5) a unilinear cultural evolution (white) is the one and only road to progress.

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c-1 Local Government (Cont'd.)TRANSCRIPT  
REFERENCE

- George Kurszewski and Gerry Cheezie in chief, discussed the "imposed political structures" at Fort Smith. Where although 60 per cent of the population is native, southerners control the municipal council. This was purposely designed by the Territorial Government. Native thinking is opposed to an eight or nine member municipal council making important decisions. Native people did not vote because they did not understand the procedures being used. Dene people would rather decide matters pertaining to their future through a political structure set up the Dene themselves.

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22008-22016  
22016-22026

c-2 Election Practices

- In cross-examination, Mr. Kurszewski said that criticism of the Fort Smith elections centered more on the council elections than on the mayoralty election. Confusion about procedures, e.g., where to place a mark on the ballot, etc., was noted in that many comments were made by native people whilst they were being driven to polling places. Interpreters were also incapable of understanding voting methods. Mr. Cheezie, although still rejecting white imposed systems regarding municipal elections, thought that a bilingual ballot might have been helpful. Mr. Cheezie and Mr. Kurszewski both replied to counsel for Arctic Gas that they were elected by consensus. Mr. Cheezie said that methods for election, as outlined by the Department of Indian and Northern Affairs, are generally rejected by native peoples. Mr. Bean, replying to Commission Counsel, said that adoption of the so-called "consensus model" (which native peoples are used to) required acquisition of a cultural background.

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c-3 Land Claims

- Judge Berger raised the issue of land claims as it related to political processes in local government. It was indicated that at some future date a panel would present major considerations of concern to the land claims issue. Counsel for Arctic Gas urged that although discussion could prejudice the land claims issue, Arctic Gas cannot meet specific allegations unless they know what they are. Mr. Bean claimed that pipeline companies do not tacitly acknowledge the Dene as a separate entity in the North. Counsel for Foothills read into the transcript statements wherein pipeline companies do recognize the land claims issue of the Dene. Mr. Bean said that nevertheless, the Dene culture is not recognized in numerous other places in the evidence filed by the pipeline company.

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22965-22972

22992-23004

c-4 Future Government

- Counsel for the NWT Association of Municipalities, Mr. Sigler, said he hoped in cross-examination to clarify for the municipal governments the criticisms and problems encountered by the Dene in setting up local government systems. Mr. Bean said that he could envision a system designed by the Dene into

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c-4 Future Government (Cont'd.)TRANSCRIPT  
REFERENCE

which incoming whites could be accommodated. He further stated that the Territorial Government wants to control the municipal organization because this is one area over which it has control vis-à-vis the federal government. The pipeline would support the colonizing process because, as entrepreneurial opportunities opened up, whites would move into many Valley settlements. Since they are more familiar with the Territorial-imposed, non-native political system, their views would prevail. Related to this, would be the imposition of property taxes - another phenomenon alien to Dene culture.

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Policy and Planning  
ACND Diviion  
August 31, 1976.

MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 144)

THE DENE POLITICAL SYSTEM

YELLOWKNIFE, N.W.T.  
APRIL 15, 1976

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TOPIC: Phase IV: The Impact of a Pipeline and Mackenzie Corridor Development on the Human Environment.

The Dene Political System

DATE: April 15, 1976 in Yellowknife.

WITNESS: Appearing for the NWT Indian Brotherhood/Métis Association:

Mr. G. Barnaby: Hunter and Trapper, Fort Good Hope, and past member of the Territorial Council.

HIGHLIGHTS

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

- nil

B. Environmental

- nil

C. Socio-Economic

c-1 The Dene Political System

- The land claim of the Dene is a claim not only for land but also for political rights which would lead to a new system based on the communities and which would recognize Dene values, life style and laws, according to Mr. Barnaby in chief. To date all decisions have been made by people from the south. The Territorial Council does not respect Dene laws. It is a southern system that serves to keep northern people oppressed. Therefore, the land claim is an issue between the ruled and the rulers, the oppressed and oppressors. Dene law exemplifies freedom and equality while the southern system perpetuates oppression and exploitation. "The Dene declaration clearly states that we are a nation of people with our own ways of governing ourselves, we have our own values and life style, and the land claims is our fight to survive as a nation and to decide our own future."

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- The Territorial Council should be based on what the people in the communities find important not on what 3,000 bureaucrats decide, according to Mr. Barnaby in cross-examination by the NWT Association of Municipalities. The system has to be more responsible to the northern people. The land claims of 450,000 square miles is a start in that process.

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- The Dene decision process is based on the affected group of people reaching a consensus based on humanitarian considerations, according to Mr. Barnaby in cross-examination by Commission Counsel.

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MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME 145)

OXFAM STATEMENT AND COLONIAL  
PATTERNS OF RESOURCE DEVELOPMENT IN THE  
AMAZON BASIN OF BRAZILYELLOWKNIFE, N.W.T.  
APRIL 26, 1976

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TOPIC: Phase IV: The Impact of a Pipeline and Mackenzie Corridor Development on the Human Environment.

(a) Oxfam Statement

(b) Colonial Patterns of Resource Development: A Case Study of the Native Peoples' Struggle in the Amazon Basin of Brazil and its Implications for the Northwest Territories.

DATE: April 26, 1976, in Yellowknife.

WITNESSES: N.W.T. Indian Brotherhood/Métis Association witnesses:

- Dr. M. Brownstone : National Chairman, Oxfam Canada.
- R. Rolfe : Education Co-ordinator, Oxfam Canada (Ontario Region).
- T. Draimin : Researcher (Director of Research of the Latin American Working Group).
- T. Clarke, D. Min. : Director, Social Affairs Department, Canadian Catholic Conference.
- Fr. L. Menez : Priest, Fort Resolution, N.W.T.
- Fr. W. Smith : Project Officer, Canadian Catholic Organization for Development and Peace.

HIGHLIGHTS

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil.

B. Environmental

Nil.

C. Socio-Economic

c-1 Oxfam - the Third World and the N.W.T.

- Oxfam supports indigenously determined self help projects that confront the most immediate conditions of poverty amongst the marginalized and exploited populations, according to Dr. Brownstone in-chief. Oxfam's experience in Bangladesh, India, South Africa and Mozambique has led to a recognition of the importance of education and political action in their work. Just as powerful external economic groups have distorted development in the third world, these same groups in the industrial nations have distorted their own economies, most prominently through the agencies of global corporations supported by large governments. The most obvious victims of this process in Canada have been native people and the urban and rural poor. Native people have been pushed aside in the process of nation-building and profit-building. Oxfam has therefore used its third world experience to assist Native peoples in Canada. In particular, Oxfam supports the Dene land claim proposal which contains the key elements to alter the colonial status assigned to them and would open the way toward self determination. The Dene position of no pipeline before a land settlement is surely a minimum demand which must be respected. Oxfam strongly supports the Dene

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c-1 Oxfam - the Third World and the N.W.T. Cont'd.

TRANSCRIPT  
REFERENCE

Declaration and land claims position re: recognition of aboriginal rights. "The alternatives are clear. This is not a debate about legalities, but about social justice. The history of colonialism and exploitation, whose consequences are so evident in the third world, and regrettably are also evident in the treatment of native people in Canada, must not be repeated in the Mackenzie Valley. For what this Inquiry is considering is not only the right to cultural survival of the Dene, but their material and social survival as well. As basic human rights, these must be guaranteed to them."

c-2 Native Peoples in Brazil and Implications for the N.W.T.

- It is important to examine the experiences of native peoples elsewhere in the world, who have encountered similar patterns of resource development, according to Mr. Clarke, for two reasons: (1) they have a common 'special' relationship to the land that is not understood by the larger society and (2) the land occupied is of increasing interest for resource development by transnational corporations and national governments. Brazil provides many important parallels. If Northern development goes ahead as proposed, without an acceptable land settlement, it would constitute coercion of a nature that would move the North tragically closer to the present realities in Brazil. Mr. Clarke went on to describe the people and resources of the Amazon, the corporate takeover of the Amazon, the exploitation of the native peoples of the Amazon with highway, mining and agricultural developments, and the failure of the government to protect native rights. In the Amazon, as in the N.W.T. native peoples have no say in the development although they have occupied the land since time immemorial. Also, in both the Canadian North and the Amazon, the government department responsible for the protection of native rights also have the development mandate. The prime interests of the transnational corporations in both cases is the extraction of resources for export at a profit - not the internal development of the region. For these reasons, it must be insisted that, in the North, development be postponed until land claims are settled and native people have control over the development process. The experience of the Amazon is a living testimony of the tragic consequences that will arise from failing to achieve these basic objectives.

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22113-22149

c-3 Development

- The cultural base of the Dene people should be used as a platform for development, according to Mr. Brownstone in cross-examination by Arctic Gas. Vol. 145  
22165-22166
- The tragic results of the imposition of foreign values on the peoples of the Amazon were described by the panel during cross-examination by Commission Counsel. Father Menez said that there were some parallels to the situation in the Northwest Territories. Mr. Brownstone added that although the impacts are somewhat different, the social, political and economic characteristics are similar. The lesson to be learned, according to Mr. Clarke, is that Vol. 145  
22173-22189



TRANSCRIPT  
REFERENCE

c-3 Development Cont'd.

- there must be a just settlement of land claims before industrial development proceeds.
- Any activity that upsets the integrity of a people is an act of violence and the broad definition of genocide contained in the U.N. charter has a direct bearing on what is being proposed, according to Father Smith and Mr. Clarke in cross-examination by Arctic Gas. The southern bias associated with development is not inevitable for development of northern resources, according to Mr. Brownstone and Father Menez. Vol. 145  
22192-22194  
22208-22210
  - It would be morally wrong to proceed with developments in the north before land claims are settled and northern peoples have a means of asserting themselves in the development process, according to the panel in response to the Judge's questions and cross-examination by Commission Counsel. Southern Canadians are also starting to question their energy consumption lifestyle and the significance of a moratorium would affect all society and would have international effects. There is some question of whether there is a real energy crisis or not. Past development in the North has been for the benefit of white people not the Native peoples. Vol. 145  
22194-22208
  - Southern opinion isn't uniformly behind rapid northern development, according to Mr. Rolfe. Vol. 145  
22211-22220
- Mr. Clarke said that many are beginning to question the "National Interest" justification of the project. The south must address restrictions on energy use now, according to Father Menez. Mr. Brownstone said that the public must be fully informed so they can make rational choices.

c-4 The Land

- The land claim is one of aboriginal title with the associated ownership and discretionary power within Canadian Law, according to the panel in cross-examination by Arctic Gas. The land is not 'something' to the Dene, it is 'somebody'. They want recognition of their rights to the land, then they will deal with the details of law. Vol. 145  
22167-22173
- The important aspect of the development vis-a-vis land claims is timing, according to Father Smith and Mr. Clarke in cross-examination by Commission Counsel. Once the Native people have control of the land they will be in an equal bargaining position. Vol. 145  
22189-22192

c-5 The Government

- The N.W.T. Council is a product of a colonial state, according to Father Menez in cross-examination by Arctic Gas. The whole system is foreign to Indian mentality and they don't understand it. Vol. 145  
22161-22165

c-6 Government Financial Guarantees

- If the government were to make financial guarantees for project financing purposes, it would have a vested interest in supporting the project, according to Mr. Rolfe in cross-examination by Foothills. The Judge asked all counsel to consider the ramifications of this on the effective enforcement of terms and conditions by a government regulatory agency. Vol. 145  
22154-22160  
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MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUMES NOS. 146-147)

The Impact of Large-Scale Projects on Native People;  
(James Bay, Northern Manitoba Hydro Project,  
Development in N.W. British Columbia and the  
C.P.R.)

Yellowknife, N.W.T.  
April 27 and 28, 1976

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TOPIC: Phase IV: The Impact of a Pipeline and Mackenzie Corridor Development on the Human Environment.

- (a) The Impact of large-scale Projects on Native People (McCullum)
- (b) Lessons from the James Bay Agreement (Richardson)
- (c) The Northern Manitoba Hydro Project - Its Impact on the Cree (Young)
- (d) The Impact on Native People of Development in N.W. British Columbia (Jones)
- (e) Historical Impact of the C.P.R. on the Plains Indians and Métis of the West (Page)

DATE: April 27 and 28, 1976 in Yellowknife.

WITNESSES: N.W.T. Indian Brotherhood/Métis Association witnesses:

- H. McCullum : Journalist, author and co-ordinator of interchurch project on Northern Development.
- R. Richardson : Journalist and film maker
- K. Young : lawyer, vice-chairman and counsel of the (Manitoba) Northern Flood Committee.
- R. Jones : Band Administrator, Kitsegukla Band.
- Dr. R. Page : Associate Professor of History, Trent University.

HIGHLIGHTS

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil.

B. Environmental

Nil.

C. Socio-Economic

c-1 Impact of Large Scale Projects on Native People

- Large development projects such as north-west British Columbia Development Scheme, the Nelson-Churchill Diversion Scheme, the James Bay Hydro Development and the proposed Mackenzie Valley Pipeline all have similar legal, colonial, moral and ethical features, according to Mr. McCullum in-chief. The essence of the problems lies in the attitudes of governments, corporations and white southerners. All the projects are undertaken without consulting local people. Planning by industry and government is done in secret and in every case there is an utter disregard for the rights, culture, lifestyle and aspirations of the people who have occupied the land since time immemorial. In northwestern B.C.,

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c-1 Impact of Large Scale Projects on Native PeopleTRANSCRIPT  
REFERENCE

where there are no treaties land claims have been ignored by Ottawa and Victoria and the Indian people, in pursuit of their claims, have been accused of blocking "progress". In northern Manitoba, where established reservations are being flooded in violation of the Indian Act, nothing is being done by the Minister of Indian Affairs who is responsible. This shows the neglect of the Department and illustrates why the Dene will have to rely on their own efforts in the N.W.T. Northern Quebec is the most tragic example. Government and Industry combined to force the project through "in the public interest" and to the detriment of the Native people. The courts had to force the politicians to the negotiating table. All these projects carried promises of jobs etc., that never materialized. Instead, the native peoples, their families and communities were destroyed by the imposed social problems. The Dene people realize this and therefore stand firm on the aboriginal rights issue. Corporations promises aren't kept. The government is not impartial and won't protect the rights of native people.

- Native people in the N.W.T. are in for a rough time if the past development patterns are repeated, according to Mr. McCullum in cross-examination by the N.W.T. Association of Municipalities. In spite of assurances on past projects, the effect was to put native people on the welfare roll. There are no guarantees that these past mistakes won't be repeated in the name of decency and humanity. Arctic Gas should abandon its project, according to Mr. Richardson. Dr. Page said that historically, Ottawa has great difficulty in fulfilling its obligations on land claims. That is also the situation in the north. The massive scale of the project will have nationwide effects for government and citizens. Vol. 147  
22360-22370
- The local people always bear the impact of major development projects yet they are never involved in the planning, according to Mr. Young in cross-examination by the N.W.T. Association of Municipalities. There could be another rebellion if government and corporations continue to ignore native peoples' rights. All that is needed is human understanding. Mr. Jones pointed out that as things now stand, certain people have more rights than others. A pipeline development would intensify this discrepancy. Vol. 147  
22371-22373
- A 1973 study by the C.N.R. on the effect of the rail-road on the town of Terrace, B.C. indicates a recognition of the adverse affects of development, according to Mr. McCullum. Unfortunately, the report is not public. Vol. 147  
22373-22375
- The conditions under which the interests of the minority should be sacrificed for the interests of the majority was pursued by Commission Counsel in cross-examination. Mr. Richardson said that the humane and environmental crises posed by these massive developments are more important than the energy crises which is founded on an overconsumption and waste of energy by southern Canadians and Americans. The important aspect is the manner in which the deed is done. Mr. McCullum questioned who defines the interest of the majority. The energy crises are defined solely by energy companies. The first thing must be to guarantee peoples' rights and involve them in the decision making process. Mr. Young said that if the public were properly informed they would refuse to allow these projects. Mr. Jones said as a Vol. 147  
22452-22462

c-1 Impact of Large Scale Projects on Native PeopleTRANSCRIPT  
REFERENCECont'd.

Native person, he had never been in the position of majority but he suggested that the interests of one group could take precedence over another when both parties reach a level of equality.

c-2 James Bay Project

- The James Bay agreement represents the surrender of Indian rights over a huge territory which Indians have been using and occupying fully since time immemorial. It grants them in return small reserves, or land analagous to reserves, and temporary quarantees of exclusive hunting rights in the surrendered parts of the territory, until such time as it is needed for occupation and settlement by the white society according to Mr. Richardson in-chief. The agreement was negotiated against two persistent overriding facts which undercut the negotiating position of the native people: First, they were afraid that if they did not play ball and agree to surrender their rights in return for certain considerations in the traditional manner of treaties between Indians and the government, the Government of Canada would legislate their rights out of existence. Parliament, after all, is sovereign, and can legislate whatever it pleases. This fear was reinforced by the lack of sympathy from the courts following the overthrow of the Malouf judgement, and by such veiled threats as that thrown out by the Minister of Indian Affairs, to withdraw funding for the Indians to defend their injunction victory in the Appeal Court, unless they were "reasonable" in their talks with the Quebec Government. This fear that if they refused to surrender their rights they would be legislated out of existence was mentioned to me several times by one of the chief Cree negotiators during the course of the negotiations. Secondly, the project was being built in their hunting grounds, and there was clearly no way to stop it. Therefore, they felt they had to take whatever agreement they could get, while the government was still prepared to make an agreement. The evidence that the courts would give more weight to a gigantic project and the money it represents than to established Indian rights was only too clear from their experience before the courts. This had been spelled out by Mr. Justice Malouf, who had scolded the James Bay Development Corporation for continuing to build the project during the many months of the injunction hearing and then arguing that the large sums of money they were spending constantly weighed the balance of inconvenience further on their side. "In a case of this nature," wrote Mr. Justice Malouf, "the sums of money expended, even if substantial, must not be permitted to cloud the issues. . . The proof has convinced me that if these works are allowed to continue a factual situation will soon occur which will render any final judgement ineffectual because it will then be impossible to put the parties in the position they would have been in had the works not been carried out. To put it another way, a continuation of the works will undoubtedly lead to a fait accompli. Furthermore, if I were to consider balance of convenience in the present case, I would establish a principle which would lead to strange consequences. It would permit a person to change the status quo to or pending the

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c-2 James Bay Project Cont'd.TRANSCRIPT  
REFERENCE

- hearing and subsequently plead balance of convenience. I cannot give effect to such a doctrine..."
- This doctrine, which makes common sense if the purpose of the injunction proceedings is to balance the rights of a weak party against those of a strong one, was totally rejected by the five judges of the Quebec Court of Appeals, for whom Mr. Justice Marcel Crete spoke when he said he was not convinced that the inconvenience to the Indians was on the same scale as the growing need for energy of all of Quebec, and which spoke of the high cost of stopping the project. As Mr. Justice Marshall remarked in 1823, "Conquest gives a title which the courts of the conqueror cannot deny." The Indians of James Bay learned that once the project had been started in their territory, there was nothing they could do to stop it and to reassert the rights which the building of the project was violating. That is a lesson the Dene people of the Northwest Territories have learned from the James Bay experience, and one which it is hoped, Mr. Commissioner, you will take fully into account in coming to your own judgement about the desirable future course of action in the north.
  - A municipal type of government will be imposed by the James Bay agreement but this will not be an improvement over the existing system, according to Mr. Richardson in cross-examination by the N.W.T. Association of Municipalities. Vol. 147  
22375-22376
  - The key to the socio-economic impact of a large scale project, such as James Bay, is whether the people are able to pace the changes and exercise some degree of control, according to Mr. Richardson in cross-examination by Commission Counsel. Band councils were the traditional mode of administration yet they were superceded in the Agreement by Corporations for some unknown reason. This is disturbing because corporations can be sued and their only asset is land that could be seized. Municipal councils replaced the band councils because the government of Quebec wanted the structure to fit their Municipal Affairs Department. Also, in the settlement Cree Boards of Education will control the curriculum with the approval of the Provincial Department of Education. Vol. 147  
22406-22426
  - Sotrac was established on a 50-50 Native-Government basis to alleviate the negative impacts of the La Grande project, according to Mr. Richardson in cross-examination by Commission Counsel. Vol. 147  
22426-22428
  - The Grand Council of the Crees was established during the negotiations and was based on the Band Council structure, according to Mr. Richardson in cross-examination by Commission Counsel. Vol. 147  
22429-22430

c-3 Northern Manitoba Hydro Project

- The hydro project in Northern Manitoba was planned and executed without consulting the Native peoples whose reserves would be affected, according to Mr. Young speaking on behalf of the Northern Flood Committee. The project and its flooding destroys the environment and resources upon which the people depend physically, culturally, socially and spiritually. The benefits of the project to the affected communities would be nil. The project exemplifies "deficit progress" justified on the basis of the "public interest" whereby Native peoples are singled out to pay the price of societies wasteful energy consumption. "My people face terrible odds in Manitoba, but we have by no
- Vol. 146  
22311-22323

c-3 Northern Manitoba Hydro Project Cont'd.TRANSCRIPT  
REFERENCE

means given up the struggle. It is never too late to search for, and advocate sane and thoughtful policies. Policies which not only acknowledge and protect our social, economic and political rights, but our general and special legal rights as well. Our land is our life... There is a lesson for Indian people here that is very plain: Do not under any circumstances permit a major project like the proposed gas pipeline to start until your just claims have been settled. Dealing with government and developers is problematic in the best of circumstances. It is our experience that they do not bargain in good faith on the details of projects. You have a much stronger position here (N.W.T.) than we do in Manitoba. Do not let it be ended by permitting a pipeline to start prior to a land settlement... The Cree of Northern Manitoba can show their solidarity with the Dene, by warning them of what has happened to us, the better to strengthen their will... Having just been faced with the flood, now we too are to be faced with a gas pipeline (Polar Gas)... And we do not even have any assurance that there will be an Inquiry such as this one before which we can plead our case. In the case of the flooding, we were denied even that elementary right. Now, however, we are organized and we intend to be heard."

- The extent of the hydro project and resulting flooding was outlined by Mr. Young in cross-examination by Commission Counsel. Personal property claims arising from the flooding are being settled by the Provincial Government on an individual basis by a mediator.

Vol. 147  
22463-22469

c-4 Development in Northwestern B.C.

- The Native people of northwestern British Columbia are not opposed to development but they are opposed to development that takes place without their consent and participation, according to Mr. Jones in-chief. Developments to date have had a negative impact because land claims have not been settled. This began with the building of the C.N.R., then it was the Prince Rupert Highway, the multinational forestry operation, fishing restrictions, industrial developments such as Kitimat, etc. "The past pattern of development amongst our people leads me to assert that promises of Government and Companies that new development will be good for us cannot be believed. There should be no more development in the North until land settlements have been negotiated.
- "Mr. Commissioner, in the year 1976 our people have a railway and a highway going through the village, the town of Smithers 65 miles to the east, the town of Terrace 70 miles to the west are both serviced by major airlines. Both are prosperous communities. Closer to home, we have the Hazeltons with a sawmill that is the principal employer for us despite the mills' uncertain future. Meanwhile, my particular Band experienced a 47% increase in social assistance for the fiscal year 1974-75 and we are projecting an additional 60% increase during the fiscal year 1975-76. The latest increase stems from last summers' tie-up in the fishing industry and the prolonged strike in the logging industry.

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22269-22278



c-4 Development in Northwestern B.C. Cont'd.TRANSCRIPT  
REFERENCE

- "On behalf of the Git-shan--Carrier Tribal Council, we do not wish as fellow human beings that such an unstable existence be imposed on the Dene. Building the Mackenzie pipeline before a "just land claims settlement" will inevitably lead the Dene to this kind of unstable existence." In the words of Chief Seattle (1859):

We know that the white man does not understand our ways. One portion of land is the same to him as the next, for he is a stranger who comes in the night and takes from the land whatever he needs. The earth is not his brother, but his enemy, and when he has conquered it, he moves on.

"I ask you Mr. Commissioner, is there any evidence that the whiteman has changed his ways?"

- The Port Simpson cannery exemplifies a break with the past and a more meaningful involvement of Native peoples in a development project, Arctic Gas suggested in cross-examination by Mr. Jones. Mr. Jones said only time would verify this but if the government was really attempting to avoid the mistakes of the past they would sit down and negotiate the land claims. Vol. 147  
22379-22385  
22470-22472
- Native peoples are composed of many separate nations each with their own customs, according to Mr. Young in cross-examination by Arctic Gas. This was reflected in customs of "ownership" of lands as well as in other areas. Generally, however, the Native peoples viewed themselves only as overseers of the land. Vol. 147  
22385-22390

c-5 The Impact of the C.P.R. on Native People

- The current patterns of development in the Canadian north follows long established trends in Canadian history and therefore earlier history offers some insights into contemporary problems and pressures, according to Dr. Page in-chief. The building of the C.P.R. was the final act to complete confederation. It was also the beginning of western discontent that has been evident ever since. Vol. 146  
22325-22348
- When the government acquired Ruperts Land (1869-70) there was very little white settlement west of Red River. The local people were very concerned at having been "sold" to Canada. Riel declared a provisional government to negotiate better terms for Manitoba's entry into Confederation. These events led to the recognition by the Canadian government of Métis claims to a share in aboriginal title to the land. But promises were not kept by the people in Ottawa. In the meantime, the railway scheme was being prepared in the east and in 1871, the first survey parties headed west. Many of the Métis trekked west to the valley of the Saskatchewan where they lived a fairly independent existence with their own form of local government with Dumont as president. They spoke of the "Métis Nation". From 1871 to 1877 Treaties were signed by the Government with the Indians before any railroad construction began. Most of the prairie rail was completed between 1882 and 1883. This completed the total displacement of Indian society. It was assumed that, in desperation, the Indian would gradually adapt to the white concept of farming. The 1885 Rebellion by the Métis and Indians was the product



c-5 The Impact of the C.P.R. on Native People Cont'd.

- of land grievances and other frustrations involved in the loss of a way of life. Throughout the period government officials in Ottawa consistently underestimated the importance of the land issue and were content to procrastinate. Riel returned in 1884 and a final petition of "Rights" was sent to Ottawa. Many of those grievances are still of importance in the contemporary scene north of 60. The cabinet didn't consider the document for six months despite the pleas of the Northwest Mounted Police. In the meantime, the "rebellion" was crushed. The government was so overwhelmed with the technical and financial problems associated with the railroad and the political dangers of the day, they failed to render justice to the Métis people. Once the "rebellion" happened, the government reacted with uncharacteristic speed to put it down. The Métis were defeated and dispersed. Those who were left were granted lands or scrip that was so long delayed by negligent Ottawa authorities. But the settlement did little to delay the complete breakdown of Métis society and morale. It was a severe price to pay for the rebellion and land claims dispute. In the east there was a blind commitment to the railroad and its importance to the nation.
- "In retrospect, there are many comments which could be made about the C.P.R. and the way it dragged the whole nation to serious mistakes which need not have been made. The MacDonald government became so committed to the massive development project because the financing of this transportation system was more than the private consortium could manage. As a result, the government had to intervene deeper and deeper to keep the project afloat and the prestige of the government became linked to the successful completion of the project. The MacDonald government lost its perspective on human priorities such as the Métis land claims or the starvation on the Indian reservations. In particular if the Métis land claims had been settled prior to construction of the C.P.R., then the rebellion and all its tragic social and cultural impacts could have been avoided. It is very easy to blame the personal failings of John A. MacDonald and an apathetic bureaucracy. But they were distracted and blinded by the importance of the railway alone. Railways were the great symbol of economic "progress" in the 19th century and they bred a kind of intolerance for societies like the Métis which were not tied into that scheme of economic development. For Canadians in the Victorian era life and history were a struggle for survival as Charles Darwin had shown in biology. The Métis on the banks of the Saskatchewan were merely another example of the inevitable casualties of economic and political progress."
  - The view presented of the Rebellion is one that is now generally held by historians, according to Dr. Page in answer to the Judge's question. The rebellion was directly linked to the land issue. Vol. 147  
22349-22350
  - Issues that were factors in the rebellion were, according to Dr. Page in cross-examination by the N.W.T. Association of Municipalities, land, arrival of white settlers and the railway, and the decline of the buffalo. In eastern Canada the nature of the rebellion was distorted. The western people felt totally helpless. Sovereignty was transferred without the development of institutions in Red River. Vol. 147  
22351-22355

c-5 The Impact of the C.P.R. on Native People Cont'd.TRANSCRIPT  
REFERENCE

- The people wanted a voice in their entry into Confederation. Although, Riel gave political leadership, one must look to Dumont to understand the rebellion. The failure of the rebellion left the Métis all the more vulnerable to the impact of development. Their leaders and institutions disappeared. In the Mackenzie Valley, we should learn from our past mistakes to cushion the social and economic impacts.
- The local government under Riel was established in a political vacuum that was created when Britain abandoned her sovereignty in the area and Canada had no presence in the area, according to Dr. Page in answer to the Judge's question. Vol. 147  
22355-22360
  - Riel did not reject Canadian sovereignty but he believed the only way to negotiate was if he demonstrated his power in the west, according to Dr. Page in cross-examination by Commission Counsel. It was a tragedy that their government and institutions, which evolved from their own lives and history, was destroyed. Dumont was the effective leader. Riel was invited back from the United States as the political leader. The demands were made through a "Bill of Rights" (copy filed as an exhibit) which was the basis of the negotiations leading to the creation of Manitoba. The Métis claimed to be a nation - a distinct people. Vol. 147  
22396-22406
  - The Métis documents from 1869-70 and 1884 viewed the imposed authority from Ottawa as colonial and the problem today is that we are so far removed from our own struggle for responsible government in Canada that we tend to misunderstand the Métis events and some of the problems in the north today, according to Dr. Page in re-examination. Vol. 147  
22472-22474

c-6 Employment

- There are about 32 Native workers out of a total work force of 7,000 at James Bay, according to Messrs. McCullum and Richardson in answer to the Judge's questions. The Native employment undertakings on the project were never fulfilled. In the northern Manitoba Hydro development there are only a handful of Native workers. Mr. Young said it shouldn't be surprising that the Native people aren't willing to work with strangers that come to tear up their land. It will be the same thing with a pipeline. In cross-examination by Commission Counsel, the panel agreed that if a pipeline were to be built, it should be structured to make employment as attractive as possible for Native people. Mr. McCullum said that employment quotas for Native people would probably be better than just a preference clause. Mr. Jones disagreed with a minimum quota and suggested that there be as many opportunities as there are people who want to participate. Mr. Young said that if the Native peoples' rights were recognized, such as land claims and participation in project planning, perhaps the idea of a quota wouldn't come up. Unless these rights are recognized, no employment system will work. Vol. 147  
22430-22443
- Vol. 147  
22443-22452

MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUMES 147 and 148)

Dene Land Use and Occupancy in the Mackenzie District

Yellowknife, N.W.T.  
April 28 and 29, 1976

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TOPIC: Phase IV: The Impact of a Pipeline and Mackenzie Corridor Development on the Human Environment.

"Dene Land Use and Occupancy in the Mackenzie District"

DATE: April 28 & 29, 1976 in Yellowknife.

WITNESSES: NWT Indian Brotherhood/Métis Association Witnesses:

Ms. P. Nahanni: Director, Land Use and Occupancy Research, Indian Brotherhood of the NWT.

Mr. W. Pellissey: Trapper from Fort Wrigley, NWT.

Mr. F. Greenland: Chief of Aklavik NWT and past fieldworker on Land Use and Occupancy Study.

Mr. C. Snowshoe: Trapper from Fort McPherson.

Ms. B. Menicoche: Fieldworker on Land Use and Occupancy Study.

HIGHLIGHTS

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

- nil

B. Environmental

- nil

C. Socio-Economic

c-1 Dene Land Use and Occupancy

- The Dene land use and occupancy study's objectives, methodology and results were described by Ms. Nahanni in chief. "We set out to do this research with clearly stated objectives which we knew had been attempted by a very few white researchers but had never been realized possible by government experts and industry experts. We also knew that neither the former nor the latter can ever state our case satisfactorily nor will they sweat for our self-determination.

Vol. 147  
22492-22504  
Vol. 147  
22517-22521

"The purpose of this research was for us to be able to tell you what we Dene already knew - that we have used and still use the land extensively.

"We set out to provide the people of Canada with a record of Dene land use and occupancy in the N.W.T. from the distant past down to the present; to provide the people of Canada with an understanding of the importance of our land to the integrity of our culture, our identity, our present way of life and to our future hopes; and to convey to the people of Canada a sense of the destruction inflicted on our civilization by the ethnocentric ignorance of the whiteman.

"The maps as they stand show an intense use of land, even though that is a representation of only about 30% of hunters and trappers, and mostly those over 30 years of age. Had we interviewed 100%, there would be three times as many trails, routes, and traplines on these maps as there actually are.

c-1 Dene Land Use and Occupancy (Cont'd)TRANSCRIPT  
REFERENCE

"We have considerable experience in surveying the environment we live in. Our ancestors navigated and when the whitemen travelled on our land, it was with the advice and help of our ancestors. We have Dene place names for all our camps, for the lakes, the rivers, the mountains indicating that we know the topography of our land intimately. Before Mackenzie came and claimed the river to be named after him, we called it Deh-cho.

"In spite of the problems of misunderstandings and misinterpretations we experience with the whitemen, we continue to maintain and view ourselves as a Nation.

"Through the evidence of our land use and occupancy, we are showing you that we have tolerated at much cost to our culture the path of development you have chosen for us, and from here on it is our right to control and direct the changes that affect our survival as a people.

"From the interviews we had with 26 young people it is self-evident that the bond between young and old and their past is essential to our future independence.

"Our field work reinforces the statements made by the Dene at the community hearings that our attitude towards our land has far more substance than is fully appreciated by the oil and gas companies and government.

"The maps clearly show what the Dene have been saying all along before your legal institutions - that we have been here for hundreds and thousands of years; this is our land, and our life. This is the most graphic demonstration of the truth that we Dene own 450,000 square miles of land.

"That the proposed oil and gas pipeline routes and construction sites conflict with our land-based activities is obviously shown by cartographic representation of those activities. These routes show no sign of regard for our trails, travel routes, and traplines, and our camps. The implications of such intrusions not only affect the trails, travel routes and traplines; they also indiscriminately and without discretion affect the animals, fish lakes, and the environment and our way of life.

"Producing these maps has been a lot of work. Over two years, about two dozen people have worked on this project and at any moment in time about a dozen people were working on it. The result is that data now exists on Dene land use that simply was not available before.

"I emphasize this point because it means that statements made about Dene land use, by government officials and the hired "experts" of the pipeline companies are based on - on what? If you do not have the "facts", how can you, as a scientist, draw any conclusions at all? As I understand it, experts, even when they agree on the facts, can still disagree on what the facts really mean. But when one side in a discussion has really no evidence worth calling facts, then we can only wonder how they manage to draw conclusions at all. Surely this is anything but using a scientific method. Hopefully now that the real facts on Dene land use patterns are for the first time available to non-Dene, the experts of the pipeline companies will take advantage of these facts to rewrite their studies."

c-1 Dene Land Use and Occupancy (Cont'd)TRANSCRIPT  
REFERENCE

- The techniques employed in doing the land use and occupancy study were elaborated upon by Ms. Menicoche and Mr. Greenland in chief. Messrs. Snowshoe and Pellissey indicated on the land use map the areas that they have used for hunting and trapping. Mr. Snowshoe added that the people didn't want the pipeline and they were "screaming" for their land. Vol. 147  
22522-22525
- The land use and occupancy map was entered as an exhibit (#604) and the Judge pointed out that at each community hearing the people presented a map for their area. Therefore the evidence of the hundreds of people in the communities should be considered in determining the land use and occupancy. Vol. 147  
22536  
Vol.  
22625-22626
- The recent statement by the Minister of Indian and Northern Affairs saying that the Dene are not working hard enough on their land claims is an affront to those involved in the project, according to Ms. Nahanni. It is not just a matter of land use, it involves the entire future of the Dene. Vol. 147  
22521-22522
- The map shows the land use of a one third sample of the hunters and trappers over 30 (generally), according to Ms. Nahanni in cross-examination by ITC/COPE, Foothills and Commission Counsel. The method of selecting the sample was described. The limited sample was necessary because of budget and time limitations. There were 396 interviews of which 26 were people below 30 years of age. The survey showed that there are over 1075 men and women actively engaged in hunting and trapping. Biographical sheets and/or tapes were prepared for all those interviewed. From these it would be possible to tell who trapped or hunted in a particular area at a particular time. In re-examination, Ms. Nahanni said that it would be useless to break the land use down into use over the last 5 years because it wouldn't signify the Dene way of life and it wouldn't be representative of future use. In the past 20 years the Dene way of life has been undermined but this will not continue after the land claims are settled. Mr. Snowshoe said that recently more people are changing their attitude and going back out on the land. Vol. 148  
22539-22555  
Vol. 148  
22588-22598  
22605  
Vol. 148  
22619-22623
- The figure of 96 part time and full time trappers cited by the applicants apparently first appeared in a 1972 Gemini North report which has been violently objected to in the communities, the Judge noted. He ask both applicants to check to see if their recent figures use that report as their basis. He asked all counsel to get together and try to sort out the hunter and trapper figures and reach a common ground. Vol. 148  
22566-22567  
Vol. 148  
22576-22580
- Initially the study methodology was discussed with two anthropologists, the Dene chiefs and the hunters and trappers, according to Ms. Nahanni in cross-examination by Commission Counsel. The Dene had some differences of opinion with the anthropologists so not all their recommendations were followed. Vol. 148  
22606-22610
- The Dene are dependent on the land through direct use, and tradition, according to Ms. Nahanni in cross-examination by Arctic Gas. In reexamination Ms. Nahanni said the idea of "returning to the land" introduces problems of phraseology. It means going to a home, to a culture - a place where things become clear again. Vol. 148  
22571-22575  
Vol. 148  
22623-22625

c-1 Dene Land Use and Occupancy (Cont'd)TRANSCRIPT  
REFERENCE

- The purpose of the study is to show Dene land use in living memory for land claims purposes, not just the present dependence on routes and locations, according to Ms. Nahanni in cross-examination by Commission Counsel and Arctic Gas. It shows a way of life. Some of those interviewed may not be using the land now. Mr. Snowshoe said that over the last 6 or 7 years people were attracted into communities by low rent housing and welfare. Now they are beginning to realize what they've got into and many are changing back to a more traditional way of life. Vol. 148  
22580-22587  
22614-22619
  
- The land use map shows travel routes, camps and living sites, according to Ms. Nahanni in cross-examination by Commission Counsel. There is no way to tell if a market route is a trap line or a travelled route unless one refers back to the personal information sheets. The line thickness represents the percentage of a community sample that use that route so a small community would show a line of similar thickness as a larger one if the same per cent of the sample used it. One can't meaningfully compare the relative value routes in any other way. Vol. 148  
22598-22605
  
- The pipeline would be an imposition on the Dene way of life, according to Ms. Nahanni in cross-examination by Commission Counsel. The Judge said he was interested in "fleshing out" the nature of the Dene claim so he could address the problem of prejudice to that claim by a pipeline project. Vol. 148  
22610-22613

c-2 Socio-Economic Implications of Land Use

- The socio-economic reports prepared by the applicants are based on inadequate research, according to Ms. Nahanni in chief. The majority of their conclusions cannot be substantiated. The results of the Dene Land Use and Occupancy Study directly contradict a great many of the conclusions contained in the applicants' filings. (Ms. Nahanni gave a number of examples.) The applicants' evidence only confirms the Dene's determination to obtain economic and political control over the evolution of their society and the resource base upon which these rights must be realistically founded. Vol. 147  
22477-22492  
22504-22517
  
- There has been no financial or moral support for the Dene way of life in the past, according to Ms. Nahanni in cross-examination by Foothills. The government programs have always tried to push the Native people into a wage economy and to eliminate the traditional way of life. The result is that younger people can't make a free choice between the two ways of life. Mr. Snowshoe described how such an approach works to the detriment of the people. In cross-examination by Arctic Gas and Commission Counsel, Ms. Nahanni said that the government incentive program for trappers and hunters didn't work because of its structure, its lack of involvement of Dene people, etc. Vol. 148  
22555-22563  
  
Vol. 148  
22567-22571  
22575-22576  
22605-22606

c-2 Socio-Economic Implications of Land Use (Cont'd)TRANSCRIPT  
REFERENCE

- If the government left and the mining industry ceased, there would be little effect on the Dene way of life, according to Ms. Nahanni in cross-examination by Foothills. The bureaucracy and industries just confuses the Dene people. Without them the Dene community would stabilize. Vol. 148  
22564-22566
- No one interviewed in the Land Use research made any suggestions about the pipeline location, according to Ms. Nahanni in cross-examination by Commission Counsel. Vol. 148  
22613-22614

Policy and Planning  
ACND Division  
May 31, 1975.



MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 148)

LAND USE BY SLAVEY AND GREAT BEAR LAKE INDIANS

YELLOWKNIFE, N.W.T.  
APRIL 29, 1976

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TOPIC: Phase IV: The Impact of a Pipeline and Mackenzie Corridor Development on the Human Environment.

Land Use by Slavey and Great Bear Lake Indians

DATE: April 29, 1976 in Yellowknife.

WITNESSES: Appearing for the NWT Indian Brotherhood/Métis Association\*:

Dr. M. Asch\*\*: Assistant Professor, Department of Anthropology, University of Alberta.

Mr. E.S. Rushforth\*\*: Teaching Associate and Ph.D. candidate, Department of Anthropology, University of Arizona.

Mr. G. Kodakin: Chief, Fort Franklin.

HIGHLIGHTS

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

- nil

B. Environmental

- nil

C. Socio-Economic

c-1 Recent Land Use and Trends

- Participation by the Bear Lake people in traditional land use activities were described by Mr. Rushforth in chief. He established that: (1) The Bear Lake people continue to derive an important amount of food (between 25 and 40 per cent of the requirements) and a substantial amount of income (the equivalent of over \$200,000) from the land, (2) A significant percentage of the Bear Lake people still engage regularly in traditional land use activities, (3) The entire area of land which was occupied by their ancestors is still used, to some extent, by the Bear Lake people today, (4) During the past 5 years there has not been a general downward trend in land use activities by the Bear Lake people, (5) The Bear Lake people obtain less of their income from their land than did their ancestors 100 years ago. This fact, however, must be explained by citing conditions imposed upon the Bear Lake people from outside of their own socio-cultural system and, (6) The utility of various land use occupations to the Bear Lake people should not be measured solely in dollar income. There are other kinds of subjective preferences or values which they associate with these traditional cultural activities and there are tangible psychological benefits derived by these people from their participation in the Dene way of life.

Vol. 148  
22632-22669

\*Also appearing but not giving evidence at this time was Mr. J.T. Ritter, a linguist.

\*\*Dr. Asch and Mr. Rushforth gave evidence in chief only. They will be cross-examined at a later date.

c-1 Recent Land Use and Trends (Cont'd)TRANSCRIPT  
REFERENCE

- The information presented by Mr. Rushforth was explained to the people of Fort Franklin and they agree with it, according to Chief Kodakin. Vol. 148  
22672
  
- Gemini North's study of the community economy underestimated the value of traditional activities by a factor of about 5 because they used the local exchange value instead of the replacement value of the harvest, according to Mr. Rushforth in answer to the Judges questions. Gemini North's approach is not rational. Vol. 148  
22669-22672
  
- An examination of the general historical framework within which assessment of the impact of the pipeline must be made shows that the post contact period for the region is dominated by a single theme which is, according to Dr. Asch in chief, the exchange on the part of native people of immediate material well-being in return for long-term economic dependency on external forces - specifically the world price of furs. This fur trade economy collapsed after the Second World War. This theme of economic dependency has continued and has been reinforced by the intervention of government into the economic and social life of the people. The industry sponsored studies of the contemporary social and economic problems facing northerners is biased and misrepresents the Native peoples' own substantial efforts to provide solutions to these problems themselves. The native people are not similar to the southern poor as suggested by the industry. Vol. 148  
22674-22701
  
- The industry-sponsored studies use faulty analysis and therefore their recommendations must be rejected as grossly inappropriate responses to the realities of the situation, according to Dr. Asch in chief. For example, if you discount the errors of the Gemini North analysis and re-analyze their data using proper methodology, their data actually helps to deny their contention that the traditional economy is dying, and, in fact, supports the contention that it is still of economic significance in Native communities, both large and small. The contention that low employment indicates poverty and the pipeline will alleviate this is also erroneous. In fact, the project may serve to make the social and economic situation for native peoples worse. "...the Dene have proposed a solution to these problems in the form of a land settlement which, if it follows the principles of the Dene declaration, will enable the Native people to regain control over their economic, social, and political institutions... The position of "no pipeline before a land settlement" is the only reasonable protection that the people can receive to safeguard themselves against the complexity of problems both already known and as yet unanticipated that must inevitably accompany a development scheme of this magnitude." Vol. 148  
22713-22737

MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 149)

KUTCHIN PLACE NAMES  
IBNWT/METIS ASSOCIATION - N.W.T.

YELLOKWNIFE, N.W.T.  
MAY 3, 1976

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TOPIC: Kutchin Place-Names: Evidence of Aboriginal Land Use.

DATE: May 3, 1976, in Yellowknife.

WITNESS: John T. Ritter, Jim Sittichinli.  
For Indian Brotherhood, NWT/Métis Association.

HIGHLIGHTS

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

- nil

B. Environmental

- nil

C. Socio-Economic

c-1 Toponyms

- Place names can document the long habitation in the NWT by native peoples. The extent of these places named by the Kutchin (Loucheaux) covers virtually all of the northern Yukon Territory to the treeline and a small sector of the NWT. Such names are associated with various events according to John Ritter in chief, who has coded over 600 place names. These names commemorate historic events in addition to aspects of flora and fauna, hunting, particular individuals, myths, and metaphores.

Vol. 149  
22747-22769

- Mr. Ritter, in reply to Commission Counsel said that the same methodology for categorizing place names could be extended to Southern Ontario. Furthermore, place names only indicate former land use in the case of the Kutchin (Peel River) study. Identifying a piece of land with an individual presently living is a fairly recent phenomenon.

Vol. 149  
22787-22793

c-2 Kutchin Land Use

- Originally, Kutchin people hunted caribou in upper Peel River and fished on the lower Peel in summer. This pattern continued until the Klondike gold rush at which time Kutchin people began selling meat to mining camps. After 1912, the band moved back to the lower Peel River and subsequently into the Mackenzie Delta. There, they began trapping as fur prices were rising. Shifting by the band from lower to upper Peel River regions is reflected in areas that are densely named and therefore suggest sustained land use patterns.

Vol. 149  
22770-22776

c-3 Education

- In answer to Judge Berger's question regarding the common root of Indian languages, Mr. Ritter indicated that Kutchin (Loucheaux) is an Athabaskan language. It has no relation to either Inuit or other Paleo-Siberian languages. The common root is fortunate

Vol. 149  
22795-22802

c-3 Education (Cont'd.)

for educational purposes in that people from one language group can learn another Athabaskan language without too much difficulty. Mr. Ritter, responding to cross-examination by Arctic Gas, indicated that he is developing rudimentary teaching materials including a children's dictionary. In reply to Judge Berger's question regarding a Loucheaux rendering of the Book of Common Prayer (or hymnal) seen in the Anglican Church at Old Crow, Mr. Ritter explained that it underscores the fact that only Kutchin, or Loucheaux, has a tradition of native literacy in that, as early as 1860, Archdeacon Robert McDonald, began developing an orthography, albeit somewhat inadequate by modern day standards, for use by the younger people.

D. Miscellaneous

- Mr. Glen Bell, Counsel for the IBNWT/Métis Association Vol. 149 clarified a misunderstanding which appeared to arise 22746 from testimony given in the previous week by Ms. Phoebe Bohanni. He said differences referred to between her and a consultant anthropologist were of a personal not a professional nature and did not therefore cause any conflict in the land use research methodology used.

Policy and Planning  
ACND Division  
August 31, 1976.

MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUMES NOS. 149 AND 150)

THE THIRD WORLD AND THE NORTH  
IBNWT/METIS ASSOCIATION - N.W.T.YELLOWKNIFE, N.W.T.  
MAY 3, 1976

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c-4 Future Forms of Decision Taking and Organization	67
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TOPIC: "IT's people that count."

DATE: May 3, 1976, in Yellowknife.

WITNESS: Donald G. Simpson, Director, Education Research, International Development Research Centre.  
For Indian Brotherhood of the NWT and Métis Association of the NWT.

HIGHLIGHTS

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

- nil

B. Environmental

- nil

C. Socio-Economic

c-1 Perceptions of Development for Third World Countries

- Well meaning people have implied that Third World cultures and their growth and development must be increasingly modeled after western forms. The Euro-North American culture has been interpreted by whites as being superior. Any other expressions of development are not regarded as rational and logic; therefore an unconscious sense of superiority on the part of white people exists. This situation has bred, in numerous cases, inferiority and lack of confidence, with the result that many Third World people have denied their cultural heritage. Outside experts have attempted to replace traditional cultures with a western one through the introduction of modern technological means, new organizational forms, and new ideological orientations.

Vol. 149  
22807-22852

c-2 Similarities with the Canadian North

- In economic terms, Dr. Simpson in chief, said that a combination of subsistence food-getting with export of raw materials was the general pattern. A social similarity is found in that an ethnic division of Indian/Inuit on one hand and whites on the other, is very evident. Politically, the native peoples perceive the north as being colonial since representative government within a provincial framework is an alien system to them.

c-3 Nature of New Development Approaches

- The primacy of economics is over and ecological consequences are becoming increasingly clear. This suggests an anti-growth school that avoids one-sided technological "fixes". Consequently, it is now considered possible to develop a technical basis of Indian productive activity that is compatible with that richer life being defined in the native people's terms.



c-4 Future Forms of Decision Taking and OrganizationTRANSCRIPT  
REFERENCE

- In cross-examination by Counsel for the NWT Association of Municipalities, Dr. Simpson said that native peoples must have input into decision making and taking. In answer to Foothills' Counsel Dr. Simpson suggested that some institutionalized power structure be granted to native peoples. Elaborating further, the thought system that underlies political decisions, economic decisions, and management decisions are critical. This is a lesson from Third World countries. Commission Counsel asked Dr. Simpson to suggest outlines of the various ways that productive activity could be organized so as to achieve goals or criteria in the north. Dr. Simpson replied that communal organization of productive activities was one approach. Others might include a mixture of the traditional and wage economy and some adaptive mechanism to technology so that it does not impinge too much on culture and structure of society. Commission Counsel attempted to elicit some response from Dr. Simpson that there are varying intensities of impingement on society. Dr. Simpson said that impingement cannot be reduced to "impinging a little" or "impinging a lot".

Vol. 150  
22907-22915Vol. 150  
22929-22939c-5 Employment

- Concerned over the seemingly unfavourable comparison between the north and Third World countries, Foothills' Counsel mentioned the NORTRAN program. Dr. Simpson said that this was good, but not a panacea.

Vol. 150  
22916-22919c-6 Acculturation

- Counsel for Arctic Gas interpreted Dr. Simpson's plea for recognition of native cultures and lifestyles to mean that he (Dr. Simpson) was opposed to acculturation and related terms. Dr. Simpson said that it was not entirely clear what these terms meant and that he suspected they meant different things to different people. He stated that he was in favour of a range of options from complete assimilation to complete separateness, but that had to be made by the individual.

Vol. 150  
22924-22928

MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 150)

A GLOBAL VIEW OF ABORIGINAL LAND RIGHTS  
IBNWT/METIS ASSOCIATION - N.W.T.YELLOWKNIFE, N.W.T.MAY 3, 1976

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TOPIC: "A Global View of Aboriginal Land Rights Problems"

DATE: May 3, 1976, in Yellowknife.

WITNESS: Theo L. Hills, Prof. of Geography, McGill University.  
For Indian Brotherhood of the NWT and Métis Association  
of the NWT.

HIGHLIGHTS

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

- nil

B. Environmental

- nil

C. Socio-Economic

c-1 General Observations and the Historical Perspective

- The Fourth World is increasingly confronted with colonial exploitative-type institutions according to Prof. Hills in chief. Exclusion of subjugated peoples and/or use as cheap labour, are characteristics in places such as Brazil, Argentina, and Tasmania. This attitude has its roots in the European concepts of mercantile colonialism and imperialism. A descriptive model demonstrates these characteristics. The basic assumptions are: cultural superiority of the colonizing group; freedom of access to land and resources; the right of a metropolis to have its material demands satisfied. The result is a decline in aboriginal populations and miscegenation. Policies emerge which effectively mean economic isolation in spite of terms applied to this process such as 'protection' or 'isolation' of aboriginal peoples. Since 1920, efforts have been underway to help native peoples.

Vol. 150  
22856-22867

c-2 Case Studies

- In Australia, the Woodward Commission has sought to settle the rights of aborigines as a result of the presence of foreign-owned mining, agricultural and pastoral companies. Most white Australians will not accept notions of land title as aborigines see them.
- In Guayana, an Amerindian Land Commission established in the late 1960's, functioned in a conservative style by trying to individualize title on lands that are ecologically suitable for slash and burn practices. Thus, under these conditions sedentary agriculture is not possible.
- In the Amazon and Matto Grosso of Brazil, native peoples have been exploited by transnational mining corporations, helped by logistical data and other information provided by the Brazilian government. The economy of Brazil, dominated by big business and the military, has allowed a "development orgy" to take place. The Amerindian has been ignored in this development process. Yet the Amerindian is also the best expert on ecological relationships of the rain forest. Their perceptions are often keener, or sharper, than those of scientists who are familiar with the rain forest. The demise of some Indian groups resettled by the Brazilian government, reflects this lack of expertise by outsiders.

Vol. 150  
22867-22876

c-3 Government Perception of AboriginesTRANSCRIPT  
REFERENCE

- In cross-examination, Prof. Hills indicated that Guyana may not be representative of a government dominated by Europeans. Perhaps Ainu peoples in Japan are an example of an aboriginal group which has been granted a measure of self-determination by a non-European dominant society. The Russian experience with Samoyeds seems to fit the model outlined above. In answer to counsel for Foothills, Prof. Hills stated that the question of aboriginal rights in Australia was somewhat clouded because the issue has not been "spelled out" in federal and state legislation especially with respect to actual land rights. In Australia, it seems that government has been more responsive to transnational mining companies than aboriginals.

Vol. 150  
22877-22884

c-4 Governments and their Relations with Transnationals

- Prof. Hills, in reply to counsel for Arctic Gas, said that Canada and Brazil were similar in some respects, but also dissimilar in others. There has also been collusion between governments and some transnationals such as Brascan. The term "collusion" was not chosen by Prof. Hills, but rather used first by Mr. Hollingworth of Foothills, according to Prof. Hills. Vol. 150  
22888-22901
- Royalty payments are often far too low and can be considered a "steal". In the case of Guyana, a move to Brazil where royalty payments were lower, was made by Alcan when the Guyanese government opened discussions on increasing the royalty payments. In Brazil, roads and railroads have been planned with little regard to aboriginals, and forest lands, in some cases, have been destroyed forever in huge land clearing programs.

Policy and Planning  
ACND Division  
August 31, 1976.

MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUMES NOS. 154 AND 155)

COLONIALISM OR DEVELOPMENT  
IBNWT/METIS ASSOCIATIONYELLOWKNIFE, N.W.T.  
JUNE 29 AND 30, 1976

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TOPIC: Colonialism or Development: The Meaning of Development.

DATE: June 29 and 30, 1976 in Yellowknife.

WITNESS: Mr. Peter Puxley, Economic Consultant, IBNWT.

HIGHLIGHTS

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

- nil

B. Environmental

- nil

C. Socio-Economic

c-1 General

- According to Mr. Puxley in chief the belief that the major causes of poverty and under-development are endemic to under-developed areas results in colonial relationships which are dehumanizing to both the colonized and the colonizer. These relationships not only typify the Dene struggle for recognition of their rights but pervade our whole society. As long as they go unexamined the problems of development continue to be defined in a manner which conceals their true nature and precludes their solution. Vol. 154 23531
- It is Mr. Puxley's belief that all parties involved in the pipeline debate espouse the cause of development, preservation of culture and independence, yet come to different conclusions because of illusions concerning the real meaning of the concepts of reality, tradition and development. Quoting philosopher George Grant, Mr. Puxley said "...we have substituted the idea of reason as a subjective tool, helping us in production, in the guidance of the masses, and in the maintenance of our power against rival empires." Thus men are defined in terms of their fit with the ideological machine, making conformity imperative. Canadian society and corporations whose imperatives define choices are the real traditionalists, while the process of human development is based on the essential ingredients of reflection, consciousness, choice and action. Vol. 154 23537
- Vol. 154 23544

c-2 The Colonial Relationship

- By Mr. Puxley's definition the colonial relationship is one wherein one individual is forced to relate to another on terms unilaterally defined by the other. It is not negotiated. Change is defined and initiated unilaterally. In the context of land claims, the federal government is suggesting that the Indian people oppose change. In fact they are pressing for a change in the historical approach to aboriginal rights from the destructive colonial interpretation imposed by the invading society to one which recognizes decolonization as its goal. Vol. 154 23545

c-2 The Colonial Relationship (Cont'd.)TRANSCRIPT  
REFERENCE

- In response to a question from Commission Counsel regarding the length of time required for the "de-colonization process" necessary, according to Mr. Puxley, before a pipeline could be built in a way acceptable to the native people, Mr. Puxley replied that it was an ongoing process to which the Inquiry, itself, was contributing. If the process were related solely to the implications of a pipeline it could take a year to eighteen months. It is a difficult thing to quantify. Vol. 155  
23717

c-3 False-Consciousness

- In Mr. Puxley's view the Van Ginkle Associates study for Arctic Gas which suggests the Dene share with their fellow men an inability to exercise control over the changes they experience or will experience and can only adapt to them typifies the experience of colonialism and results in a false consciousness on the part of the colonized and colonizer. Perceiving this is essential to decolonization and an end to dehumanization. Vol. 154  
23548

c-4 Cultural Identity

- Dene culture is alive today to the extent the Dene announce their own identity. Their struggle for recognition of their rights is every bit as much a cultural act as holding a drum dance. Vol. 154  
23552
- Since history is the creation of consciously active men, those whose behaviour is prescribed by colonialism cannot be said to be making their own history. Examples of this are the changing of Dene place names, federal government pamphlets instructing the Dene on how to run a meeting.
- Commenting on references to the Rushford study, Mr. Puxley said the study was designed by the Band Council. Ninety-eight per cent of the people of Fort Franklin were involved in it and approved it. It was never intended to quantify economically a way of life but rather to convey its integrity. Vol. 155  
23715

c-5 Land Claims

- The term suggests the federal government holds all the land by right, that the Dene have already conceded it and wish to claim some of it in compensation. This is a misrepresentation of the Dene concept and totally ignores the element of political rights so vital to the decolonization of the Dene. The Dene do not understand why "rights" have to be negotiated and extinguished. The use of the term "land claims" by the Dene themselves puts them in a paradoxical situation of relying on someone else's definition while unable to express their concepts in terms which are acceptable to and understood by the "colonizer". The result is a dialogue of the deaf. Vol. 154  
23564
- In the Dene Declaration the Dene have shown a rejection of the prescribed colonial language in favour of terms which fit their experience and new consciousness of their relationship to the world. Vol. 154  
23563

c-6 EducationTRANSCRIPT  
REFERENCE

- In the NWT the educational system is geared to a future in which colonial service is the highest aspiration and accomplishment.
- An authentic Dene educational process would clearly pose the repatriation of education as a primary problem for consideration.

Vol. 154  
23568

c-7 Traditional Activities

- Responding to a question from Commission Counsel, Mr. Puxley said the reasons why some native people are now unable to hunt and trap include; need to be near educational facilities when children are involved; lack of support systems (outfitters, trading posts) social programs which put the emphasis on community centred life.

Vol. 155  
23716

c-8 Conclusion

- Mr. Puxley summed up by saying, "the construction of the proposed pipeline...which is a prime example of colonialism, before recognition of the rights of the Dene will certainly prejudice both the political rights they demand and the process of decolonization which is the only process which merits the term development".

Vol. 154  
23572

Policy and Planning  
ACND Division  
September 8, 1976.



MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUMES NOS. 154 AND 155)

THE MEANING OF UNDER-DEVELOPMENT  
IBNWT/METIS ASSOCIATIONYELLOWKNIFE, N.W.T.  
JUNE 29 AND 30, 1976

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TOPIC: The Meaning of Under-Development.

DATE: June 29 and 30, 1976 in Yellowknife, N.W.T.

WITNESS: Mr. Mel Watkins, Professor of Economics, U. of T.  
(for IBNWT/Métis Association).

HIGHLIGHTS

TRANSCRIPT  
REFERENCE

A. Technical/Egineering

- nil

B. Environmental

- nil

C. Socio-Economic

c-1 Nature of Past and Present Development

- The history of Canada is a succession of staple exports from successive geographic frontiers to serve the needs of more advanced industrial areas. The North is experiencing the shift to a new staple and the result is a period of crisis and painful adjustment. Vol. 154 23577

c-1-1 Land Ownership

- Initially, in the fur trade, the Indian did not have to become a wage earner or yield up his ownership of the land but as settlement overrode the fur trade, land became a commodity of the Hudson's Bay Company. In the case of mining and petroleum activities, Crown ownership or expropriation powers are essential to the unimpeded extraction of resources. Vol. 154 23582
- Acceptance of wage employment by natives diminishes the potency of a land claim based on land use and serves as a substitute for welfare.
- Economic rents should logically accrue to the land owner (presumably in the NWT, the Crown) but this is not the practice. Vol. 154 23586
- Mr. Watkins said it is both possible and desirable that Dene authority be established over Dene land, within the constitutional framework of Canada putting them in a position to bargain directly with those companies wishing to enter their lands. Out of that process could come the terms and conditions under which a project could proceed. In the absence of a bargain the pipeline could not proceed. Such a bargain would be subject to government approval or disapproval. Vol. 154 23613
- Vol. 155 23709

c-1-2 Economic Rents

- To deny the Dene their role as land owners is critical for it means that rents generated within the region from non-renewable, depleting resources are ultimately re-invested at the behest of the corporation outside the region rather than being re-invested within the region in activities based on renewable resources that could survive after the non-renewable resources are exhausted, according to Mr. Watkins. Vol. 154 23588

c-1-2 Economic Rents (Cont'd.)TRANSCRIPT  
REFERENCE

- Mr. Watkins discussed a definition of economic rents with the Judge. Vol. 154  
23598-23601
- In cross-examination by COPE, Mr. Watkins said both Dene and Inuit would have equally valid claims. Vol. 155  
23669

c-1-3 Linkages

- Linkages are the spread effects from the staple sector to other sectors, particularly the local economy, through the market mechanism, eg: further processing of the staple; production of input (including capital goods); spending of incomes on consumer goods. In the North the primary product tends to be exported in a relatively unprocessed form, with a high propensity to import capital and consumer goods. The outward draining of economic surplus is the primary mechanism in the process of under development and destruction of local self-determination. Vol. 154  
23582  
23590  
23592

c-1-4 Outflow of Income from Northern Resources

- Using figures from a study by John Palmer (INA) Mr. Watkins said that in 1970 the GNP per capita for Canada was \$3,866 while the GDP for the NWT was \$5,311, indicating the cash flow from northern businesses to southern interests. Vol. 154  
23593
- Total native personal income, excluding non-status and Métis and underevaluating country food, in 1969 was \$20.5 million while the gross return on capital in the mining sector was \$37.4 million. Vol. 154  
23597
- Asked by Foothills if he envisaged a pattern of regional development on ethnic lines, Mr. Watkins said with a 10-year residency rule developments would be by natives. His objection is to inter-regional economic relationships which disadvantage one rather than create mutual benefits for both. Vol. 155  
23699

c-2 Corporate and Government Performance

- The role of the corporation is to generate the maximum income which is a private benefit, and costs imposed on others are social costs and are not relevant in calculating profits, according to Mr. Watkins in chief. Fundamental to its undemocratic nature is its centralization of decision-making. Nor are the multinational corporations without influence on government, said Mr. Watkins. Vol. 154  
23607  
23608  
23611
- Referring to Prof. Dosman's book, Mr. Watkins said we have detailed documentation of the pro-development policies of the Canadian government with respect to the North. 23612
- Given the performance of corporations and government the Dene cannot sensibly rely on them to protect the Dene interest. 23613

c-3 Land Claim and Alternative Developments

- The Dene Declaration is a declaration of the right to self-determination and is the central statement of their claim. Vol. 154  
23615

<u>c-3 Land Claim and Alternative Developments (Cont'd.)</u>	<u>TRANSCRIPT REFERENCE</u>
- Just as it is increasingly recognized that the genuine development (economic independence) of the Third World hinges on the modernization of agriculture to serve domestic needs so the genuine development of the North presumably hinges on modernization of the renewable resource sector (game, forests, water) by the Dene to serve Dene needs. A two sector economy could work harmoniously if the Dene are given the right of control over the non-renewable resource sector so as to limit environmental degradation and competing uses. Also such alternative development must include the right to tax the non-renewable resource sector or impose royalties thereon so as to fund the Dene economy and Dene institutions which will permit continuing Dene development.	Vol. 154 23617  23604-23617
- The Dene should have the right to veto projects or else to compel changes such as curtailing the development of new townsites, particularly for mines.	23620
- Economic rents accruing to Dene based on criteria of need should be sufficient to enable a community to be viable and self-sustaining with ongoing subsidization of Dene institutions.	
- In response to questions from Commission Counsel, Mr. Watkins said the evidence of Mr. Laing on behalf of IBNWT will evaluate governmental programs to communities for development purposes, and Dr. Sam Stanley will give an evaluation of 6 or 7 projects on U.S. Indian reservations. Also R. Ruttan and J. T'seleie would be discussing the potential for renewable resource development.	Vol. 155 23718
- Asked by the Mental Health Association if it is really in the long term interests of the Dene to remain separate or integrate more fully with the rest of Canadian society, Mr. Watkins said the Dene had already rejected integration, any forced integration must be absolutely rejected both because it's immoral and also because it doesn't work.	Vol. 155 23723
<u>c-4 Public Interest</u>	
- Massive energy projects under way or planned in northern Canada to serve (as per the "staples approach") outside interests are justified by saying they serve the national interest. In the case of the pipeline, according to Mr. Watkins, non-Canadian interests would be served to the detriment of native Canadians' interest.	Vol. 154 23625
- Mr. Watkins said that as a further implication of the staples approach we cannot forever grow by expanding into new geographic frontiers and the time may be at hand for restructuring of the Canadian economy away from its staple export bias.	Vol. 154 23626
- Mr. Watkins said that what redounds to the benefit of its least prosperous citizens must ultimately redound to the prosperity of the democratic state.	23631

c-5 EmploymentTRANSCRIPT  
REFERENCE

- In cross-examination by Foothills regarding what Mr. Watkins considered to be a high estimation by Gemini North (for Arctic Gas) of native unemployment and a low estimation of (100) full-time hunters and trappers compared to Miss Nahanni's estimates (for the IBNWT) of 1,000, Mr. Watkins said the differences occur because of an industrial vs a native interpretation of the term "full-time". Vol. 155  
23673
- The Judge suggested that Mr. Rushford's study of Fort Franklin determining that 40 to 50 per cent of the value of food was country food was a more meaningful approach to the question of the significance of hunting and trapping activities. Vol. 155  
23682
- In cross-examination by Foothills, Mr. Watkins said whether or not southern, pipeline-skilled workers were available native labour would not be affected. The Nortran program (approximately 100 trainees at present) was insignificant. Vol. 155  
23687
- Mr. Watkins said nowhere in the applications was there a statement recognizing that the Dene would benefit from the pipeline other than as wage earners. The proposal of Mr. Blair for equity, ownership and participation involved cash for which the Dene, if they received cash in a land settlement, might have other priorities. Vol. 155  
23692
- Asked by Arctic Gas if the aim of the native people was for full employment, Mr. Watkins said it was his impression that this was so. Vol. 155  
23705

c-6 Miscellaneous

- Counsel for Foothills brought a motion regarding the relevance of prepared evidence of Mr. Helliwell (witness for IBNWT/Métis Assoc.). The issues of Mr. Helliwell's evidence were: Vol. 154  
23632-23664  
Vol. 155  
23724-23750
  1. establishing the cost saving of the Arctic Gas corridor over the El Paso corridor
  2. to whom the net economic benefits accrue assuming sufficient Delta gas
  3. economic consequences from earlier versus later pipeline construction.
- Foothills contended these are matters for consideration by the N.E.B.

Policy and Planning  
ACND Division  
September 7, 1976.

MACKENZIE VALLEY PIPELINE INQUIRY  
SUMMARY OF PROCEEDINGS  
(TRANSCRIPT VOLUME NO. 155-A)

Distribution of Economic Rents  
IBNWT/Métis Association

YELLOWKNIFE, N.W.T.  
JUNE 30, 1976

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TOPIC: Distribution of Economic Rents

IBNWT/Métis Association

DATE: June 30, 1976 in Yellowknife.

WITNESS: Mr. Arvin D. Jelliss, Economic Research  
Consultant, Council of the Haida Nation.

HIGHLIGHTS

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil.

B. Environmental

Nil.

C. Socio-Economic

c-1 General

- The economic rent associated with a natural resources project may be defined as the revenue accruing to the project after the deduction of all costs of production, including an adequate return to invested capital (15%). In the N.W.T., because the rights of the native peoples as land owners have not been recognized, the rents accruing to natural resources projects have been divided between the operating companies in the form of excess profits, i.e. profits over and above an adequate return to invested capital, and the federal government in the form of taxes and royalties. None of these rents have accrued to the native peoples for use in pursuing their own development objectives.
- In response to questions from Foothills' counsel, Mr. Jelliss explained the basis on which he estimated capital costs for the projects discussed.

Vol. 155-A  
23836

Vol. 155-A  
23863-23867  
23873-23881

c-2 Mining Activities

- An analysis of rents from 1970-1974 associated with Pine Point, Con Mine, Rycon, Giant Yellowknife, Canada Tungsten and Echo Bay Mines in the N.W.T. revealed: 1) present 1975 value of past rents amounted to \$195 million 2) of this, the companies retained 52.6 percent (or 85 percent tax exclusive) in the form of excess profits while the federal government received 39.6 percent in taxes and 7.8 percent in royalties.

23838

c-3 Norman Wells Crude Oil Production

- An analysis of the rents between 1970 and 1974 revealed: 1) present 1975 value of past rents amounted to \$34.5 million 2) of this, consumers received 73.6 percent in the form of lower prices, the federal government received 15.8 percent in

Vol. 155-A  
23841

c-3 Norman Wells Crude Oil Production Cont'd.TRANSCRIPT  
REFERENCE

- the forms of a share of net revenue, taxes and royalties, and Imperial Oil received 10.6 percent in excess profits. This distribution relates to, a) government/Imperial Oil financial relationships and b) federal government local and national pricing policies. 23842
- In 1974 the sales value of refined products was approximately \$6 million, of this diesel fuel accounted for 41.3 percent and aviation turbo fuel for 33 percent, indicating a major share of rents accrued to the corporate sector. 23843
  - In cross examination by Foothills, Mr. Jelliss said he was not aware that diesel fuel was largely used to generate electricity in the N.W.T. nor that residential and commercial products from the Norman Wells refinery are subsidized at the expense of industrial usage. If this were the case some revision to his analysis was required, he said. 23879-23881
  - In reply to a question from Commission counsel, Mr. Jelliss said it was his understanding that all the Norman Wells products were consumed in the North. Vol. 155-A 23899

c-4 Pointed Mountain Gas Production

- A comparative analysis revealed: 1) present value of past rents amounted to \$66.3 million 2) of this, U.S. consumers received 76.5 percent in the form of lower prices, Canadian entities in B.C. (Westcoast Transmission and the provincial government) received 22.7 percent in the form of higher transmission charges, and the federal government received 0.8 percent in royalties. This distribution resulted from a) contractual sales arrangements and b) federal export pricing policy. Vol. 155-A 23844 23844-23845 23884-23885

c-5 Potential Contribution of Resource Development

- Mr. Jelliss outlined ways in which a resources project may contribute to the development process: direct contributions (demand) - labour, materials and equipment may be supplied from local sources; resulting expansion of markets and incomes may lead, via linkages and multiplier effects, to increased activity in less connected sectors; (supply) - new or lower cost input may be available for use in other sectors or as a basis for setting up downstream processing activities; cumulative labour skills may be available for use later in other areas of the economy; fiscal contributions - government appropriation of revenues during the production stage may be used for the provision of infra-structural facilities to stimulate activity in the non-government sector, or via loans or grants for private investment purposes. 23848

c-6 Impact of Pointed Mountain Project on Native Economy

- All materials and equipment were purchased in the south, with no linkage or multiplier effects in the N.W.T. 23850



c-6 Impact of Pointed Mountain Project on Native Economy Cont'd

TRANSCRIPT  
REFERENCE

- During construction 65 - 70 native workers were employed - at the peak period 12.9 percent were native. Native workers from Fort Liard and Fort Simpson, during 18 months of construction worked an estimated average of 12.4 and 4.6 weeks respectively.
- Ninety percent of native-held jobs were unskilled.
- During the operation phase the 8 permanent jobs are presently held by southern Canadians having little or no contact with the native economy.
- Native incomes (between 0.64 and 0.83 percent of the total construction outlay of \$15 million) were spent mainly in settlement stores on goods supplied from the south.
- Construction of a gas supply system to Fort Liard was rejected on the basis of estimated field life and market size. 23853
- Supply to Fort Liard of project-generated electricity has not materialized.
- Under existing institutional fiscal arrangements none of the economic rents are directed to the native peoples, from whose land the resource is extracted, for the creation of a long-term economic base. 23855
- According to Mr. Jelliss, the proposed Mackenzie Valley Pipeline, operating within the same institutional structure as the Pointed Mountain development, will produce the same results. What is required is the implementation of a significantly different rent collection system able to capture the full economic rents associated with the project and capable of channeling them into the native economy for investment in native controlled community enterprises. 23861 23857

c-7 Federal Government Policy

- Mr. Jelliss noted a conflict between a report for Westcoast Transmission by Schultz International which cited the benefits of the Pointed Mountain development as being to Canada as a whole through foreign exchange inflow and profits to shareholders, and a policy statement of the Minister of Indian Affairs which stated that "native northerners should derive early, visible and lasting effects from economic development." Mr. Jelliss suggested that the native peoples do not appear to be able to rely on the federal government to adequately represent their interests. Vol. 155-A 23858

c-8 Government Expenditures in the North

- In reply to Commission counsel, Mr. Jelliss said he had not done any study on the federal government's expenditure over revenue in the north, nor on the effect that a shift of the revenue from natural resources would have on that deficit. Vol. 155-A 23896

MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 155)

THE ALASKA NATIVE CLAIMS SETTLEMENT ACT  
IBNWT/METIS ASSOCIATIONYELLOWKNIFE, N.W.T.  
JUNE 30, 1976

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TOPIC: The Alaska Native Claims Settlement Act.

DATE: June 30, 1976 in Yellowknife.

WITNESS: Miss Ann Forrest, Research Assistant, Ontario Institute  
for Studies and Education.

HIGHLIGHTS

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

- nil

B. Environmental

- nil

C. Socio-Economic

c-1 History of Alaska Settlement

- The federal government recognized native peoples' claims through the Organic Act of 1884 ("Indians... shall not be disturbed in the possession of any lands actually in their use or now claimed by them.") and further protected them in the Alaska Statehood Act of 1958 from selection of lands (102 million acres) by the newly created State. Nevertheless, after the discovery of oil on the North Slope in 1968, Alaska claimed the North Slope as part of its statehood entitlement and many villages faced total expropriation of their historic lands. Vol. 155 23765
- An informal land freeze in 1966 and a super freeze in 1968 imposed by the Secretary of the Interior served only to consolidate the state's claims. When the freeze was lifted in 1969 to allow for approval of an oil pipeline right-of-way the natives threatened court action. Congressional and Senate hearings on native land ownership accomplished little. But three injunctions against the pipeline brought by native and environmental groups caused the companies to decide that the quickest way to get the North Slope oil to market was to support the natives' demand for a land settlement and mend bridges with the environmentalists. Thus a powerful coalition was formed which other groups joined (the NAACP, the AFL-CIO and other native groups in the U.S.) each with its particular and sometimes conflicting aims. Vol. 155 23770

c-2 The Settlement

- The Alaska Native Claims Settlement Act extinguished for all time all aboriginal titles or claims of title in exchange for 40 million acres of land and \$962,500,000. All native people in Alaska benefitting from the Act lose their special Indian status in 1991. Vol. 155 23774
- Of the 40 million acres, 22 million were allotted to villages on the basis of population; 16 million were distributed according to a land-loss formula whereby regions giving up claims to the most land received a larger share; 2 million were reserved for historic places, graveyards, etc.

TRANSCRIPT  
REFERENCE

c-2 The Settlement (Cont'd.)

- The cash settlement amounts to almost \$1 billion over a 12-year period made up of \$462½ millions to be paid by the federal government plus a 2 per cent royalty on the value of resources produced in Alaska to a maximum of \$500 million.

c-3 Disadvantages of the Settlement

- Prevented from acquiring resource rich land already selected by the State the native peoples ended up with lands of poor quality, far from their villages and in a far smaller amount than the 60 million acres established as their requirement for traditional subsistence hunting and fishing in a federal study of 1968, "Alaska Natives and the Land". Vol. 155 23775
- Under regional land selection the region may choose only the even numbered tiers and odd numbered townships in odd numbered tiers in a "checkerboard" pattern according to Miss Forrest; thus, the natives can never gain control of a valuable resource. Vol. 155 23779
- Even on the land they own the natives cannot control the pace or the kind of development which takes place because of expropriation rights. Vol. 155 23809
- In 1991, the end of the tax free period and when all stock in regional corporations becomes negotiable plus a present trend towards individualizing land held by village corporations native land could be alienated into non-native ownership. Vol. 155 23779-23788

c-4 Regional and Village Corporations

- To handle the money and the land following settlement, 12 regional profit-making corporations, corresponding to the 12 distinct native groups, were formed plus one for Alaska natives living outside the State. Regional corporations are to share 70 per cent of resource revenue with other regions. The fact that the term "revenue" is not defined by the Act creates difficulties and disputes. In addition 200 profit or non-profit making village corporations were formed. Requests for Congress to establish a co-ordinating corporation were blocked leaving a chaotic situation in which regional differences and historic antagonisms were exacerbated. In response to a question from the Judge Miss Forrest said the natives were surprised and unhappy when the Alaska Federation of Natives lost its official co-ordinating role. In its present role it has no power. According to Miss Forrest, contemporary comments attributed this to a political decision fearful of a large native corporation running the State. Vol. 155 23780  
Vol. 155 23782  
Vol. 155 23790  
Vol. 155 23789
- According to Miss Forrest in chief the possibility for native-controlled community centered economic development exists in principle, but its potential may well have been buried by the structure of competitive regional corporations and the aura of big business these institutions encourage. Large-scale, joint ventured types of activities, as opposed to small, community-owned and operated enterprises designed to serve local needs, are alien to native thinking.

<u>c-5 Differences Among Native Groups</u>	<u>TRANSCRIPT REFERENCE</u>
- The conflict between land and money was not entirely forced on the natives by outsiders. The debate also raged within the native community. The Arctic Slope people in particular pushed for more land while the Tlingits, whose land claims were settled, pushed for more money.	Vol. 155 23784  Vol. 155 23828
<u>c-6 Options for Alternatives</u>	
- Miss Forrest based her evidence on the premise that "the beginning of resource development tends to set in motion a self-fulfilling process which determines the nature of the land settlement and consequently the range of economic possibilities for the native people of the region in the future".	Vol. 155 23763
- She felt that the Alaska settlement does not permit the native peoples to expand their own ideas about economic alternatives and leaves them tied in to the wage economy and corporate notions of economic development which are spin-offs from a pre-determined development not conceived and implemented themselves.	Vol. 155 23826
<u>c-7 Miscellaneous</u>	
- In cross-examination by counsel for Arctic Gas, Miss Forrest said the major source on which she based her conclusion that the bulk of Alaska natives wanted to maintain their land and aboriginal rights was the "Tundra Times"; no personal interviews were conducted.	Vol. 155 23823

Policy and Planning  
ACND Division  
September 7, 1976.

THE MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 156)

## EDUCATION

IBNWT/METIS ASSOCIATION

YELLOWKNIFE, N.W.T.

JULY 1, 1976

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TOPIC: Education

DATE: July 1, 1976 in Yellowknife.

WITNESSES:

- Mr. B.C. Gillie, Executive Director, Laboratory for Education Advancement Resources and Needs, University of Victoria.
- Mr. Bob Overvold, Executive Director, IBWNT.
- Miss Ethelow Yazzi, Director, Rough Rock Demonstration School, Arizona.
- Mr. Steve Kakfwi, Co-ordinator, Inquiry Program, IBNWT/Métis Association.

HIGHLIGHTS

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

- nil

B. Environmental

- nil

C. Socio-Economic

c-1 General Observation

- Basic to the achievement of Indian nationhood within Canada, according to Mr. Gillie are: 1) the right to control the process, to practice self-determination as a reality, 2) the right to control the resources of their environment so they may contribute to the process, 3) control of an educational process which spreads and perpetuates the ideals unique to their nation, and 4) time. Vol. 156 23906
- Asked by Commission Counsel how much time it would take to set up a native-controlled education system, Mr. Gillie said perhaps about a year and about ten years of operation to be considered complete. Vol. 156 23976

c-2 History of Education in the N.W.T.

- Mr. Gillie in chief, said early education programs for natives in the N.W.T. were initiated by church organizations. Their aim was acculturation. However, by 1950 less than 15 per cent of young people had been affected. After World War II with increased interest in Canadian sovereignty in the far north, increased awareness of northern natives, and concern for underprivileged populations, the government faced a new set of human demands and proceeded on a plan to institute new social, political and economic standards for the North. High on the list, said Mr. Gillie, was education. It would be free, universal, compulsory and closely aligned to programs in southern Canada. Teachers and administrative support staff were imported from the south along with a southern curriculum. No one questioned if the natives wanted this system, if it would help them or even if it would Vol. 156 23907

c-2 History of Education in the N.W.T. (Cont'd.)

work, said Mr. Gillie. The attitude was, "since these people are not like us, they cannot be expected to make decisions like ours. Therefore, in their best interests, we will decide for them." This is the essence of the colonial procedure, said Mr. Gillie, and is, virtually, oppression. The ingredients for failure therefore were built in.

- By the end of the 1960's 95 to 98 per cent of school age children were enrolled, a vocational program, a training program for native teachers and adult education were established. The system brought advantages, said Mr. Gillie, such as better clothing and housing, but the overwhelming result was cultural shock, and the fine things education was supposed to deliver never arrived. Vol. 156 23914
- The educational policies were part of the total policy for the North set by the government of Canada at the parliamentary and senior executive level, and educators in the North, aware of the problems, were unable to change the situation, said Mr. Gillie. 23918

c-3 Requirements for a New System

- Mr. Gillie listed some features basic to a new system: 1) acceptance of all concerned that self-determination is the keystone, 2) financing on present pattern with possible contribution from proceeds of resource development, 3) use of experience and expertise available in other cultures, 4) use of existing material with adaptations, 5) a basic philosophy of education with wide latitude in local interpretation. Problems will be encountered such as; language of instruction, system of writing to provide a common medium, provision of skills to adults, compulsory participation. In order to ensure the continuation of maximum local participation and direction to reduce the danger of overcentralization a firm set of guidelines, preferably in the form of legislation, will have to be adopted. Care will have to be taken against building into the program such rigid values and mores as to virtually eliminate any possibility of valid options regarding future lifestyles. Vol. 156 23924 23925 23928

c-4 Unacceptability of Present System

- Mr. Kakfwi said measures taken recently giving some semblance of Dene control over education are tokenism. Vol. 156 23944-23950
- A system wherein the young lose their language, values and views and common interest with their elders will destroy the people in a relatively short time. The Dene recognize this now.
- Schools in the North operate in the interests of transients and civil servants, based on a system whose whole purpose is to become rich. It does not reflect the needs of the Dene, but more the needs of an artificially transposed southern society. White and Indian communities are distinctly separate.



c-4 Unacceptability of Present System (Cont'd.)TRANSCRIPT  
REFERENCE

- Asked by Commission Counsel if he advocated a separate, parallel education system for native children, Mr. Kakfwi said that would depend on what come out of a land settlement. Vol. 156  
23985
- Mr. Overvold said that a native child entering an imposed system whose content, philosophy and methodology is foreign to him experiences a severe break with his culture from which he most often never recovers. Vol. 156  
23953
- The white concept of education is different from the Dene concept which believes education is a process towards personal freedom and self-determination, not a process of control and dehumanization, said Mr. Overvold in chief. 23954

c-5 Action of IBNWT/Métis Association

- In June 1974 in Fort Good Hope a joint general assembly passed a resolution instructing the Territorial government not to pass an education ordinance until the Dene had their say in the matter. This was the first formal opposition to the present system. Vol. 156  
23957
- Following this the IBNWT/Métis Association set up a Tripartite Committee to deal solely with getting the ordinance delayed. A report approved by the Land Claims Committee was presented in 1976 to the federal and territorial governments. It dealt with matters of local control, school board representation, transfer of jurisdiction. The Committee recommended tabling of the proposed ordinance until the land claims issue is resolved, consultation in the language of the Dene to determine accurately and effectively the quality of education, and negotiation of the transfer of control of education to the Dene. Vol. 156  
23958-23960

c-6 School at Rae

- According to Mr. Gillie, about 6 years ago, after dissension regarding its location, the Rae school was turned over to the community and funding provided. Developing a curriculum related to native needs proved very difficult because the only teachers available to the community were white southerners, and many of the aims were unachieved. Visits were made to Rough Rock school and some resemblance to this exists at Rae. Vol. 156  
23973
- Mr. Gillie did not favour the system of submitting programs to the government for approval for funding, as is done at Rough Rock, since it implies a certain selection or restriction by government. 23977

c-7 Parallel Systems

- Mr. Gillie felt that a 2-system education program was not preferable since there were bound to be some persons who had difficulty knowing where they fitted in. Vol. 156  
23978

TRANSCRIPT  
REFERENCE

c-7 Parallel Systems (Cont'd.)

- An integrated system of community education should primarily have a native curriculum and native language of instruction said Mr. Gillie.

c-8 Rough Rock Demonstration School, Arizona

- Miss Yazzi described the melting pot theory or resocialization process of U.S. education systems as unsuccessful in regards to both obliteration of cultures and equalization of opportunities. Vol. 156  
23931
- In 1975 the U.S. Congress passed the Indian Self-Determination and Education Assistance Act which stated in part: 23934

"The prolonged Federal domination of Indian service programmes has served to retard rather than enhance the progress of Indian people and their communities by depriving Indians of the full opportunity to develop leadership skills crucial to the realization of self-government, and has denied to the Indian people an effective voice in the planning and implementation of programmes for the benefit of Indians which are responsive to the true needs of Indian communities.

The Indian people will never surrender their desire to control their relationships both among themselves and with non-Indian governments, organizations and persons."

"The Congress recognizes the obligation of the United States to respond by assuring maximum Indian participation in the direction of educational as well as other federal services more responsive to the needs and desires of those communities.

The Congress declares its commitment through the establishment of a meaningful Indian self-determination policy which will permit an orderly transition from federal domination of programmes for and services to Indians to effective and meaningful participation by the Indian people in the planning, conduct, and administration of those programmes and services."

- Briefly, this Act provides by law that for the first time all native Americans have the legal right (as well as the obligation) to determine the form of education and other social services they feel is right and proper for their children.
- Rough Rock school, begun in 1966 is administered by the Navajo Division of Education but community-controlled.
- Miss Yazzi emphasized that involvement of the community in the school has ramifications far beyond the educational realm. "Community controlled, culturally based local institutions - schools, health services, food and clothing co-ops - and a well organized community that knows the communication and power network of the political and economic structure under which it operates can have a significant input into decisions regarding future developments in their own immediate area." 23936

c-8 Rough Rock Demonstration School, Arizona (Cont'd.) TRANSCRIPT  
REFERENCE

- Schools may be any of the following: bilingual, 23940  
where oral instruction is in 2 languages; bicultural,  
which involves the teaching of history, social  
studies and religious concerns of both cultures;  
and/or bicognitive, wherein the child is taught  
to think and react in both languages and by  
extension in both cultures. Which of the four  
methods are suitable for any one school is decided  
by members of the local community. Rough Rock uses  
all four.
- Language of instruction up to second grade is Vol. 156  
Navajo, said Miss Yazzi, with gradual implementation 23966  
of 2 languages.
- Programs are designed at the community level and 23969  
submitted for approval and funding to the federal  
government.

Policy and Planning  
ACND Division  
September 15, 1976.

MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 157)

Native Land Claims and Mineral Resource Development

July 5, 1976  
Yellowknife, N.W.T.

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TOPIC: Phase IV: The Impact of a Pipeline and Mackenzie  
Corridor Development on the Human Environment  
Native Land Claims and Mineral Resource Development

DATE: July 5, 1976 in Yellowknife

WITNESS: Appearing for the N.W.T. Indian Brotherhood and  
Métis Association:

- Dr. Andrew R. Thompson: Professor of Law,  
University of British Columbia

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 Benefits from Natural Resource Development

- The peoples traditionally resident in a region where natural resources are developed are both politically and legally entitled to the benefits derived from the exploitation of those natural resources according to Dr. Thompson in-chief. In addition he stated that the ability to control those natural resource developments are equally as important as the financial benefits derived from royalties, taxes etc. Vol. 157  
23992
- The financial returns from oil and gas development can provide the funding for social and cultural programs and participation in management can give the native peoples both a voice in the decisions of natural resource developments and training opportunities to enable them sooner to manage their own land rights. Vol. 157  
23999

c-2 Political Control over Natural Resources

- In political terms, control over natural resources has been an issue of colonialism since the earliest times according to Dr. Thompson in-chief. Under the British colonial system, colonial control over natural resources was linked to the evolution of responsible government.
- In Canada, the conflict between the Legislative Assembly first established in 1791 and the British Colonial Government over the control of Crown Lands in Canada went on until 1840. In 1840, the Act of Union gave the ministers responsible to the Assembly the right to administer Crown Lands and control revenues derived therefrom. In 1852 this right was given formal recognition throughout the British colonies. When responsible government Vol. 157  
23993-23994

was granted to Australia, New Zealand and Newfoundland it came in the form of a grant by Great Britain of full rights over the lands in exchange for the colony undertaking the duties and obligations of self-government.

- With Confederation in 1867, each of the four confederating provinces retained ownership and control over their natural resources as did British Columbia when it joined in 1871. P.E.I. was given a grant as a condition to its joining Canada in order that it would be able to buy back its lands from absentee British owners and thereby regain ownership and control over its natural resources. Vol. 157 23995
- In the international context, control over natural resources has been an aspiration of underdeveloped nations almost from the inception of the United Nations. Resolution 1803 of December 14, 1962 states that "the rights of peoples freely to use and exploit their natural wealth and resources is inherent in their sovereignty and is in accordance with the Purposes and Principles of the Charter of the United Nations". Vol. 157 23996
- Dr. Thompson states that this right refers not only to states as technical and legal entities but to peoples as inhabitants of a recognizable geographic region.
- Dr. Thompson cited the problems experienced by Manitoba, Alberta and Saskatchewan when self-government came without ownership and control of natural resources. The control over and management of natural resources is really a key to any kind of evolution of financial independence that would go along ultimately with provincehood according to Dr. Thompson in cross-examination by the Association of Municipalities. Vol. 157 23999-24001 24034-24038

#### c-3 Management of Resources

- In cross-examination by the Mental Health Association Vol. 157 24034-24035  
Dr. Thompson did not feel that the long run economic interests perceived by native organizations would be very much different from those of anybody else and so they will want to manage the exploitation of resources. Dr. Thompson did not think the native organizations were ready to assume the responsibility of resource management but he felt that they could get help, assistance and advice until they learned how to do it themselves.

#### c-4 Land Claims

- The key to a just and lasting settlement of native land claims will be the arrangement made for the management of natural resources according to Dr. Thompson in-chief. As the traditional residents of the area the native peoples enjoy the political claim to control natural resources under international law, under British and Canadian constitutional law and in addition, according to Dr. Thompson in-chief, a legal claim to such control under the doctrine of aboriginal rights. Vol. 157 23999-24001

TRANSCRIPT  
REFERENCE

- A land claim settlement would probably include a mixture of legislative rights whereby the government turns over to native peoples a portion of royalties and taxes received from mineral development as in the Alaskan settlement and ownership rights where no mineral development could take place without prior consent by the native community. This would give the native peoples the right to veto developments in some cases, in others, merely the right to receive a share of resource revenues and in others an opportunity to be a partner in development with an oil or mining company to develop the resources themselves. Vol. 157  
24009
- The Federal Government could adopt interim provisions with respect to administering the lands in the N.W.T. and Yukon which would not prejudice native rights prior to a land settlement according to Dr. Thompson. These include a more careful accounting of revenues derived from resource exploitation in the two territories and a delineation of the land according to categories as in the Nunavut document. Vol. 157  
24040
- Dr. Thompson in-chief gave a brief analysis of land claim settlements achieved in Alaska and Northern Quebec and as proposed for Nunavut as they relate to mineral resources and the proposed settlement of aboriginal land claims in Australia. Vol. 157  
24009-24019

c-5 Resource Revenues

- Under Canadian constitutional history revenues from resources have been transferred to the residents of the community together with the responsibilities of self-government for that community according to Dr. Thompson in cross-examination by the Association of Municipalities. Vol. 157  
24020
- Native people could fit into the present pattern sharing royalties, could retain their rights and still participate without upsetting the past and present management arrangements between government and industry according to Dr. Thompson in cross-examination by COPE. Vol. 157  
24043

c-6 Ownership Interests

- Dr. Thompson in-chief described how ownership interests in mineral resources confer the right to receive revenue from and to exercise management rights over the development of resources and how those rights could be transferred to the native people. Vol. 157  
24002-24008  
24042-24043
- Surface ownership of land without mineral ownership is often of little value according to Dr. Thompson in-chief. Vol. 157  
24016

c-7 Conclusions

- Based on Dr. Thompson's studies of the history of natural resource developments in Canada and elsewhere and of his knowledge of the laws governing the ownership and development of natural resources, he concluded in-chief: Vol. 157  
23992
  - (i) The peoples traditionally resident in a region are those entitled to benefit from the development of natural resources. This entitlement is based on both political and legal rights.

- (ii) The direct and indirect benefits flowing from the ability to control natural resource developments are equally as important as financial benefits derived from royalties, taxes, etc.
- (iii) A settlement of native land claims provides an opportunity to ensure that native peoples in the Northwest Territories who are the traditional residents will be the beneficiaries of natural resource developments in the region through the direct and indirect benefits that will flow from a suitable definition of political and legal rights with respect to natural resources in the terms of settlement.
- (iv) A settlement of native land claims must be achieved prior to the approval of natural resource developments if this opportunity is to be realized.

D. Miscellaneous

Nil.

E. Inquiry Schedule

July

5 - 8 Formal hearings, Yellowknife  
 12 - 15 Formal hearings, Yellowknife  
 16 Fort Providence Community Hearing  
 17 Kakisa Lake Community Hearing  
 19 - 23 Formal hearings, Yellowknife

August

9 - 10 Fort Rae Community Hearing  
 11 - 12 Rae Lakes Community Hearing  
 13 Lac la Martre Community Hearing  
 16 - 20 Formal hearings, Yellowknife  
 21 Colville Lake Community Hearing  
 23 - 27 Formal hearings, Yellowknife  
 25 (PM) Detah Community Hearing

September

7 - 10 Formal hearings, Yellowknife  
 13 - 17 Formal hearings, Yellowknife  
 20 - 24 Formal hearings, Yellowknife

October

4 - 8 Formal hearings Yellowknife



MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 169)

Alternative Economic DevelopmentsJuly 23, 1976  
Yellowknife, N.W.T.TABLE OF CONTENTS

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TOPIC: Alternate Economic Developments

DATE: July 23, 1976 in Yellowknife, N.W.T.

WITNESSES: - Mr. John T'Seleie, Director of Community Development Programs, Indian Brotherhood.  
 - Mr. Robert Ruttan, Biological Consultant  
 - Dr. Sam Stanley, Program Coordinator, Centre for the Study of Man, Smithsonian Institute  
 (appearing for the Indian Brotherhood and Métis Association)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

- From the point of view of environment, renewable resource development is far more desirable than non-renewable resource development according to Mr. John T'Seleie in-chief.

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26324

C. Socio-Economic

c-1 The American Experience

- Dr. Stanley in-chief presented a summary of a study dealing with economic development in seven American tribes. The aim of the study was to develop professionally an Indian point of view on the concept of "economic development", and of other efforts to improve conditions in Indian reservations and communities, and to pinpoint factors contributing to or detracting from the success of such efforts.

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26212-26263

- Factors considered were: ownership of production factors, management of these resources, planning, social organizations that effect labour force participation, scheduling of work hours and motivation for growth, methods of dealing with crisis, drought, floods and legal interpretations bearing on development of resources.

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c-1-1 Study Analysis

- Study identified many commonalities among the seven tribes according to Dr. Stanley in-chief. "All have been conquered militarily or forced by other means to give up their sovereignty to the United States; all have maintained their identity and asserted its uniqueness throughout historical time; all have been forced to cope with strange and startling changes in their traditional relationship to their environment; all have been compelled to establish very foreign systems of political organization in order to survive; all have suffered a severe loss of land with little or no understanding of how it happened or why;

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26262-26263

all have had to deal with faceless bureaucracies that have dipped deeply into their daily lives; all have had to recognize daily that they have little or no control over their own future; all have had an adequate fully-functioning and satisfactory economic system prior to western contacts; all have had to look across the translation line and try to understand what proposals were being put to them; and all have been told to give up their children to be educated in the powerful western way".

#### c-1-2 Conclusions

- Dr. Stanley cited several conclusions which he felt might be of particular interest to federal agencies and other developers. Some of these conclusions are: 1) Indian tribes need time to study, think and talk over the implications of any given economic development program; 2) for any given program suggestion there should be alternatives to select from; 3) development takes money, regardless of the cultural differences; 4) when Indians have considerable latitude in choosing experts to assist them in developing economically their chances of success increase; and 5) economic development is closely related to other forms of development and depends on existing institutions.

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26271-26282

#### c-2 Renewable Resources of the Mackenzie Valley

- Mr. Ruttan in-chief gave a brief description of the various components of the renewable resource base of the Mackenzie Valley region, indicating the potentials for future development, management and economic use, and described the potential conflict between renewable resources and non-renewable resource development. Components discussed were fisheries, forest resources, human resources and renewable resource development.

Vol. 169  
26287-26315

#### c-3 Management Plan for Resource Development

- "It is essential", according to Mr. Ruttan in-chief, "to bring forth new ways to manage the renewable resources in order to maintain and/or increase economic production in a long-term sustained yield basis to enrich the life of the people and to maintain or enhance the social stability of the community. In order to accomplish these ends, an integrated resource use (or management) plan is required for both the community and the region; a plan which incorporates all of the renewable and human resources in the community and region. With this approach conflicts between the use of specific resources and/or between traditional and modern exploitation of resources may be reduced or limited. Such progress management entails a judicious choice of development strategies based on clear sighted appraisal of the long-range, social and economic values of all resources."
- "Native people have long been oriented to utilize the natural flow of resources without damaging the productive capacity of the land. The maintenance of the multiple resource use programs are environmentally possible and it is well within the capabilities of the northern people to develop and sustain them", according to Mr. Ruttan in-chief.

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26288

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26319-26920

TRANSCRIPT  
REFERENCE

- Mr. T'Seleie in response to a question from COPE agreed that each individual community should be able to decide what it wants to do with the resources around it and whether it wants to have a business or keep the resources for themselves.

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26336

#### c-4 Criteria and Guidelines for Economic Development and Use of Renewable Resources

- Mr. Ruttan in-chief suggested the following criteria for the development of a viable renewable resource based economy by and for the Dene people of the Mackenzie River region: 1) that there be a land claims settlement prior to construction of a pipeline which would include the right of the native people to control the land and its renewable resources; the right to a high degree of control over the attraction and transportation of non-renewable resources sufficient to limit environmental and renewable resource damage to levels acceptable to the native people; the right to claim financial support from non-renewable resource development which will be applied directly to the development of the renewable resource economy; the right to administrative control over renewable resource development and use by and for the native people and finally the right to an interim protection period of five to ten years. 2) the development in use of resource would be within a nonpaternalistic administrative framework; 3) the development programs would be community oriented to avoid inappropriate regional policies which cause conflicts between cultural groups and communities or degradation of the resource base of other communities; 4) the planning and implementation would totally involve the native community as administrators, technicians, advisory groups and resource uses in any expanded or new developments should be approved by consensus 5) the planning and implementation of renewable resource development programs will direct itself to the use, development and management of forest fish and wildlife, wildlife resources and perpetuity.

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26315-26317

- Mr. Ruttan suggested a number of guidelines which would allow the development of a viable renewable resource based economy without serious disruption of the cultural values of the Dene people. The first phase is a pre-planning period which would take place in the interim protection period mentioned above. Phase 2 would be a planning and preliminary implementation period including such things as the development of long-range management plans for resources and implementation of training programs. Phase 3 would be the implementation of prioritized resource management and development programs.

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26317-26319

#### c-5 The Value of Renewable Resources

- Mr. Ruttan in-chief felt that the applicant had undervalued or devalued the traditional (renewable) resource base.
- In societies where all income is acquired in the form of cash revenues, evaluating resources by listing the annual cash yield is probably a valid approach according to Mr. Ruttan. However, in the north this form of evaluation is deceptive. Northern people who derive their living wholly or in part from hunting, fishing and trapping receive benefits in several forms. They receive money from the sale of their

Vol. 169  
26286Vol. 169  
26291-26292

products, they exchange or share their labour and products and several items of subsistence are never re-converted to cash or exchanged for example food and raw materials for making clothes, equipment or crafts.

c-6 Benefits from Natural Resources

- The benefits generated from the development of natural resources should remain in the North according to Mr. Ruttan in-chief and the profits should be used to further the long-range, economic and social well-being of those who occupy the land. Vol. 169 26320

c-7 Land Claims

- Dr. Stanley in cross-examination by COPE explained the American experience with land claims. The allotment act of the latter of the 19th century called for individual allotments to members of each Indian tribe, thus breaking up the reservations. In many cases the land left over after allotments were made was made available to homesteaders. As time went on individual allotments were sold to non-Indians resulting in a checkerboard pattern of land ownership in the reservations. This policy was disastrous according to Dr. Stanley because it not only robbed the Indians of a viable land base but it shattered them socially as well. Vol. 169 26326-26328

c-8 Dene Participation in the Money Economy

- Mr. T'Seleie felt that the only way the Dene can collectively join the money economy is through cooperative development which has as its base the renewable resources of the land.

MACKENZIE VALLEY PIPELINE INQUIRY  
SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 187)

International Law

September 17, 1976  
Yellowknife, N.W.T.

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TOPIC: International Law

DATE: September 17, 1976 in Yellowknife, N.W.T.

WITNESS: Dr. Richard Falk, Professor of International Law,  
Princeton University  
(appearing on behalf of the N.W.T. Indian Brotherhood/  
Métis Association)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 General

- Professor Falk in-chief emphasized the relevance of international law to an understanding and solution of the basic issues raised by the objection of the native population, the Dene Indians in particular, to the proposed pipeline. He felt that there was strong support in international law as it has been evolving for the Dene position that: the construction of the pipeline would encroach upon the fundamental values of the Dene culture so as to impair it in a way that would make its very survival questionable and would certainly make it very difficult to sustain the kinds of values that are embodied in the Dene tradition; that the application or provision of traditional developments standards (royalties, job creation, etc.) are completely unacceptable to the ways that the Dene people value land, traditionally and in continuity; and that the Dene people are a nation within the State of Canada and have a moral and legal right to insist upon their view of the proper mode of development for the land in question. The essence of the Dene position is a claim under the doctrine of self-determination of people.

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29074-29076

c-2 The Claim for Self-Determination

- Professor Falk described the evolution of the doctrine of self-determination from an early 20th century moral aspiration resulting from the colonial administration which existed throughout much of the world at that time, to a political claim for self-determination which developed after World War II. Initially, the political movement was concerned with external domination that is, with the colonial system wherein a national movement was trying to achieve control over the total State. Professor Falk felt that

in addition to the external role, there was an internal role that applies in various contexts to dependent people who constitute a nation without being a State. It was in this context that he felt the claims of the Dene Indian had to be understood. The difficulty of extending self-determination to internal claims is that each claim for self-determination has to be examined in relation to the basic values embodied in the doctrine. Self-determination of people has to do with people who have a separate national identity, that they themselves perceive and that is reinforced by such objective factors as a particular part of the land, enduring tradition, and a distinct language and belief structure and myth, and that this separate form of national self-determination does not depend on the claim that the nation seek to become a State. Fundamentally, according to Professor Falk, the internal application of the doctrine of self-determination is a human rights claim which can draw upon a number of legal sources each of which has considerable standing and persuasiveness. Both the Vienne Convention on the Law of Treaties and the International Convention on Civil and Political Rights stated that people have the right of self-determination and by virtue of that right they freely determine their political status and freely pursue their economic, social and cultural development and that they may for their own ends, freely dispose of their natural resources and wealth. According to Professor Falk, there is then a recognition in those authoritative international documents that the kinds of claims the Dene Indians are posing, that is, cultural and economic self-determination, are fundamental to any other protection of human rights. He felt that "there was a powerful case for asserting that contemporary law provides a strong foundation for the kinds of claims that the Dene Indians are posing."



MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 151)

ARCHAEOLOGY  
COUNCIL FOR YUKON INDIANS

YELLOWKNIFE, N.W.T.  
MAY 5, 1976

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TOPIC: "Archaeology in Northern Yukon Territory"

DATE: May 5, 1976, in Yellowknife.

WITNESS: W.N. Irving, Director, Northern Yukon Research Programme,  
University of Toronto.  
For Council for Yukon Indians.

HIGHLIGHTS

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

- nil

B. Environmental

- nil

C. Socio-Economic

c-1 Land Tenure and the Kutchin People at Old Crow

- Dr. Irving related archaeological evidence to permanency on the land over 4,000 to 5,000 square miles in the Old Crow area. Continuous use of corrals over a long period of time, and alternating subsistence bases forcing people to migrate, are evidence of strong attachments to the land. Caribou corrals were found at river crossings for spring and fall migrations, at sites in the British and Richardson Mts. Of particular concern is the vulnerability of archaeological sites in the face of industrial activity. Attempts to control activity in the field with respect to site disturbance are not always successful. Sites of vertebrate fossils are also an area for concern. There are other places which have not yet been sufficiently studied to determine the richness of archaeological/fossil remains, as for example, on the Coastal Plain. In summary, Dr. Irving made the following observations:

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- 1) The Northern Yukon region is rich in archaeological and paleoenvironmental evidence, but it is also vulnerable to disturbance.
- 2) Research completed shows that -
  - a) Man was in the Northern Yukon at least 28,000 years before the present.
  - b) For the last 1,000 years ancestors of the Kutchin people have lived in the Porcupine River drainage.
  - c) Very large territories were needed to support relatively small numbers of people.
  - d) Kutchin society was highly organized for social and subsistence (economic) activities.

c-1 Land Tenure and the Kutchin People at  
Old Crow (Cont'd.)

TRANSCRIPT  
REFERENCE

- e) Kutchin culture extended responsible ownership of important subsistence facilities. Therefore, owners claimed the right to resources of specific localities which they were morally obligated to share with their adherents.

D. Miscellaneous

- The Judge noted the uniqueness of the Northern Yukon for archaeological work due to the unglaciated terrain. Dr. Irving agreed with this view. Dr. Irving also tended to agree with Commission Counsel that significant archaeological discovery would be likely in the Mackenzie Valley/Delta area. Surveying a possible route for archaeologic significance should be conducted long before actual construction begins. Archaeologic sites vary in size from 20 feet in diameter to a strip or corridor several miles in length. The Engigtsciack area is only partially understood in terms of the archaeological site distribution pattern. There is no comparability between salvage operations on the Alaska Highway route and Old Crow. In Alaska on the Alyeska route archaeological remains must be recovered at the expense of the pipeline company. Archaeologists can curtail construction operations if necessary, but it would be better if they (the archaeologists) were employed by government.
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MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 151)

RECOMMENDATIONS RE PIPELINE OWNERSHIP  
COUNCIL FOR YUKON INDIANS

YELLOWKNIFE, N.W.T.  
MAY 5, 1976

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TOPIC: "Recommendations Regarding Ownership of a Proposed Pipeline"

DATE: May 5, 1976 in Yellowknife.

WITNESS: Elijah Smith, Chairman, Council for Yukon Indians.  
For Council for Yukon Indians.

HIGHLIGHTS

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

- nil

B. Environmental

- nil

C. Socio-Economic

c-1 Alternative Ownership Strategies

- Mr. Elijah Smith, in chief, opposed any pipeline in the Mackenzie Valley until a land claims settlement is achieved. Any pipeline that had any unfortunate effects on the people in Old Crow would also be opposed. He perceived six problems with respect to a pipeline. These are: 1) Setting out guidelines along with terms and conditions for construction of a pipeline. This is virtually an impossible task, he said. 2) Northerners feeling that they will have no chance to participate in the construction. 3) Operation of a pipeline. 4) The question of foreign ownership. 5) Effective government control of the multi-nationals. 6) The routing of the pipeline. He recommended the creation of a public company by the successful applicant in which a majority of voting shares are vested with native people. Specifics of routing, staging areas, and environmental assessments would be arrived at cooperatively and would be supported, in fact, because of the Indian interest. Co-operation and support of Indian people is equal to the monetary and technical skill contributed by the applicant. Dividends and profits should also be arranged so that native people get a share.

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c-2 Foreign Ownership vs Local Control

- In much of the cross-examination that followed, Mr. Lueck, legal advisor and consultant to CYI, answered on behalf of Mr. Elijah Smith. In answer to Counsel for Foothills he stated that a foreign-owned company was one that is more than 50 per cent owned by non-Canadians. The native, public owned company (referred to in-chief) would buy expertise regarding construction, routings and other technical matters. Financing could come from the Federal government.

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c-3 Land Claims and Future Impact of a PipelineTRANSCRIPT  
REFERENCE

- Mr. Lueck said that negotiations with the Federal government regarding land claims are secret and cannot be discussed at this Inquiry. If the government insists on building a pipeline without achieving a land claims settlement, there is no indication as to what the CYI will do next. Mr. Lueck indicated that an agreement in principle has not been signed and that the earliest possible date would be July 1, 1976. Mr. Smith said that people are prepared to face the changes that permanent, steady jobs in construction may bring about.

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Policy and Planning  
ACND Division  
August 31, 1976.

MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUMES NOS. 151 AND 152)

SOCIAL IMPACT OF THE ALASKA HIGHWAY  
COUNCIL FOR YUKON INDIANS

YELLOWKNIFE, N.W.T.  
MAY 5, 1976

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c-2 The Work Ethic and Cultural Revival	123
c-3 Land Claims	123

TOPIC: "Social Impact of the Alaska Highway on Yukon Indians"

DATE: May 5, 1976, in Yellowknife.

WITNESSES:

- Catharine McCellan, Prof. of Anthropology, University of Wisconsin, Madison, Wisconsin, U.S.A.
- Julie Cruikshank, National Museum of Canada.
- Johnnie Johns, Land Clams Negotiator for Council for Yukon Indians.
- Joe Jacquot.

For Council for Yukon Indians.

HIGHLIGHTS

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

- nil

B. Environmental

- nil

C. Socio-Economic

c-1 Aspects of Negative Social Impact

- Dr. McCellan and Ms. Cruikshank in chief described impacts from construction phases of the Alaska Highway in the Yukon Territory. Counsel for Foothills in cross-examination, established that Dr. McCellan and Ms. Cruikshank viewed their evidence in chief as "...an historical overview of the construction and consequences of the Alaska Highway and coupled with that a prediction that the same consequences will flow if a pipeline is constructed down the Alaska Highway route". Evidence of negative social impact was often based on interviews with people who had lived in the area during construction phases. Counsel for Foothills disagreed with the conclusion that increased liquor-related offences could be traced to the highway construction. He suggested the increasing prominence of other factors: more police; increased reluctance to not deal with offences; sections of the then prevailing Indian Act which made it an offence for an Indian to drink. In addition, other parallels were rejected by Mr. Hollingworth of Foothills: specifically, the number of construction workers, dislocations of fur-bearing animals, transportation facilities along the highway route as opposed to a pipeline route, controls on worker movements from camps, and manifestations of social and economic troubles. Dr. McCellan, nevertheless, maintained that liquor abuse and other undesirable social consequences which they presented, would take place.
 

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- Both Mr. Johnnie Johns and Mr. Joe Jacquot described construction impacts of the Alaska Highway. Mr. Johns noted specific instances of how Indians were victimized in their relations with soldiers and construction crews vis-à-vis women, property, population shifts, and environmental issues. Mr. Jacquot elaborated further about life-styles in the pre-highway days and then described effects of rapid increases in populations when the decision was announced that the highway would be built. Cessation of steamboat was the death-knell
 

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c-1 Aspects of Negative Social Impact (Cont'd.)TRANSCRIPT  
REFERENCE

for many villages. Non-status Indians were especially affected because they could not depend on D.I.A.N.D. for housing. Environmental consequences surrounding maintenance of an 8" pipeline from Haines to Fairbanks were described.

c-2 The Work Ethic and Cultural Revival

- In cross-examination Counsel for Arctic Gas established that many Indians are seeking wage employment at Carcross and Teslin. Mr. Johns suggested that liquor is a real and major deterrent to steady work habits. Mr. Jacquot attempted to describe the native conception of the work ethic, namely that native people want to have some control over their destiny including both environmental and social aspects. Related to this is the need for a revamping of native culture to meet the needs and problems of the present. This manifests itself in, for example, the revival of potlatches.

Vol. 152  
23254-23257c-3 Land Claims

- Counsel for Arctic Gas requested that Mr. Jacquot come back at some future date to enumerate the kinds of controls his people wish. The Judge was of the opinion that natives should be prepared to indicate the kinds of native organizations which would interact with gas pipeline companies on the question of controls.

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ACND Division  
August 30, 1976.

MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 152)

THE ALASKAN SETTLEMENT  
COUNCIL FOR YUKON INDIANSYELLOWKNIFE, N.W.T.  
MAY 6, 1976

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TOPIC: "The Alaskan Settlement and Native Claims Structure"

DATE: May 6, 1976, in Yellowknife.

WITNESS: Emil Notti, President, Alaska Native Foundation,  
Anchorage, Alaska.  
Council for Yukon Indians.

HIGHLIGHTS

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

- nil

B. Environmental

- nil

C. Socio-Economic

c-1 Review of Provisions in the Alaskan Settlement

- Mr. Notti said in chief that native strategy in Alaska was to stop all transfers of land from the federal government to any third party including the state. Another aim was to stop all development until land claims were resolved. No one was given a favoured status or exempted from having land claims affect their life and business.

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- In 1976, it is estimated that 21,000 will be employed on the Alyeska pipeline. In reply to the Judge, Mr. Notti said that the native proportion of the Alaskan population is 15 per cent or 60,000. The labour force on the pipeline is 10 per cent native and 33 per cent "Alaskan". Alaska natives were able to negotiate fee title to 40 million acres. Twelve regional corporations have been created. A direct appropriation of \$462½ million from the Federal government with \$500 million is to come from a 2 per cent royalty payment on minerals. Based on the Alaskan experience, Mr. Notti is of the opinion that there should be no pipeline until land claims are resolved. There should be stipulations in construction to "soften" the impacts. Every native person who wants work should be guaranteed a job on pipeline or related jobs. Indian entrepreneurs should also be guaranteed opportunities to provide goods and services under contract to the pipeline builder. Provisions should also be made to protect opportunities of those who wish to support themselves and their families with fish and game.

c-2 Native Regional Corporations

- In answer to the Judge's questions about the possible situation had construction proceeded without a land claims settlement, Mr. Notti said that the land freeze imposed by the Secretary of the Interior created support from the oil industry for a land claims settlement. Only then could a right-of-way be obtained. Mr. Notti said he supported the evidence of Ms. Ann Forrest given at the Inquiry June 30, 1976. In response to

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c-2 Native Regional Corporations (Cont'd.)TRANSCRIPT  
REFERENCE

counsel for COPE, he thought that the concept of a native corporate structure on the land is good - notwithstanding problems arising after five years. Confusion exists and modifications might be necessary. Some villages, perhaps 10 per cent, have less than 600 people - the minimum population required to run their own affairs and for viable industries to be profitable under the corporate structure. Land is exempt from state corporate taxes, but not after 1991 if the land is developed. Thus some villages may have to amalgamate with other villages or else sell some of their non-productive land.

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c-3 Cultural and Political Changes

- The Alaskan land claims settlement also influenced a shift to North American/European lifestyles. There is very little provision for those who do not choose the North American/European model. Mr. Notti felt that the outlook for a traditional way of life is bleak. Contrary to what Congress intended the Alaskan settlement has not given effective political control over the land. A series of challenges to bureaucratic interpretations have been successfully litigated, but costs in time and money are very dear.

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c-4 Employment Trends

- One regional corporation sells and hauls gravel to the pipeline site while another provides security services. In answer to Counsel for Foothills, Mr. Notti stated that native people have not been "swept away" in employment with the pipeline, preferring instead to work for their regional corporations where work is steady and the employee, by virtue of being native, feels more ownership rights in the regional corporation.

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D. Miscellaneous

- Counsel for the CYI expressed an opinion that the Inquiry should visit additional communities in the Yukon which were not included in his January 14th submission on the matter of the Inquiry visiting the Yukon. He stated that the order-in-council allows the Commissioner to hear testimony in the Yukon on a proposed Fairbanks route. He also indicated that Northwest Pipeline Corp. has publicly stated that it is considering the Fairbanks route. This proposal was supported by Foothills. The Judge replied that he cannot take the Inquiry to the Yukon unless there is a formal proposal from the oil and gas industry to the DIAND Minister. The Judge decided to reserve judgement on this matter.

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MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 153)

IMPACT OF MINING AT ROSS RIVER, Y.T.  
COUNCIL FOR YUKON INDIANSYELLOWKNIFE, N.W.T.  
MAY 7, 1976

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TOPIC: "Impact of Mining Activity upon Indian People at  
Ross River, Y.T.

DATE: May 7, 1976, in Yellowknife.

WITNESS: Robert Sharp. Formerly principal of the school at  
Ross River, Y.T.  
For Council of Yukon Indians.

HIGHLIGHTS

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

- nil

B. Environmental

- nil

C. Socio-Economic

c-1 Impact of Mining on Ross River

- Ross River was an isolated settlement prior to development of the Anvil Mine. A shift from hunting and gathering to fur trading began about 120 years ago for people in the Ross River/Upper Pelly Region. The Ross River Post was built in 1900. The Canol road, built to service the oil pipeline from Norman Wells, N.W.T. ushered in another change for the Indians in the form of increased dependency upon government assistance and wage employment. Dispersal of people occurred with the closing of the line, and then return flows in the early 60's for possible employment in mining operations. Construction of the Anvil Mine brought about increased culture contact with a typical frontier situation. Another phase following the mine construction and exploration characteristic of the typical frontier situation, was an entrepreneurial phase. This might be considered a culture conquest situation in that whitemen controlled the town of Ross River and imposed white values. Consequently there was a lack of defined social patterns. Services and amenities were established for whites only. Faro (the Anvil Mine Company Town) families began hunting game, thus depriving the Indian of that resource. The opening of a school in Ross River forced more Indians to remain there in order to educate their children. A greater dependency on store-bought goods also began to develop. Although Anvil Mines agreed to hire Indians, the number eventually hired was very small. Native enterprises generally failed due to poor management and breakdown in market opportunities.

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c-2 Employment

- In cross-examination counsel for COPE suggested that various social indicators which Mr. Sharp alluded to were more negative in their manifestation on the Indian population than positive, for example the employment program offered by Anvil Mines wherein only 15 Indians were employed during the entire construction period - some for a period of only two weeks. There are additional problems in defining precisely the meaning of "local resident" in other employment mandates.

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c-3 Community DevelopmentTRANSCRIPT  
REFERENCE

- Many mine workers came to Ross River attracted by liquor and women. The mine managers tried to soothe Indian feelings over fights and social encounters caused by drinking on the part of the miners by buying drinks. Vol. 153  
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- In Ross River, municipal services were often provided without consulting Indians. Sometimes native people don't really want these services because they create a series of related maintenance problems.

D. Miscellaneous

- Because of Mr. Sharp's familiarity with Old Crow, he was questioned at some length about the number of hunters and trappers in the area. In his opinion it is difficult to quantify the number of hunters. It is important to distinguish between "fine-fur", hunters, and full-time vs. part-time hunters. Approximately 14 men in Old Crow trap in the fall for "fine-furs". In the spring, most of the population is out on Old Crow Flats trapping muskrat. The population of Old Crow is about 180. The use of skidoos has extended the range of operations. For this particular year, there may be in the order of 1,000 caribou in the Old Crow vicinity. All men and boys from age 11 or 12 hunt. Closest herds are 50 - 70 miles away. Fishing can also be very substantial in the Old Crow region in the peak of a 4 year salmon cycle. Mr. Sharp agreed with the Judge that people in Old Crow get 50 per cent of their food - and probably more - from hunting, fishing and trapping. Vol. 153  
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ACND Division  
August 30, 1976.

MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NOS. 166 AND 167)

Traditional Economy and Industrial ImpactCOPE's Overview EvidenceJuly 20, 21 and 22, 1976  
Yellowknife, N.W.T.TABLE OF CONTENTS

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TOPIC: Traditional Economy and Industrial Impact  
COPE's Overview Evidence

DATE: July 20, 21 and 22, 1976 in Yellowknife, N.W.T.

WITNESSES: Dr. H. Brody, Associate, Scott Polar Institute  
Dr. G.J. Beakhust, Assistant Professor, Faculty  
of Environmental Studies, York University  
Dr. P. Usher, Consultant to COPE  
(appearing on behalf of COPE)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 The Traditional Economy of the Western Arctic

- There is a fundamental and continuing economic dependence by native people on the traditional resources, according to Dr. Usher in-chief. This is demonstrated by the continuing importance of country food in terms of value of catch, its preference over store bought food and its nutritional value and through the importance of hunting and trapping in terms of full or part-time participation rates and its cash value. Dr. Usher estimated that hunting and trapping produce comprised 50% of native incomes in the western Arctic for 1973-74, far more than estimated by either Gemini North or Dr. Hobart. There is a strong desire on the part of the western Arctic Eskimos to retain their identity and the essence of their way of life and in order to do that the land and the animals must be part of their life, according to Dr. Usher. This sense of identity is not solely an individual matter but a community matter as well. The land is a basis of a way of life which continues to be highly valued even if not always engaged in. Although most Eskimo families find it necessary to assume wage employment, many express the view that if they did not have to work for wages or alternatively if hunting and trapping brought higher wages they would prefer to live off the land.

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c-2 Development Impactc-2-1 Industrial Impact

- Dr. Brody in-chief, discussed the relationship between characteristics of northern industrial advance and the characteristics of small northern communities. Industrial advance in the north is characterized by high wages, capital intensity and dependency upon highly rationalized economies of scale. It is a frontier mode of economy and has distinct ideological components including individualism and encouragement to mobility of labour. On the other hand, small northern communities are characterized by such economic, social and political features as: they are poor and are economically dependent on the larger society for some essential goods; the community is highly integrated, food is shared and family life is well regulated; and the small community is at least indirectly under the aegis of another far more powerful social order of which it is politically a part.

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c-2-2 Money and Sharing

- Dr. Brody discussed the impact of industrial development on traditional earnings and earning equivalents. Statistics on per capita earnings for native people are puzzling because of the difficulty of determining the value of country food. One of the consequences of industrial jobs will likely be a reduction in the value of earnings or earning equivalents from land based and traditional activities and in the longrun the use of land and production of country food will decline. In order to properly measure this impact, Dr. Brody proposed a sliding scale to measure the loss of earnings from traditional activities against participation and industrial development projects. Industrial development includes a loss of earnings as well as gains, according to Dr. Brody.
- The rise of industrial employment creates a possibility for poverty which previously did not exist because, according to Dr. Brody, money is not as readily shared as was hunting produce and the land.

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c-2-3 Identity and Mobility

- Dr. Brody in-chief, felt that high earnings from industrial development can disadvantage the hunter. While labourers have the money to purchase equipment to increase their hunting efficiency, their life-style and inclinations are frequently at odds with realizing this potential. Those who are most inclined to hunt, however, are often least equipped to do so and if the families with the highest incomes are not prepared to share the hunting produce, the hunters' families are the ones with the least meat. Hunting becomes associated with poverty and the hunter loses his status within the society. In this way, the communities' sense of cultural distinctiveness is eroded.

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- Because of the nature of frontier work, mobility of the workforce becomes a condition of its finding work and, according to Dr. Brody, communities that want to avoid the effects of such mobility must accept that they cannot take advantage of the industrial frontier. However, pressures including those from government policies in the north make it difficult to decide against participation. As a result, industrial development tends to create an increasingly mobile workforce and that mobility causes the maximum of disruption to the home community and disorientation to the native worker.

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c-2-4 The Total Intrusion Effect

- Dr. Brody described what he called a total intrusion effect. Due to the size, scope and way in which frontier operations are carried out, they tend to dominate all aspects of the small native communities and often work very much to the detriment of the small community. Changes take place in a short time and there is little or no room for negotiation or consultation. Pressures are exerted on those employed in the traditional activities to move into the new job opportunities. "So it is that persons - or even whole communities - most likely to have cultural and personal links with the land and its resources are most firmly pushed towards participation in industrial activities."

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c-2-5 Development Impact

- Dr. Usher, in-chief, felt that if development proceeds on its currently charted course unabated, the next decade or so will see native northerners effectively separated from their traditional land base, rendered politically a minority in their own territory, and incorporated into the lowest level of the national class structure. All the social costs to both native people and the larger society which have typified such process elsewhere in North America may be expected to follow. Racism, crime, violence, alcohol and drug abuse, economic privation, cultural loss, and the breakdown of the family in community life are all expected to increase as a result of massive development.
- Dr. Usher felt that there was a viable native society there possessing its own territory, its own culture and its own social and economic heritage and that that society is capable of solving its own problems and of planning and implementing its own future.

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c-3 Dependence

- Dr. Brody reviewed the background and history of native peoples' contact with the whiteman. The early whalers, traders, missionaries and policemen did much to influence the way native people think and feel about the whiteman. They have a fear of whites because of the way the whites change the traditional lifestyle and the power and influence which they exert. Northern social groups were changed according to the wishes and ambitions of white outsiders and the Inuit have become dependent upon an uncertain resource and on whites who disperse essential goods. Government officials, teachers and representatives of industrial corporations have continued this dependency process. Education, housing, local government and other development projects were introduced with the same

TRANSCRIPT  
REFERENCE

rationale as the traders and missionaries had introduced their wants and wishes and that is, that the native people would be better off. The native people accepted the programs even if they could not accept the rationale, and they continued to be dominated and independent, and experienced renewed demands on their native cultural identity.

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- Dr. Usher, in-chief, explained the historical forces which have made the native people in the western Arctic dependent. The first phase of dependency started with the whalers and traders. The second phase of incorporation was the post-war period when governments concluded that the traditional way of life was dead and that the only avenue for native people was to adopt the whiteman's way. Whereas the traders had encouraged the native people to live on the land and away from the settlements, it was in the interests of the government for them to move off the land and into the settlements. The education programs cut the children off from the parents and the housing program changed the status of virtually every native person from home-owner to tenant. Dependency also increased with the wide-spread provision of electricity resulting in the large-scale incorporation of electrical appliances most of which needed specialized knowledge and equipment to repair. The net result, according to Dr. Usher is that more and more of the daily life of every native person is now deeply affected by material surroundings not of his own making nor under his own control.

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- The third phase of incorporation began with the discovery of oil at Prudhoe Bay when the corporate eye turned north. Two major consequences of this phase are that for the first time the activity of the whiteman was no longer limited to the towns and settlements and secondly, the native became entirely superfluous to the operation of the modern sector in their own land. With each phase of incorporation, native people, according to Dr. Usher, have found themselves in a progressively worse position. The dependency of native society has deepened.

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c-4 The Traditional Economy and Wage Employment

- The history of employment for native people in the western Arctic has been one of seasonal or short-term or both, according to Dr. Usher in-chief. The effect of this was that native people came off the land to take these jobs but when the jobs disappeared it was difficult for most native people to get really established on the land. Income from wages was rarely put aside to aid in re-establishment and in many cases skills and experiences gained could not subsequently be utilized to much advantage in their home settlements. Jobs are regarded as a temporary resource to be exploited towards specific ends and once they have earned enough for that specific purpose, they leave their jobs. Jobs are not valued for their own sake, but as temporary strategies. Native people, according to Dr. Usher, are by no means convinced that they will have (or want) steady work forever and hence they see the land as insurance against the day when employment may not be available.

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- Dr. Usher believed that there was a need for part-time, seasonal employment or full-time, community based employment both of which are or could be compatible with a basic reliance on the land. The idea that the traditional sector is dead and therefore must be replaced by full-time wage employment away from the home community if need be, and by career type employment which precludes participation in the traditional sector is, according to Dr. Usher, without foundation. He suggested that it was not a matter of employment or hunting it was employment and hunting so long as they were compatible because employment could provide the necessary cash inputs to successful hunting and trapping. Employment also increases, in most instances, the standard of living which would be derived from hunting and trapping alone. He believed that the traditional sector, far from being a dying one, has the capacity to expand its output and that secondary processing based on these resources could develop which would provide employment and income for the western Arctic which is compatible with the continued reliance on the traditional sector. In addition, he felt that a land claims settlement could provide the most appropriate means both financially and institutionally of capitalizing the traditional sector and of stimulating innovative development. This he felt would be a necessary step in achieving a balanced, healthy economy in the western Arctic.

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#### c-5 Employment Policies

- Dr. Usher felt that it was wrong to view the native communities as impoverished, without potential and therefore in need of industrial employment and hence it was wrong to encourage the bulk of the population to shift into industrial employment. He felt that there should be no special inducements for native people to assume employment in the hydrocarbon industry or related construction. He felt instead, that a principle of first refusal would be more appropriate and would ensure opportunities to those native people who really want employment during the construction phase yet not cause undue disruption by pushing those who are not so anxious for this type of employment.

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#### c-6 Frontier Development

- Frontier development, according to Dr. Brody, is said to hold greater opportunities for native people but it presents forms of economic and social life that are directly antagonistic to those that native people have shown they, for the most part, want to have as their own.

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#### c-7 Conclusions and Recommendations

- Dr. Brody suggested that native communities are in danger of being engulfed by the social and economic modes of the extractive industries. However, this process could be abated by restricting the pace of industrial development allowing time for suitable protracted consultation with and deliberation by Inuit and Dene peoples. The nature of local participation in industry could also be controlled. Those who would want to participate should be allowed to, but those who do not want to or those who are anxious about maintaining what they regard as the traditional basis of their communities social and economic practices, must also be able to realize their aims.

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REFERENCE

- Dr. Usher proposed certain minimum conditions which he felt must be met in order to maintain the viability of the traditional sector. First, the land and the animal resources it supports must remain productive. He did not see, however, how the traditional sector could be maintained without some substantial native control, if not ownership over all lands or at least effective input into land use planning. In cross-examination by Commission Counsel, Dr. Usher stated that simple ownership of the land was not sufficient to preserve the viability of the traditional economy. What was needed was control over land use by having input into the land use planning which would include some kind of veto power. The second condition is that the forms of economic development which are devised for the benefit of native people must be compatible with participation in the traditional sector. Third, access to the traditional resources must always be restricted to native people and fourth, he believed that there must be some reassessment of the goals of educational and social policy as they relate to the traditional and wage employment.

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Vol. 128  
26067-26069
- "Despite close attention to aspects of traditional culture, and the more intimate scrutiny of native life ways that natives have always found acceptable, there exists no systematic account of what native adults want by way of an economic or social order", according to Dr. Brody. Dr. Brody carried out a series of non-directional interviews in the communities of the eastern Arctic and concluded that first, Inuit of all ages identified themselves with their lands, and regarded the ongoing use of land as central to their identity. Secondly, a majority of men wanted to spend an important part of their time on the land engaged in hunting, fishing, and trapping. And, thirdly, virtually everyone including the elderly regarded land use in quite modern terms: they considered a good hunter as one who could make use of a snowmobile, high quality rifles and other recent technological developments. Most wanted a way of life that maintained the possibility of extensive hunting, extensive use of local renewable resources and real security.

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25876-25878
- Dr. Brody felt that the pernicious effects of large scale development could be moderated if the kinds of things that the native people now want are taken seriously. In social and economic terms that means that development must include the following items: 1) a mixed economic system; 2) development of non-renewable resource activities must take place at a pace and in ways that allow native input and effective monitoring of how it will affect the local traditional resource base; 3) all stages of development must be slow and participation made real with the advantage of time and caution; 4) there must be a clarification of the land rights issue in order to provide security into the future; 5) investment in the industrial frontier must be paralleled by investment in the native or traditional sector.

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25879-25880

TRANSCRIPT  
REFERENCE

- Development could take three possible courses, according to Dr. Brody. First, development could take place without attention to local culture and renewable resources with resultant maximum disruption and eventual pathological disarray of native life such as happened over the past 40 years. The second possibility is development with careful attention to programs and land that would moderate and restrict impact. And the third alternative is that there be no development at all. Vol. 167  
25881
  
- Dr. Usher identified the five minimum conditions he considered essential for the survival and growth of native society and suggested that proposed developments should conform to them. The five essential requirements are: 1) maintenance of the traditional land base and the viability of the traditional economy; 2) maintenance of a political majority at the regional level; 3) control of key instruments of economic power and decision-making; 4) maintenance of the viability of the small all-native communities; and 5) development of a cashflow to support native self-government and enterprise. This implies control of education and training for these purposes. Vol. 167  
25923
  
- Dr. Usher, in addition, advocated a dual economy but one structurally different from the current one. He felt that the possibilities exist for viable community based economic development and that these should be well established before massive development in the western Arctic takes place. Vol. 167  
25925
  
- Dr. Usher felt that all the terms and conditions made by the Inquiry should seek to maximize native autonomy and self-development and to insulate native society rather than to integrate it in the pipeline and related developments. There must be a land claims settlement of far reaching proportions and there must also be a delay in the start of construction so that the necessary plans and implementation can proceed. He also recommended a slow down in the rate of activity once it starts and that there must be continuing native input and control over development activity. Vol. 167  
25932-25933

c-8 Land Claims

- There must be a land claims settlement before there is a pipeline, according to Dr. Usher. The land claims settlement must be of far greater significance than the model currently contemplated by government. There must be a fundamental re-ordering of the relationship between native northern society and the nation as a whole. Native people must be given the economic and political means to guarantee their own survival. Vol. 167  
25923

c-9 Political Development

- Mr. Beakhust, in-chief, examined the policy of administrative background within which any terms and conditions recommended by the Inquiry would have to be implemented. He examined the history of government in the N.W.T. and the role it might play in the pipeline proposal. He felt that the development of government in the N.W.T. had been a history of delegating difficult administrative tasks to the field while retaining power in the centre - power represented by the control over natural and financial resources in Ottawa and by control over education, social development and local government in Yellowknife. He felt that the

pipeline proposal, now before the Inquiry, will only serve to bind the north even more tightly with the south and leave precious little room for the political development of northerners along lines determined by them and controlled by them. He favoured constitutional order over the current colonial-type order if for no other reason than that there will be no peace until the rights of the colonized to a constitutional order have been recognized. However, political development is to a large extent dependent upon economic advance and economic advance without economic control is no basis for a constitutional order. Political development will follow economic advance only if that advance is controlled by northerners and the only way that will be achieved, he said, is through land settlements.

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Policy and Planning (ACND)  
Division,  
December 1, 1976.



MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUMES NO. 172 &amp; 178)

Northern Life and LeisureAugust 18 and 19, 1976  
Yellowknife, N.W.T.TABLE OF CONTENTS

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TOPIC: Northern Life and Leisure

DATE: August 18 and 19, 1976 in Yellowknife, N.W.T.

WITNESSES: Mr. Douglas Dittrich, Anglican Priest and Former Secretary/Coordinator of Northern Games Association  
Mr. Leo Kylo, Recreation and Planning Consultant,  
and Former Chief of Recreation with the G.N.W.T.  
(appearing on behalf of COPE)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 Development Impact

- Mr. Dittrich in-chief presented his views on the potential social impact of the proposed Mackenzie Valley gas pipeline with special reference to the cultural and recreational aspects of northern society and life. "There is a great concern that the trends witnessed in recent years in the Canadian north will accelerate radically if all proposed developments are allowed to proceed uncontrolled. Drastic steps must be taken to provide realistic means and support to facilitate northern native people preserving those facets of life that they themselves value and to ensure that cultural development and creative recreation will become a fact rather than a theory".

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- Mr. Kylo in-chief felt that the impending industrial development will bring about many imposed changes to northern lifestyles and that a population struck with rapid change and a complete disruption of lifestyles and culture, will in all likelihood, undergo serious personal and social disorientation. Mr. Kylo did not feel that development in the north should be totally rejected or indeterminately delayed but that this improved opportunity for northerners must be in full recognition of the social and cultural situation in the north, and with reasonable and effective involvement of northerners. The development must also be timed to allow the people affected to adjust to a new way of life and a different social condition. This requires a process or program of social adjustment.

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c-2 A Program of Social Adjustment

- A program of social adjustment can ease a population into a new way of life, according to Mr. Kylo in-chief. It is a lengthy and difficult process involving the building of links between the past and the future. It is a process of cultural evolution and cannot be rushed. "An individual cannot be expected to retain personal orientation nor a common societal value if he is completely removed from his cultural bases". The success of a program of social adjustment can be effective in easing society into a new way of life. Two of the best examples of this process relating to the leisure fields and specifically to the north, according to Mr. Kylo, are the Territorial Ski Training Program and the Northern Games.

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26853-26855

c-3 Leisure and Recreational Services

- Although leisure services are often considered as an important means of integrating a growing community and providing for an enjoyable life, the provision of recreational services for white or native sectors of the population holds no simple solution to the problems and dissension that can be expected with industrial development and social change, according to Mr. Kylo in-chief.
- Development in the north brought leisure time to the Arctic, according to Mr. Dittrich but all leisure activities were designed for the southern population. Although money was available to subsidize the infrastructure necessary to maintain the transient community, it was not available to provide positive programs to assist people to develop cultural skills related to their own culture and lifestyles.
- Mr. Kylo felt that the recreation budget of the territorial government was disproportionately utilized by services to the white sector of the population. He estimated that 75% of government funding served the white third of the population.

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26834-26835

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26864

c-4 The Inuvik Example

- In Inuvik everything was imposed, programmed and run by those with no real long-term interests in the land or in those who called it their home, according to Mr. Dittrich. In spite of the fact that there were three races living in Inuvik, it was a town run the same as any other town in southern Canada and that is by and for southerners. "Recreation was geared to and run by those who had just arrived". Money and other resources of government were attuned to the newcomers' concept of a community centre which when completed served only a segment of the population, was a financial albatross for the ratepayers and could be utilized only a portion of each year. He described the struggle to get funding for the proposed native Friendship Centre in Inuvik. This facility would provide and coordinate programs and services to meet the needs of the local people. Governments, according to Mr. Dittrich, are reluctant to give support to a project that will provide positive social and recreational alternatives for the people; a project that will allow permanent residents to accept responsibility and be creative in their old cultural milieu.

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26838-26843

c-5 Arctic Winter Games/The Northern Games

- Mr. Dittrich in-chief stated that the Arctic Games were geared to southern thinking, designed for a large measure of public relations for the administration of the G.N.W.T., was primarily for non-native activities and participation, and ignored all but the younger age groupings. The Northern Games represented a reaction to this kind of unimposed program and became "an example of what could be done to encourage and preserve cultural skills, values, arts and traditions - to preserve them as a positive force for human development in a situation where personal pride and self-esteem must be enhanced if the negative pressures and changes of today's north are to be withstood".

Vol. 172  
26839c-6 Racial Tensions and Recreational Facilities

- Mr. Kylo in-chief felt that it was likely that racial tensions could be significantly increased with the arrival of construction crews, various service personnel and the "fortune seekers". The provision of recreational facilities is often presented as an effective means of reducing the social and racial tensions brought about by resource developments in isolated or northern environments. "The provision of facilities must be carefully balanced by a long-term program of social contact, inter-personal appreciation and cultural understanding. This program must approach and accept each individual on his own terms and in his own time. It cannot be rushed and it is unlikely to succeed if it directs or dictates to those involved. The process must be of an initiating and supporting nature and it must concentrate upon the involvement of the people in a manner in which they have the right of choice."

Vol. 172  
26856-26862c-7 Conclusions and Recommendations

- Mr. Dittrich concluded by stating that massive development brought with it inevitable social upheaval. If development was to be allowed then proper provisions must be made for assisting the local people to adjust and benefit from it. He felt that where people were able to participate in the running of their own affairs, a much healthier community would evolve. "If we work towards more stability in the home and less frustration in the individuals' life, the total community will ultimately benefit". Provisions must be made for funding the operations of native run organized recreational and cultural facilities and programs. Provisions must be made today, while there is still opportunity to prepare for the additional changes and pressures that are around the corner, not tomorrow when life will be that much more complex. Mr. Dittrich asked the Judge to recommend it to the Federal Government and also advise the private sector that they attach some special priority to discharging their moral, if not their legal obligation to support to the fullest extent the cultural and recreational needs of the northern people.

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MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 176)

COPE

Education in the Northwest TerritoriesAugust 24, 1976  
Yellowknife, N.W.T.TABLE OF CONTENTS

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TOPIC: Education in the Northwest Territories

DATE: August 24, 1976 in Yellowknife

WITNESSES: Mr. Dave Button, teacher. Inuvik  
Mr. Paul Robinson, councillor,  
Atlantic Institute of Education, Halifax  
for COPE.

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 The History of Education

- Mr. Robinson in-chief, characterized the history of education in the Northwest Territories as one of "an imposed institution which is irrelevant to the majority of the people, the Dene and the Inuit". Vol. 176 27391
- The history of northern education followed the familiar colonizing format according to Mr. Robinson. Vol. 176 27396  
The facilities, equipment, teachers, curricula, and laws were superimposed over the traditional lifestyles and habits of the native peoples.  
No attempts were made to conduct preliminary research into such basic education questions as the linguistic characteristics of the languages nor was consultation with the Dene and Inuit considered to be of importance.
- In present terms, Mr. Robinson felt that "the education authorities have proceeded to extend their control and reinforce their traditional policies rather than attempting to learn from the failures of the past." Vol. 176 27398

c-2 Community Control

- The basic question with respect to education in the North according to Mr. Button in-chief is "How can community institutions become aware and responsive to local needs?" It is not only the education system with which native people are disenchanted, it is also the array of other social, economic and political institutions that are imposed. Vol. 176 27371
- Both Mr. Button and Mr. Robinson in cross-examination from the Association of Municipalities agreed that they were calling for community involvement and control in all levels of education within the Territories. Vol. 176 27446

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- Prior to the commencement of petroleum and related industrial developments the right of native peoples to determine the quality of life they deserve must be established, according to Mr. Robinson in-chief. An integral aspect of that decision must be the determination of the type of education the Dene and Inuit desire for themselves and their children.

Vol. 176  
27393c-3 Training Programs

- Mr. Button stated that training programs in the North fail because they are not a direct response to the needs of the people and their communities.

Vol. 176  
27370D. Miscellaneous

- Mr. Button in-chief questioned the applicability of the findings of Derek Smith with respect to his studies of the preferences and aspirations of the young of the North. Their awareness and appreciation of the old and the new, of the North and the South, of the work-oriented society and the leisure society which is the foundation for their behaviour today has changed since this survey of 1967 and for this reason he questioned the validity of the conclusions based upon this work reached by Dr. Hobart and Gemini North.

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- Mr. Button concluded his testimony by recommending the following: 1) a five to ten-year freeze be placed on all extensive developments and that the proponents acknowledge and help to pay for the employment, mental health, medical and educational services they will over-tax; 2) native land claims be settled before any development is permitted to go ahead; 3) residency clauses of between five and ten years be established for voting rights in the Northwest Territories; 4) clauses be established for employment; and 5) local control be given over education and training programs.

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27388-27389

MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 182)

Impact of the Proposed Mackenzie Valley Gas Pipeline  
on Housing in Inuvik and Fort SimpsonSeptember 9 and 10, 1976  
Yellowknife, N.W.T.TABLE OF CONTENTS

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TOPIC: The Impact of the Proposed Mackenzie Valley Gas Pipeline on Housing in Inuvik and Fort Simpson

DATE: September 9 and 10, 1976 in Yellowknife, N.W.T.

WITNESS: Ms. Louise Clarke, Consultant  
(appearing for COPE)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 A Social/Historical Perspective of Northern Housing

- Ms. Clarke, in-chief gave a social/historical perspective to the divergents between north and south native and non-native housing. She described some basic differences between the southern and northern housing markets; some of the problems of northern housing including high costs, home ownership problems, financing, the effects of government subsidies, the differing housing standard between native and non-native housing, public housing; and the circumstances whereby the native people have become dependent on the government for their housing.

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28364-38374

c-2 Home Ownership

- Until a generation or so ago according to Ms. Clarke in-chief the north was largely self-reliant in the provision of housing. Almost all housing was owner-occupied and probably was built either by the individuals themselves or by local builders using mostly local materials. This has been changed by the rapid growth of the population due to resource development and expansion of the government sector especially in the larger communities of Fort Simpson and Inuvik. This has resulted in an almost complete dependency on southern labour, materials and financing for housing.
- "Everything is stacked against home ownership in the North", according to Ms. Clarke and so a great many southerners cannot or are not willing to make the sacrifices necessary to become a home owner and make a real self-commitment to the community".

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38369

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REFERENCE

- Ms. Clarke in cross-examination by the N.W.T. Association of Municipalities stated that home ownership is the traditional form of tenure of the native people and it still seems to be their choice. She was therefore in favour of the extension of home ownership to all those who wish it.

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28404

c-3 Pipeline Impact and Housing Policies

- Ms. Clarke outlined some of the impacts the pipeline would have on northern housing and concluded that "the assumptions concerning housing made by Arctic Gas are unfounded and that any action proposed to meet and alleviate the probable impacts would probably be ineffective".
- She proposed that any guidelines adopted for planning housing measures incorporate the following:
  - 1) discrimination with respect to existing housing benefits should be eliminated, 2) the development of local material should be encouraged thereby both providing employment and reducing the need for high cost importation, 3) maximum utilization of local people is also essential and to this end training programs should be expanded and improved where needed, 4) native people must have the opportunity either to develop their own programs or to be deeply involved in the planning of new programs and mechanisms whereby acceptable housing at a price they can afford is available. That is, to reduce their dependence and thereby effectively to improve their economic position. The natives should have the opportunity of establishing their own materials, labour and capital as alternatives to the current supply.

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28374-28394

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28393-28394

c-4 Housing Inflation

- Housing inflation in the north does not affect individuals generally as it does in the south because of the housing benefits system, according to Ms. Clarke in-chief. She suggested the following measures to combat this problem: First, government and industry should be more cost conscious in the provision of staff housing. Alternate structural forms, improved insulation and energy technology should be investigated. If costs were lower and there was a real commitment to programs, home ownership would become more realistic and market more stable. Secondly, industry should provide temporary housing for the influx of casual job seekers. This would reduce pressure on the very limited rental stock in Inuvik and help to induce lower rents in both Inuvik and Fort Simpson. Thirdly, money for land development should be provided if a pipeline is approved. In the north, especially in permafrost areas she said, the availability of serviced land is probably the most crucial aspect of housing supply requiring the most lead time and capital outlay. Fourthly, there must be adequate barge shipping facilities.

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28394-28396

c-5 Control of Long-Term Development

- Ms. Clarke suggested that the simplest and possibly best control of long-term development is through land leasing by the municipalities rather than land sale. This would give the municipalities control over land use and would eliminate a large element of the problem associated with land speculation. Special funds should be allocated to help municipalities meet payments on loans for land banking and servicing through leases rather than land sales.

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28396-28397

Policy and Planning (ACND)  
Division,  
October 4, 1976.

MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 184)

Mental HealthSeptember 14, 1976  
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TOPIC: Mental Health

DATE: September 14, 1976 in Yellowknife, N.W.T.

WITNESSES: Dr. John B. Atcheson, Consultant to Department  
of National Health and Welfare  
Mr. John Patrick Kehoe, Regional Psychologist  
of the Yukon Region, Department of National  
Health and Welfare  
Dr. A.P. Abbot, Psychiatrist (paper read by  
Dr. Atcheson)  
(appearing on behalf of COPE and ITC)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 Definition of Mental Health

- Dr. Abbot felt that any definition of mental health was bound to be culturally determined and therefore it was pointless to define mental health. Instead he focussed on what was not mental health. "In the face of the alcohol abuse which has reached academic proportions with all the associated ills, family disintegration, violent death, injuries, criminal activity, only an ostrich with its head buried firmly in the sand would deny that development in the North has lead to anything but a deterioration in the mental health of the native people".

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28427

- Mental health according to Mr. Kehoe in-chief refers to the "process whereby we acquire our reason for being through roles we assume such as husband, wife, provider, hunter, community leader, seamstress, trapper, healer and so on." Mental health is further encouraged by being positively evaluated by significant others in ones ability to perform his or her acquired role. A third condition for mental health is that the individual be actively and successfully engaged in performing the acquired role. "If the opportunity to enact the roles we acquire in life is removed or denied and if positive confirming evaluations are withheld, we become good candidates for so called mental illness".

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28448-28451

TRANSCRIPT  
REFERENCE

- Dr. Atcheson in-chief defined mental health as the capacity of the individual to adapt to his environment so that he may satisfy his basic needs and be productive and creative; thus fulfilling his individual potential in such a way that he feels relatively independent, happy and secure within the boundaries of his physical capacity and the limits of the social structure in which he exists and with which he is in dynamic harmony.

Vol. 184  
28472c-2 Psychological Implications of Development

- Native people have been placed in a position of inferiority and dependency on the newcomers from the south, according to Dr. Abbot in-chief. "All decision-making processes have been assumed by private industry or government departments. The family is no longer a viable entity because it has no structure and the native male has perhaps lost more than any other group of people in the country". He has lost his role as hunter and provider of his family, he has no job, he no longer has control over his future and has lost respect of his wife, his children and his own self-respect.

Vol. 184  
28433c-3 Northern Psychiatry

- "We have to recognize the limitations of southern white North American psychiatry in helping native people", according to Dr. Abbot in-chief. In the same way the psychiatry throughout the world differs in its approach in different cultures psychiatry in the North must also take into account the culture and social conditions of the people.
- In cross-examination by the Mental Health Association of the N.W.T., Mr. Atcheson did not feel that the staff in southern psychiatric facilities were well prepared to handle the problems of the native people. He favoured a system where mentally ill persons were treated in a culturally familiar surrounding rather than being admitted to southern hospitals for treatment.

Vol. 184  
28436-28437Vol. 184  
28509-28510c-4 Effects of Developments

- Technological development in the North must occur in such a way that the native people can retain their links with the land and with their old way of life in the same way as the industrialized European cultures retain links with their agricultural heritage, according to Dr. Abbot in-chief.
- Dr. Abbot in-chief described the roles of the native people in past developments in the Yukon. The greatest impact of the native people in the Yukon was the building of the Alaska Highway and the network of roads which have fanned out from that highway. The towns which have sprung up along the highway are not communities but dual communities with the white and the native end of town. Such developments can also be found in the N.W.T. with the most tragic of all being Inuvik.

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28430-28432

TRANSCRIPT  
REFERENCE

- Dr. Atcheson felt that the rapid imposition of the southern culture on the citizens of the northern communities has lead to cultural erosion. There is much evidence of an increasing incidence of breakdown in family living and traditional value system and, as a consequence, within the broad definition of mental health, inability to adjust comfortably to the new social system has been the result. In dealing with these problems, traditional methods of delivering health services, social services, educational resources and legal processes have been used with little input from the native people and with little thought as to whether traditional patterns of service from the south have only appropriate application in the North.
- Mr. Kehoe in-chief felt that it was necessary to take into account the whole culture when any particular change is introduced and unless that is done, various types of socially and personally destructive changes may be set in motion.

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c-5 Native Participation in Development

- "A major feature of development of northern communities has been the lack of control by the indigenous people", according to Dr. Abbot in-chief. Health, education, social development and other government departments are basically southern, white Canadian models transposed to the Canadian Arctic. As one moves from the field level of operation and closer to the decision-making authority, input from the native people peeters out he said. What is left is a situation where all decisions affecting the native people are being decided by a group of white professionals from the south who control all policy making decisions and budgets. The native people are no longer content to be left out of the decision-making process and are becoming increasingly militant and vocal.
- "We have imposed on the native Canadian people a political and public health system, a religion and a concept of laws not entirely based on the reality of their circumstances", according to Dr. Atcheson in-chief. Although many other ethnic groups have faced the problem of cultural clash and assimilation into the southern culture they have as a rule done this on their own election and under conditions that in no way resemble the problems that the native Canadian people have faced, as the values of the southern culture have been imposed upon them.
- Mr. Kehoe in-chief suggested that locally initiated development can make for improved mental health because it allows for meaningful involvement. "Local control of development allows for an expression of communal values and encourages novel, culturally determined solutions to the social problems accompanying development".

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28466-28467

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REFERENCE

- Mr. Kehoe in cross-examination by Commission Counsel agreed that the solutions to mental health problems in the North are long-term ones. The solutions depend on supporting the ability of the native people to make their own social and political adjustments to planned and orderly development projects. Vol. 184  
28528-28529

c-6 Land Claims

- In Dr. Atcheson's opinion, without an appropriate and completely honest appraisal of native peoples' land claims, anything that attempts to identify technique which would allow the transition from the hunting, settlement economy to that of the wage earning economy will be doomed to immense failure. Vol. 184  
28477
- Dr. Atcheson recommended that for an equitable sharing of resources an equitable formula must be struck to deal with the land rights of the native Canadian people. Vol. 184  
28480

c-7 Recommendations for Future Developments

- "Development of the Canadian North is inevitable and probably, in the long run, will be beneficial to the people of the North. But only if certain provisions are made and changes are made in the present system," according to Dr. Abbot in-chief. He recommended the following: 1) Development must proceed in a planned and organized fashion and not one of panic development. Planning pre-supposes full consultation of the native people with assumption of decision-making authority by the native people. 2) Land claims and planned development must be dealt with simultaneously. 3) In conjunction with land claims settlement and development of the North, a goal must be established to develop positions of authority filled by native people. The ultimate goal must be full authority in areas of social welfare, health, education, community development, etc. to be wielded by the native people. 4) The native people must recognize that once they have assumed full authority of policy and budget they will also assume full responsibility. 5) Increasing efforts must be directed toward training northern people to assume the roles of the developer, and an effort made to circumvent the possibility of a massive influx of southern Canadians. 6) Emphasis must be placed on long-term development in the North. What will the economy of the North be like 50 years from now? He suggested that perhaps greater efforts be placed on investigating an economy based on non-depleting resources. Vol. 184  
28437-28439
- Dr. Atcheson recommended that a permanent commission similar to the Law Reform Commission be established to examine and design new types of systems that would be appropriate in effecting the evolution of the southern and northern cultures to achieve a new and meaningful Canadian culture. The Commission should be composed of native Canadian people with some social scientists and economists who are well experienced in the northern communities. The Commission would receive input from many sources and would be the competent instrument to recommend change in education, social development and economic policies that would allow for the integration of the North without its destruction. Vol. 184  
28479-28480



MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 185)

Health Care and Health Care Delivery

September 15, 1976  
Yellowknife, N.W.T.

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TOPIC: Health Care and Health Care Delivery

DATE: September 15, 1976 in Yellowknife, N.W.T.

WITNESSES: Dr. J.A. Hildes, Co-Director, Northern Medical Unit and Professor, Department of Medicine, University of Manitoba  
 Dr. T. Mayhall, Assistant Professor, Faculty of Dentistry, University of Toronto  
 Dr. O. Schaefer, Director, Northern Medical Research Unit, Charles Cammell Hospital.  
 Dr. E. Cass, Ophthalmologist, Fort Smith  
 Gaile Noble, Consultant to COPE  
 (appearing on behalf of COPE)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 The Current Situation in the N.W.T.

- Disease and social problems in the N.W.T. are directly related to rapidly changing living conditions, diet, housing, ie. the way people live, according to Ms. Noble in-chief. She cited a study by Mr. George Wenzel in which he noted that the residents of the Delta perceived the present health delivery services to be inadequate and unresponsive to their needs. In addition, Ms. Noble felt that the current medical services provided to the native people gave no consideration to the factors of language, culture or education of the native people. Vol. 185  
28631-28634
- According to Dr. Hildes, the present status of health in the N.W.T. appears to be in a transitional stage because of urbanization and other changes in life styles such as diet, physical activity and cultural values. He felt that, in spite of the development of a health care system and the increasing involvement of nurses and physicians, social and other changes are imposing serious strains on health and health care delivery. Vol. 185  
28681

c-2 Nutritive Value of Country Food

- Dr. Schaefer, in-chief, presented evidence of the superior nutritive value of traditional native food resources such as meat and fish (from land and sea) compared to that of expensive imported meats, and the higher vitamin content of formerly extensively used native plants and berries compared to imported garden produce. Dr. Schaefer emphasized that native fish and meat contain Vol. 185  
28558

about twice as much protein as most imported meat products.

### c-3 Impacts of Changing Trends in Nutrient Consumption

- The protein intake in the urbanized settlements today has been reduced while at the same time the consumption of sugar in all forms has increased from 18% of total carbohydrates eaten in 1959 to well over 50%, according to Dr. Schaefer in-chief. These changing dietary habits have resulted in a higher incidence in tooth decay and infected gums; lower haemoglobin levels; and changes in metabolic responses. Vol. 185  
28561-28577
- According to studies reviewed by Dr. Mayhall, periodontal diseases did not seem to be evident among either the Inuit or Indians until the demise of the hunting-gathering-trapping subsistence pattern. As contact with the European culture increased so did the rate of oral disease in previously isolated Indians and Inuit. Dr. Mayhall stated that the rate of tooth decay for older people was lower than for children and adolescents, and hypothesized that the reason for the increase in the young was a change in the oral environment. This change was consistent with a change of diet to a more caries-prone one while the older people probably remained on essentially the same diet throughout their lives. Dr. Mayhall found that children living in more remote areas, where in some places there were no commercial outlets for food, tended to have better teeth. Vol. 185  
28594-28608
- Short-sightedness was not a disease common to older Indians or Eskimos unless they had white blood in them, according to Dr. Cass in-chief. However, an increasing number of younger Indians and Eskimos are short-sighted. Dr. Cass attributed this to a change in the native diet which occurred when children went to residential schools or when they moved into the settlements. Their parents traditionally existed on a high protein, low carbohydrate, low starch, fat and salt diet and did not get myopia. The children in the schools or settlements tended to have a high starch, carbohydrate, fat and salt diet. Vol. 185  
28696-28699
- The association between an increased incidence of myopia and changes in traditional diet has been documented all over the world, not just in the Canadian North, according to Dr. Cass. "Evidence from all over the world shows that a diet such as the natives use is far healthier than the average white diet, especially in the North where we (whites) have to rely on store food". Vol. 185  
29700
- Dr. Cass presented statistics on the incidence of myopia in the North. Although there was evidence of myopia among Métis and white people, Indians and Eskimos in the North did not have myopia prior to the 1930's. The incidence of myopia was low in small, isolated settlements and increased only after the children were sent to residential schools. Statistics show that among white and Métis born before the 1940's there was a fairly high incidence of myopia, higher among whites than Métis. Among the Indian and Eskimos the percentage was practically nil. The rate of movement of people from isolated settlements to aculturated ones, entailing, as it does, greater acceptance of the whiteman's diet is in direct ratio to the rate of increase and percentage of cases of myopia. Vol. 185  
28699-28707

- Also associated with the changing diet has been increased incidence of cataracts, diabetes and increased blood pressure, caused, among other things, changes in the retina, (dilated swellings of the arteries in the eyes) which results in bleeding and severe impairment of sight and often blindness, according to Dr. Cass. Vol. 185  
28709

#### c-4 Pipeline Impact on Health and Health Care

- Dr. Schaefer in-chief stated that the greatest impact to the native people which would result from a massive influx of men and money into the North, would be the disruption of nutritional balances and patterns, social disintegration and loss in independence and identity, and consequent anxiety reactions, mental illness and alcohol related diseases, accidents, homicides and suicide. Vol. 185  
28581-28586
- Dr. Hildes felt that as a result of the accelerated change anticipated with pipeline construction there would be a worsening of the mental health status of people in communities bearing the brunt of the influx of southern workers and money, and as part of this, there would be increased hostility, alcoholism, V.D. and trauma. He did not expect a decrease in the conditions directly or indirectly effected by crowding, poor housing, unsafe water supply and inadequate waste disposal because he did not feel that these expensive features of urbanization would keep pace with the influx of new people during the pipeline construction phase. Vol. 185  
28666-28668
- Dr. Cass felt that with the advent of large construction camps there was going to be a rapid increase in diseases and conditions prejudicial to the good eyesight of the natives and probably the white workers. She felt there would be an increase in ocular diseases associated with changing diets. As men go to work on pipeline construction their wives in the settlements would have to rely more and more on store foods and the result to the mothers' and the children's eyes would be detrimental. A lack of communication and understanding, loneliness, fear and jealousy would lead to excessive drinking and result in increased crimes, violence and its frequent consequence, loss of sight. In addition she felt that increased drinking would lead to an increase in alcohol-related diseases. Vol. 185  
28712-28726
- The influx of people, equipment and supplies associated with pipeline construction, together with opportunities for employment for the Inuit and Indians, will create an increased demand for cariogenic foods. Because of this, according to Dr. Mayhall in-chief, "it does not seem frivolous at all to predict levels of disease equal to or exceeding those in Alaska for native residents". He felt that in some areas these levels may already have been reached. Vol. 185  
28619-28620

#### c-5 Alcohol and Mental Health

- Ms. Noble in-chief felt that mental health and alcohol abuse were two inter-related areas that could be expected to receive considerable impacts during pipeline construction, but that the present facilities, personnel and programs for treatment of these problems were inadequate. In addition, she felt that programs and facilities developed to deal with southern Vol. 185  
28709

problems did not work for native northerners. What was needed was the involvement of native people and the formulation and management of facilities and training of personnel to deal with these problems locally. This she said must happen before the construction of the pipeline.

- Abuses of alcohol might result from additional incomes according to Dr. Cass in-chief, but this was not necessarily true all the time. Patterns of alcohol use differ all over the North and vary from year to year in different settlements. Years ago, according to Dr. Cass, there was ritual drinking among Indians, for example at the feasting after a caribou kill. Natives indulged in periodic binges but were not chronic alcoholics. Today, however, many Indians drink because they have lost their identity - they do not fit anywhere. They feel inferior in the presence of the whiteman and can only really let themselves go and express their feelings and dislikes with the courage they get from alcohol. This leads to excesses and loss of jobs and thus a pattern starts. Sometimes they pull themselves together, sometimes they do not. A lack of communication and a man's feelings that "he is being treated like a child by the whites" also lead to this condition. Vol. 185  
28714-28716
- Dr. Cass stated that alcohol abuse by native women could lead to an increase in congenital diseases and to injury to children at birth and also to consanguinity. Vol. 185  
28719

#### c-6 Conclusions and Recommendations

- In order to meet the increasing and changing demands of the future, including pipeline construction, Dr. Hildes recommended the following: 1) that an integrated plan of the projected needs be available sufficiently in advance to recruit or train staff and provide appropriate physical facilities; 2) the establishment of local and regional advisory boards with a timetable to allow for their evolution to an operational role with control of budgets, personnel, policies and programs with certain legal or desirable guidelines; 3) the recruitment of native people into the health care system at all levels including professional; 4) the establishment of an integration of health and social services; 5) a program to ensure adequate housing, water supply, sewage disposal systems for native people as well as for immigrants in all communities. Vol. 185  
28678-28681
- Dr. Mayhall concluded that, as a consequence of increased contact with the south, a heavy demand will be created for items which may rapidly change the life styles of isolated groups. Although some changes will be good, many will not. One example is that, with an increased accessibility to cash, more cariogenic foods will be purchased and consumed with a corresponding increase in oral pathology rates and demand for dental care. He felt that the present dental services were overwhelmed due to lack of funds and personnel, and that the demands for dental services will increase with pipeline construction. He felt that planning should begin for a large influx of people. Plans should consider long-term as well as immediate objectives for the prevention and treatment of oral diseases. Dr. Mayhall suggested that Vol. 185  
28620-28624

planning of dental health care should actively involve the Inuit and Indians of the area, and that a small amount of royalties accruing from resource developments should be set aside for a trust fund to ensure future oral health care. This trust fund could be used in conjunction with government expenditures to provide a high level of care. The first priority for oral health is prevention, not treatment, he said. The prevention of oral disease must combine education of children and adults in the area, training of periodontal personnel, dentists and associated workers, adequate facilities and proper dietary counselling.

- Ms. Noble cited some of Mr. Wenzel's recommendations for better health care including: a recommendation that agencies most involved with health care institute education for their personnel on the cultures of the area they serve; a recommendation that National Health and Welfare begin wider public health programming in the form of home visiting outside existing settlement facilities; a recommendation that National Health and Welfare should begin a regular interpreter service within the hospitals as well as in the nursing stations, which would involve training of the native people and which could serve an important social service in aiding native people to deal with the hospital environment; and, recommendations that the public health clinic in Inuvik begin operations as a full time facility, that wider programs for alcohol abuse be developed by the agencies responsible for health care, and that a mental health program be expanded from the existing framework and utilize trained native personnel. Vol. 185 28635-28640

#### c-7 Consultation

- Ms. Noble in-chief felt that until 1975 there had been little or no involvement of native people in health and social services in the Inuvik zone except in menial employment although there had been much lip service given to the need for regular consultation and involvement of people in these services. Vol. 185 28627
- Dr. Cass felt that in order to give good medical treatment, it is essential to be able to communicate with ones patients, not only in sign language but in the patients' own language. Vol. 185 28688

#### c-8 Dental Morphology of Indians and Inuit

- Aboriginal people of Canada are more prone to oral diseases than the general southern population according to Dr. Mayhall in-chief. One of the reasons for this he said is related to the different shape of native teeth, they are more prone to food entrapment. Because of their special dental morphology they require more intensive treatment and preventive measures. Vol. 185 28613-28619

#### c-9 Division of Responsibilities

- Ms. Noble in-chief felt that the division of responsibilities to provide social and health services between a number of different government departments results in confusion over which department has responsibility for what, with the result that the patient suffers. Vol. 185 28627

TRANSCRIPT  
REFERENCEc-10 The Alaska Experience

- Dr. Schaefer outlined several problems relating to health care in Alaska as a result of pipeline construction. These problems include: 1) over-taxing of both medical facilities and personnel; 2) sharp increases in the incidence of V.D., alcohol-related accidents and violence and an increased suicide rate; and 3) depletion of hospital and other medical services of technical and ancillary personnel due to higher pipeline wages.  
Vol. 185  
28586-28588
- According to Ms. Noble in-chief, two specific problem areas associated with pipeline impact in Alaska are alcohol and drug abuse, and mental health. There have been significant increases in the number of accidents and violence-related injuries and death, as well as suicides, many alcohol related. Other impacts due to a large influx of a non-native population include an increased load on the Barrow Hospital, increased incidence of V.D., an aggravation of health and mental health problems because of unsanitary living conditions involving poor and overcrowded housing, and inadequate water supply, and garbage and sewage disposal.  
Vol. 185  
28361

Policy and Planning (ACND)  
Division,  
October 28, 1976.

MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 186)

Alternate Development PossibilitiesSeptember 16, 1976  
Yellowknife, N.W.T.TABLE OF CONTENTS

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TOPIC: Alternative Development Possibilities

DATE: September 16, 1976 in Yellowknife, N.W.T.

WITNESSES: Mr. Donald Snowdon, Independent Consultant  
Mr. Ralph Currie, Resource Development Officer,  
Maritime Region, Department of Indian Affairs and  
Northern Development  
(appearing on behalf of COPE and ITC)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 The Importance of Non-Renewable Resource  
Development

- Mr. Snowdon in-chief felt that some of those who had governed Canada have frequently and vastly under-rated the productive capacity of the hinterland. Oil, gas and mineral developments are not the only resources worthy of exploitation in the N.W.T. Renewable resource development may be far less glamorous but it can be far longer lasting, according to Mr. Snowdon. He felt that it is not possible to make accurate statements about what the Mackenzie Valley might be like if we were committed to alternate resource development, because nobody in power has ever seen to it that the necessary fundamental research was done, has nurtured a sense of dedication to that type of development or created the appropriate technology, passed laws that did not contain and inhibit development of this kind in absurd ways or made heavy, short-term investments for long-term benefits to this commitment. Success of alternate resource development is dependent not only on a resource base but also on the perceived need to develop and the energy and innovative skills which are thrust into such development.

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28884-28886

- "Those who contend that the old way of life is dying in the North and that renewable resource base and the harvest are minimal are only looking at the North as it is today", according to Mr. Currie in-chief. "If scientists and biologists analyzed the land, fresh water and marine habitat, and worked with the people in programs where their knowledge is up to developmental use, in a very few years

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28908-28909

startling improvements could be made in the value of the renewable resources of the environment".

#### c-2 Renewable Resource Potential

- Mr. Currie suggested that strategically placed winter food caches could prevent animal starvation; fertilization and management of the land could increase the sustainable animal yield by increasing the food on which they live. Native wild fruits and edible plants can be cultivated to produce crops of rich, nutritious foods in the short, intense growing season. Mr. Currie felt that the potential is in the sea; the fish population that is known to exist could be developed, spawned and reared to market size. However, no attempt has been made to work out such programs, he said. "The true value of the Mackenzie and the Beaufort Sea in fact, of the whole environment of the western Arctic and the land, will not be known until it is developed".

Vol. 186  
28909-28910
- Mr. Currie in-chief described the renewable resource development of the Bras d'Or Lake of Cape Breton and the formulation of the Bras d'Or Acquacultural Institute. Here, under the initiative of the Micmac Indians, the lake was successfully resurrected and oyster farming got under way in a lake which for years had been written off as unimportant. In addition to the oyster farming, trout hatcheries are being constructed and plans are underway for the construction of an Acquaculture Institute on the lake edge. Mr. Currie felt that this was the type of development which would best suit the native people.

Vol. 186  
28912-28919
- Mr. Currie suggested that renewable resource development would provide the native people with jobs on their own land, on their own terms and for all time instead of as "joe-boys" to construction projects and unemployed when the job is done. Mr. Currie felt that it was better to build northern towns on the strength and vitality of renewable resource development than on oil and gas development.

Vol. 186  
28924
- "The Indians and Eskimos know the real value of their renewable resources better than any one", according to Mr. Currie in-chief. "We may be overlooking the potential as all but the Micmacs overlooked the potential of the Bras d'Or Lake area".

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28923

#### c-3 Reasons for Underdevelopment of Renewable Resources

- "One of the fundamental causes of significant underdevelopment of renewable resources is our lack of commitment to innovation and experiment," according to Mr. Snowden in-chief. "We have failed to develop an interest in the creation of appropriate technology, have failed to develop adequate market research and have discouraged inventors and innovators whose creative genius could have been usefully applied in the North. We have been overwhelmed by bigness at the expense of rational, local and regional development projects, at a pace and in the direction dictated by local priorities and local perceptions. We have used and persist in using a wildly inaccurate system of cost/benefit analysis for local projects work, and consistently hide or minimize the real cost to taxpayers of industrial subsidization.

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28886-28887

c-4 Observation on Northern Non-Renewable Resource Development

- Mr. Snowden in-chief made the following observations on alternate resource development in the North. He felt that there was potential for much greater harvest of local resources by local people; that there was unnecessary importation of southern consumer goods into the North which could be produced in the North or for which local substitutes could be developed; that resources could be processed at local levels for local area consumption as well as for export; that alternate approaches to fishery, forestry, agricultural and fur production had not been adequately tested and developed nor had there been any major effort extended in the development of appropriate technology; and governments had failed to provide an adequate climate for renewable resource base project development, had been erratic in the degree of enthusiasm with which they had espoused such type of development, had designated an unacceptably low level of priority to renewable resource research, had applied industrial world criteria to third world level projects in the North, had no overall approach to northern renewable resource development, and had failed to provide adequate encouragement to local people to seek alternate renewable resource development opportunities.

Vol. 186  
28887-28888c-5 A Different Development Strategy

- Mr. Snowden in-chief outlined a different development strategy, one which he felt optimized human and renewable resource use at a pace consistent with the desires and abilities of the local people. A different approach he felt would lead to the removal of such inhibiting development characteristics as: 1) development as frequently conceived by external developers is creating dependency rather than self-reliance. 2) there are few opportunities for local communities freely to initiate development. 3) economic development is perceived by most external developers as the only kind of development. 4) local development programs are often required to make use of inappropriate technology and systems. 5) indicators of success for local projects had not yet been developed. 6) local knowledge and expertise are rarely brought into full use. 7) Local knowledge and expertise are almost never allowed to play a significant part in the whole developmental process. 8) the scale of development is often inappropriate to the area. 9) the pace of development is often disruptive and destructive because people are often left unaware of developmental implications. 10) there is never a total approach to area resource development. 11) expenditures of public and private monies usually must show results in a timeframe consistent with that of financing institutions. Such practices are meaningless in relation to success of local

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28888-28890

development. Mr. Snowden went on to say that it was imperative to consider developmental alternatives to government control of the pace and dimension of alternative resource use.

c-6 Land Claims

- The settlement of a land claim would provide a critical source of funding and allow control of alternate development to be vested in people of the Mackenzie Valley, making use of whatever skills needed to be hired in addition to their own, according to Mr. Snowden in-chief.

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28901

c-7 Benefits from Renewable Resource Development

- Mr. Snowden in cross-examination by the Association of Municipalities felt that the local people have the first right to resource ownership and control, and that the benefits from harvesting resources should go to the local people.

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28939

Policy and Planning (ACND)  
Division,  
October 15, 1976.

MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 187)

Alcohol

September 17, 1976  
Yellowknife, N.W.T.

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TOPIC: Alcohol

DATE: September 17, 1976 in Yellowknife, N.W.T.

WITNESSES: Mr. Sam Raddi, President of the Committee for  
Originals Peoples' Entitlement  
Mr. Donald Bruce, Chief of the Alcohol and Drug  
Programs, Government of the N.W.T.  
(appearing on behalf of COPE)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 Alcohol Consumption Trends

- The per capita consumption of alcohol in the N.W.T. Vol. 187  
is the second highest in Canada and is approximately 29000  
1 gallon per year of absolute alcohol over the national  
rate, according to Mr. Bruce in-chief. The  
trend towards increased per capita consumption  
as evidenced between 1968 and 1973 has apparently  
abated. In fact, the decrease which began in  
1974 is continuing, according to Mr. Bruce, particularly  
in the smaller communities. The reasons for the  
decrease are inconclusive he said, but he attributed  
it to the changing perspective of original northern  
peoples - the rise of political expression, increased  
communication and a willingness to examine the  
lifestyles in the face of real and threatened  
incursions, and the fact that the concept of  
prevention of alcohol problems in the N.W.T. has  
taken a more active role in the overall.

c-2 Problems Associated with High Consumption Levels

- Mr. Bruce in-chief stated that there was an  
increasing body of evidence that there was a high  
relationship between the incidence of crime and  
drink. Preliminary statistics for the year 1974  
showed that in the N.W.T. crimes of violence  
were 7.97 times the national rate, property crimes  
1.93 times the national rate and other crimes  
were 3.6 times the national rate. In addition,  
the consumption of alcohol is associated with  
all the major health problems due to the significant  
corollation, of drinkers who statistically managed  
to comprise a very high portion of clientele  
in all major disease categories. Mr. Bruce felt  
that alcohol was the most destructive contributor  
to the breakdown of family relationships, and  
ultimately family disruption.

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29002-29009

c-3 Prevention of Problems

- "Historically the perspective of prevention surrounding the misuse of alcohol has taken two forms; that of legislative sanction and remedial activities", according to Mr. Bruce in-chief. He felt that the vast majority of preventative methods over the last 20 years have failed in North American society and in the legislative context the pendulum has swung from severe restrictions to the minimum of sanctions. He felt that "the need for adequate preventative legislation is counter-balanced not only by the normal checks and balances, but also by the various personal, institutional and political biases that are in existence. Success in preventing serious problems from continuing with the sale of alcohol is often overlooked in favour of the need for increased revenue, influence, status or, just plain growth." Mr. Bruce went on to say that the government policy of equalized alcohol pricing throughout the N.W.T. was one of the contributing factors to the misuse of alcohol due to its effect of providing alcohol at lower costs in relation to basic food stuffs.

Vol. 187  
29010-29012c-4 Recommendations

- Mr. Bruce in-chief suggested a number of protective actions to offset the negative effects of a pipeline. He recommended that land claims be resolved; that the Dene and Inuit determine their own philosophy and policy with respect to alcohol; that the major contractors and unions act responsibly and with good faith in their handling of behavioural problems throughout their operations and that the Government of the N.W.T. re-examine their philosophy with respect to the availability of alcohol with the Dene and Inuit and come to some agreement with them as to policy. "It is not sufficient to assume that alcohol misuse problems will resolve themselves concurrent with development or with the resolution of land claims", according to Mr. Bruce in-chief.
- Mr. Raddi recommended that treatment facilities, for people with alcohol problems in the Delta, be closer to their homes rather than in Edmonton. In cross-examination from the Association of Municipalities he stated that alcohol treatment or educative programs should be decided on a community-by-community basis. He felt that alcohol education should be taught in the schools and that the curriculum should be enforced.
- Mr. Bruce in cross-examination from the Association of Municipalities stated that lifestyle advertising should be eliminated. The basic reason is that the native people in the N.W.T. already have a considerable number of role models, both good, bad and in-between and that they really should not be subjected to this kind of advertising.

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29014-29016Vol. 187  
28990-29031Vol. 187  
29021

c-5 Enforcement of Liquor Regulations

- In cross-examination from the Association of Municipalities, Mr. Raddi stated that liquor sales in the Inuvik area were too open and that liquor was too readily available. Many minors who get into trouble because of alcohol get the alcohol from bootleggers. He felt that the government should be more concerned about who is buying the alcohol. As a possible solution Mr. Raddi recommended restrictions on the sales of alcohol, a quota system and stiffer penalties for bootleggers. Vol. 187  
29018
- Mr. Bruce in response to questions from the Association of Municipalities felt that there was an enforcement problem in the N.W.T. similar to the problems of southern jurisdictions. There was a gap between the police and the liquor boards with respect to enforcing liquor ordinances and regulations. In many of the communities today, there is an enforcement problem with respect to bootleggers and consumption in licenced premises. He stated that these kinds of issues have to be planned for as far as development is concerned in relation to the major contractors, various native peoples in the communities concerned and that they should be planned for now. Vol. 187  
29023-29026

c-6 Miscellaneous

- Messrs. Raddi and Bruce were opposed to prohibitions throughout the territories but felt that there should be a local option with respect to prohibition. Vol. 187  
29063
- Mr. Raddi thought that liquor should be allowed in construction camps. There should be a bar in the camps but people should not be allowed to take liquor out of the camp. Vol. 187  
29022



MACKENZIE VALLEY PIPELINE INQUIRY  
SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUMES NO. 188 & 189a)

COPE's Alaska Panel

September 21 and 22, 1976  
Yellowknife, N.W.T.

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TOPIC: COPE's Alaska Panel

DATE: September 21 and 22, 1976 in Yellowknife, N.W.T.

WITNESSES: Miss Grace Lincoln, Project Director, Alaskan Native Special Alcoholism Program  
 Mr. Robert Worl, Director, North Slope Borough Health Department  
 Mrs. Rosita Worl, Resident of the North Slope Borough, and Ph.D. Candidate, Harvard University  
 Mr. Billy Neakok, Special Assistant to the Mayor of the North Slope Borough  
 Mr. Jon Buchholdt, Assistant to the Mayor of the North Slope Borough  
 Mr. Eben Hobson, Mayor of the North Slope Borough (did not appear but paper read in by Mr. Neakok)  
 (appearing on behalf of COPE)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 Aboriginal Cultures

- Mrs. Worl felt that although the aboriginal cultures of the Alaska natives have undergone considerable change they are still fundamentally different from the encompassing society. Traditional cultures of Alaska have maintained the core of their aboriginal value system. Mrs. Worl estimated that the most significant factor was the native peoples' continuing relationship to their land and their dependence upon its natural resources. Vol. 188  
29175-29177

c-2 Outside Impact on the North Slope Inupiat

- The North Slope Inupiat have been under intensive outside pressure for a long period of time according to Mr. Worl in-chief. First by the Russians then by Europeans, Asians and Americans. The impact of this has led to changes in the traditional economy, their community, family life, nutritional shifts and their psychological environment. The results have been that the Inuit have adopted the changing technological innovations introduced from outside but have not changed their views with respect to the land. "While the outward manifestations of the Inupiat have changed markedly, his values are inextricably tied to his land base", according to Mr. Worl. Vol. 189a  
29468-29486

c-3 The Dual Economy

- "While not all natives are equally dependent upon fishing, whaling, trapping and other gathering activities, subsistence economies are generally characteristics of Alaskan native villages", according to Mrs. Worl in-chief. She stated that a number of native societies have established economies which entail an inter-dependency between a cash and subsistence economy. Mrs. Worl suggested that the standard economic models including the average disposable income analysis and the employment or unemployment statistics do not allow for a good understanding of this economic system nor its affects on the organizations of the communities in rural Alaska.

Vol. 188  
29177-29178c-4 Land Claims in Alaska

- Early development of Alaska occurred without a substantive non-native population and without a significant loss of native land according to Mrs. Worl in-chief. Aboriginal title had been recognized but no move toward extinguishment occurred until the natives themselves began protesting as the whiteman began to encroach on their hunting and fishing grounds. Mrs. Worl described the history behind the land claims settlement in Alaska. Native rights were reaffirmed but no move was taken towards a settlement of land claims. With statehood, however, Alaska began selecting its state lands; the most valuable federal lands which most often encompassed areas traditionally used and occupied by natives. In 1966 a federal land freeze halted the selection of land. Legal efforts to settle land claims failed and it was not until the discovery of oil that there was renewed pressure to settle land claims. The land claims had to be settled so that the development and transportation of oil could proceed. Mrs. Worl felt that if it had not been for the oil there would have been no land claims settlement.
- The native people rarely benefited from or were consulted about the disposition of use of their traditional lands according to Mr. Neakok in-chief. The site of Navel Petroleum Reserve No. 4, an area of 23,400,000 acres, was selected from lands traditionally used by the Alaska natives without their consent. They then had to fight for 12 years to get permission to look into gas mains running through the Barrow gas fields. With statehood the State of Alaska chose 109,000,000 acres of federal land much of which was used by the native people; again without consultation. Some of those lands were then leased to oil corporations for exploration with considerable environmental damage resulting. Again the native people were not consulted. It was because of these events he said that the native land claim movements got started.
- The primary concern of Alaska natives according to Mrs. Worl, was that land claims be settled prior to the right-of-way permit for the pipeline being granted. They did not give serious consideration to the socio-economic impact of pipeline construction. After the settlement,

Vol. 188  
29180-29185Vol. 188  
29192-29201

TRANSCRIPT  
REFERENCE

- the native people lost their bargaining position and could not ensure a liability payment in the event of damage to subsistence resources by pipeline construction from an oil spill, was included as a condition of granting a permit. Vol. 188  
29186-29189
- Mr. Neakok in-chief stated that the native land claims were an integral part of oil and gas development in Alaska and that it was also true for Canada and Greenland. The Prudhoe Bay oil discoveries created very little interest in land claims until the land freeze was imposed, whereupon the oil industries' interests in settling land claims rose. Vol. 188  
29199
  - Mr. Hobson felt that there should not be any further oil and gas development in the N.W.T. until a just and equitable settlement of the Inupiat Northwest Territorial land claims had been secured. In addition, he felt that a settlement of the Canadian native land claims was part and parcel of Arctic oil and gas development in Canada, and that the oil industry should join Canada's native peoples to secure a fair settlement as soon as possible. Vol. 188  
29233
  - Mrs. Worl's sole recommendation to the Inquiry was that the land claims be settled as a first priority of action in Canada. Vol. 188  
29191
  - In response to questions from Commission Counsel, Mrs. Worl and Messrs. Neakok and Buchholdt stated that if they were able to start land claims over again they would want the pipeline construction delayed at least until the social and economic impacts could be identified and measures taken to ameliorate them. They would want to develop measures to ensure native hire on the pipeline and ways to make sure that native enterprises participated in pipeline developments. In addition, they suggested that land claims local government package should have included control over gravel and water resources and protection of aboriginal use and occupancy of the Arctic Continental Shelf. Vol. 189a  
29563-29571
- c-5 Local Government
- The land claims movement in Alaska was more than a real estate transaction according to Mr. Neakok. The development of local government was an important part of the land claims movement. The Inupiat people had always been democratic with strong traditions in local government. It had been taken away from them and the North Slope Borough was an example of the partial restoration of local government to the circumpolar Inupiat community. Vol. 188  
29203-29208
  - Local government is not an inevitable result of Arctic oil and gas developments according to Mr. Neakok. The history of the creation of the North Slope Borough was one of conflict with the oil companies for its existence, in the first place and later with the state for taxing authority. Vol. 188  
29210-29215

TRANSCRIPT  
REFERENCE

- The Inupiat of the North Slope Borough have a measure of local government control over oil and gas development in the Beaufort Sea on the Alaska side of the border but the Inupiat of Canada are unable to influence development in Canada because they have not yet developed local government in the N.W.T. Vol. 188  
29218
- "Home rule is the key to an equitable land claims settlement anywhere in the Arctic", according to Mr. Hobson's evidence. Vol. 188  
29237

c-6 Preparation for Local Control

- The Borough has been designated by the regional corporation to handle government and social services and to ensure that these remain in the control of and responds to the people, according to Mr. Worl in-chief. However, he said, "there is a good deal to be done in preparing for total local control". Inuits must be trained to assume control over the management and delivery of health and social services. Access to most existing programs and social service, education, training, and employment assistance etc. is difficult. Either long distances must be travelled or ways found to extend the programs to local areas. Inupiat are now making use of greater access to government and are beginning to provide some of their own services. New community voluntary associations have developed to provide services to specific groups. Vol. 189a  
29507-29509

c-7 Medical and Social Services

- Present medical and dental services are greatly overtaxed according to Mr. Worl in-chief. One fourteen-bed hospital in Barrow services 8 villages within the 88,000 square miles of the North Slope Borough as well as the increasing number of transients. The increased pressure on the health care facilities and staff is not currently accompanied by any significant increase in funds or staff to see that services needed are provided. The North Slope Borough formed a health service in which residents of each village are trained to do basic diagnosis, minor treatment and referral and health programs in the villages. This model is important because it is native-controlled and it encourages input from the areas it serves. It is an important step in the return to native control of not only the land but also the services and programs which impact upon their lives. Vol. 189a  
29504-29507
- Mr. Worl felt that health and mental health cannot be effected from outside the community except at a maintenance level. Any real gains will accrue by returning control to the people most effected; control of programs, funds, government and land. Vol. 189a  
29512

c-8 Alcoholism in Alaska

- Alcoholism is a major problem that has affected all aspects of rural Alaska life according to Miss Lincoln in-chief. It is a problem of immense proportions for the Alaska native population. Although all regions are affected the negative affects are most noticeable in areas where the pipeline is being constructed. Crime under the influence of alcohol, according to Miss Lincoln is much more prevalent among the native than the caucasian population. She felt that if the alcohol problem was alleviated, the crime rate among natives would go down drastically. Vol. 188  
29273-29292

TRANSCRIPT  
REFERENCE

- Urbanized approaches and urbanized conceptions of alcoholism are not necessarily applicable to the rural Alaskan villages, according to Miss Lincoln. Village design, administered and staffed programs have the greatest chance of success.

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29244

c-9 Pipeline Impact

- Mr. Neakok in-chief stated that the greatest economic impact of pipeline construction was inflation. He felt that the people of Canada must prepare themselves for undergoing a steep increase in their costs of living as a direct result of oil and gas development.

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29216-29217

- There is very little baseline data on which to determine the impact of the current economic development on the quality of life, according to Mr. Worl. Statistics tell us very little about the effect of the northern pipeline because there are no good baseline studies to compare anything. Critical problem areas outlined by Mr. Worl are: the family unit; overcrowding of family dwellings; available cash is used for alcohol and drugs further worsening social relationships; language usage the fact that native languages are being lost; and disruption to family and community caused by violence, death and suicide.

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29485-29495

c-10 Gas to Communities

- "One positive impact that the Inupiat should enjoy from Arctic oil and gas development is access to natural gas to heat and power their villages", according to Mr. Neakok in-chief. Mr. Hobson felt that wherever feasible Arctic communities should be connected to gas as part of the cost of oil and gas development throughout the entire Arctic. The cost of the gas should be sufficient to amortize the cost of the village distribution system while the cost of piping gas to the villages should be borne by the operators as part of their Arctic investment and overload.

Vol. 188  
29231

c-11 Beaufort Sea

- Mr. Hobson, according to Mr. Neakok in-chief, is opposed to the drilling and development of the Beaufort Sea because he felt that there was a serious technological gap between what the oil industry wants to do and what they can now do safely and responsibly in the Beaufort Sea.
- Mr. Hobson felt that there must be close international cooperation between industry and government in all Arctic shelf operations. Safe and responsible Arctic shelf resource development must be governed by a single set of rules established by international agreements. The special problem of the Arctic necessitates the development of an international set of Arctic policies if the Inupiat are to be able to develop trust and confidence in the oil industry's ability to conduct Arctic shelf operations safely and responsibly.

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29221

Vol. 188  
29225

- There are many areas for profitable, joint Canada-U.S. cooperation according to Mr. Hobson's evidence. He hoped that Canada and the United States could unify behind common policies, even mutual marketing and regulatory agreements in order to derive the greatest benefits from the sale of oil and gas.

Vol. 188  
29228D. Miscellaneousd-1 Circumpolar Inupiat Assembly

- Mr. Neakok in-chief stated that the Inupiat have undertaken to create a Circumpolar Inupiat Assembly in order to work with the multi-national oil industry to develop a single set of rules for the industry to follow for safe and responsible circumpolar gas and oil development. The conference is scheduled for the week of June 13, 1977.

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29218

MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NOS. 173 &amp; 177)

Introduction and Population Projections Overview  
of Impact Costs  
Northern Energy Supply: Natural Gas

August 19, 1976  
Yellowknife, N.W.T.

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TOPIC: Introduction and Population Projections Overview  
of Impact Costs  
Northern Energy Supply: Natural Gas

DATE: August 19, 1976 in Yellowknife, N.W.T.

WITNESSES: Mr. John M. Lainsbury, Chief Planner, Stanley  
Associates Engineering Ltd.  
Frank J. Dusel, Vice-President, Stanley Associates  
Engineering Ltd.  
R.N. Dalby, consultant  
Don Wood, President, Research Institute of  
North America (for the NWT Association of  
Municipalities).

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil.

B. Environmental

Nil

C. Socio-Economic

c-1 Population Projections

- Mr. John Lainsbury in-chief stated that the "Population Projections of the Mackenzie Valley Community Impact Study" were conservative in that they are intended simply to determine the maximum level of funding that may be required by the municipalities to accommodate potential growth. Population projections for Inuvik, Fort Simpson and Hay River are for normal and accelerated growth (due to pipeline activities) between 1975 and 1994.

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26980

c-2 Impact Costs

- Mr. Dusel in-chief presented order of magnitude estimates of impact costs for providing physical and social services to accommodate accelerated growth for Inuvik, Fort Simpson and Hay River. The costs of municipal services required due to pipeline growth include the costs of waterworks, sewage, roads, drainage and solid wastes disposal, education facilities, hospital facilities and recreational facilities.

Vol. 173  
26982-26983

(a) Inuvik

- The financial impact analysis shows that the present worth of accelerated costs to Inuvik for the physical and social services necessary between 1975 and 1983 for a project population of 10,000 is in the order of 14.8 million 1975 dollars out of which the municipal corporation will be responsible for administering 10.9 million dollars.

Vol. 173  
27000

(b) Village of Fort Simpson

- The financial impact of pipeline related activities upon the village of Fort Simpson between 1975 and 1983 for a projected population around 3,000 persons has been estimated to be in the order of 1.6 million dollars (1975 present-worth) of which the municipal corporation would be responsible for administering .8 million dollars. Vol. 173  
27013

(c) Hay River

- The financial impact analysis shows that the cost to Hay River for the period of 1973 to 1989 for a projected population of 10,000 people will be in the order of 6 million 1975 dollars of which the municipal corporation will be responsible for 4.5 million, with the Territorial Government being responsible for the remainder. Vol. 173  
27026
- Mr. Dusel summarized the impact costs as follows: Vol. 174  
"There will be a financial impact on both the community and the Territorial Government due to accelerated growth related to pipeline development and the Territorial Government will have to provide for the payment of its share of these impact costs". He stated that this funding must be provided to the communities with no constraints on their decision-making with respect to the facilities to be constructed. The communities are the best judges of the appropriateness of the physical and social infrastructure to be provided in with respect to the economics thereof.

c-3 Northern Energy Supplyc-3-1 Northern Energy Policy

- Mr. Wood in-chief stated that the "Federal Government must develop clear policies for the provision of all forms of energy North of 60 before any positive action will take place." Vol. 177  
27492

c-3-2 Benefits from Natural Gas

- "The availability of economic energy supplies is an important element in providing the potential for a better life for residents of northern Canada", according to Mr. Lainsbury in-chief. The Association of Municipalities did not, however, believe in providing natural gas services to uneconomic communities. Vol. 173  
27032
- The gas could allow for the creation of secondary industry which in turn could provide employment opportunities for the youth and help to level off the boom/bust cycle resulting from seasonal employment, according to Mr. Wood in-chief. Vol. 177  
27487
- Natural gas availability might lead to a rationalization of the present energy roles to reflect a competitive environment. Those responsible for electrical generation should be investigating not only programs of conversion to natural gas from diesel generators but also the implications of less expensive electrical power. Vol. 177  
27488

c-3-3 Local Gas Distribution

- "If the community has the potential and the desire to run its own natural gas distribution system certain organizational changes may be necessary early in the development of the pipeline". "Local councils and Territorial Government officials should be preparing for the question of local gas distribution", stated Mr. Wood in-chief. Vol. 177  
27489
- In response to a question from Commission Counsel, Mr. Wood agreed that in general terms the best place to assure effective control and distribution is, insofar as possible, at the local level. Vol. 177  
27503
- Mr. Dalby in-chief stressed that an important aspect of northern energy development was the participation of the communities and the people who will be affected by the development. To this end he strongly recommended to the Commission that assuming the pipeline will be constructed, funds be made available to enable local participation in the decision-making process on matters concerning natural gas service for Mackenzie Valley communities. Vol. 173  
27043

c-3-4 Operation and Regulation of Local Gas Distribution

- In order to simplify the operational aspects of the gas supply, it seems practical that the main carrier exercise responsibility for all spur lines to the town gate and at that point the community council could direct distribution to users. Both of these areas of responsibility should be subject to the NWT Public Utilities Board to ensure that the general public interest is met. Vol. 177  
27491
- In cross-examination from Foothills, Mr. Wood stated that the reason for the inclusion of the NWT Public Utilities Board was to keep the control as local as possible as opposed to it being federally regulated as is presently the case with electrical power. Vol. 177  
29495

c-3-5 Economics of Natural Gas Service

- Mr. Dalby said "that to gain a better understanding of natural gas utility economics, one must look beyond the first year of operation. The relative economics of natural gas service for a northern community, once the system is installed will improve with time". Vol. 175  
27040

MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 177)

Fire Service Prevention and Suppression Activities  
in the Northwest Territories

Law Enforcement in N.W.T. Municipalities

The Royal Canadian Mounted Police and Law  
Enforcement in the Northwest Territories

August 25, 1976  
Yellowknife, N.W.T.

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TOPIC: Fire Service Prevention and Suppression Activities  
in the Northwest Territories

Law Enforcement in N.W.T. Municipalities

The Royal Canadian Mounted Police and Law  
Enforcement in the Northwest Territories

DATE: August 25, 1976 in Yellowknife

WITNESSES: Mr. B. Galloway, President, NWT Fire Chiefs and  
Fire Fighters Association  
Mr. Paul H. Schauerte, Chief Constable for the  
City of Yellowknife  
Mr. Brian Purdy, lawyer, for the NWT Association  
of Municipalities.

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 Fire Services in the N.W.T.

- "With the exception of the situation in a few of the larger municipal centres, fire fighters are not well trained are not well organized and are not well equipped for fighting fires in their community", according to Mr. Galloway in-chief. The average per capita fire loss in the Northwest Territories between 1971 and 1975 was \$60.77, approximately six times the Canadian average. Vol. 177 27513
- Mr. Galloway in-chief stated that deficiencies in the Fire Service in the Northwest Territories will only be compounded unless a program to correct them is started at once. Some solutions to the problems outlined by Mr. Galloway include: additional qualified staff and an increased budget to enable increased contact between the Fire Marshall's Office and the local assistants upgrading of the Fire Prevention Ordinance; more instructional literature in the native languages; and the launching of an effective fire prevention program and campaign in all native languages as well as in English, utilizing such existing outlets as schools, adult education, radio and television. Vol. 177 27520
- "These suggestions will take time to implement and a start must be taken as soon as possible if fire departments are to be in any way prepared for the rapid development which may arise," said Mr. Galloway in-chief. Vol. 177 27520

c-2 Law Enforcement

- The municipalities have, under the Municipal Ordinance, the legislative authority to enact and enforce by-laws relating to a multitude of subject areas. Because the enforcement of these by-laws has been excluded from the current R.C.M.P. contract, the responsibility for enforcement of these by-laws rests with the municipalities. Vol. 177  
27521
- As the municipalities grow a corresponding increase in the requirement to both enact and enforce by-laws can be expected according to Mr. Schauerte in-chief. Problems arising to the municipalities include increasing costs of both by-law enforcement and the recruiting of qualified personnel; the need for supervision and control of a growing police force; and the question of whether to extend by-law enforcement officers authority to include the enforcement of the Criminal Code. Vol. 177  
27521-27529
- "There is definitely a need for immediate involvement by the municipalities in the planning of police services at all levels especially in view of projected population increases with pipeline development", according to Mr. Schauerte. He concluded "that with the rapid population growth in the Northwest Territories there will be an immediate need for more enforcement personnel both R.C.M.P. and by-law enforcement". Vol. 177  
27530

c-3 The R.C.M.P.

- Mr. Purdy in-chief pointed out a number of features causing concern among the citizens of the N.W.T. regarding the current and proposed policing arrangements whereby the R.C.M.P. provides policing duties in the N.W.T. The main concern was the lack of consultation between either the N.W.T. Government or the R.C.M.P. with municipal governments, settlement or hamlet councils with respect to any factor relating to the policing of their communities. This has resulted in, among other things, municipal by-laws going unenforced until the municipality could afford its own enforcement personnel. Vol. 177  
27531
- The proposed agreement makes it quite clear that there is no local control or input to policing of communities by the R.C.M.P. Control of the R.C.M.P. resides with the Attorney General of Canada, leading to a more distant type of control of R.C.M.P. activities in the Territories than exists in the provinces. In addition, a number of new clauses contemplate the withdrawal of R.C.M.P. services from areas in which they have traditionally been performed. Since many of these duties are essential, personnel will have to be provided by the municipalities or the NWT Government. Vol. 177  
27533
- "Since many of the communities along the pipeline route have minimal economic resources, it can be expected that the pipeline will cause severe local policing problems. They do not have the financial resources nor the experience and background to establish their own enforcement bodies," according to Mr. Purdy in-chief. Vol. 177  
27535

- Mr. Purdy concluded by recommending the following:
- (1) that the Northwest Territories Association of Municipalities as well as the non-tax base communities be consulted and invited to participate in negotiations for the contract for R.C.M.P. services in the Northwest Territories;
  - (2) that local Northwest Territories residents should be trained in by-law enforcement by the R.C.M.P. assuming that the R.C.M.P. remained adamant about the refusal to enforce municipal by-laws.
  - (3) that funding be provided through either the R.C.M.P., the Federal Government or the Northwest Territories Government to support the establishment and maintenance of municipal by-law enforcement staff throughout the N.W.T.,
  - (4) that the R.C.M.P. be encouraged to undertake in the Northwest Territories the expanded role which they had historically assumed and that the proposed policing contract for the N.W.T. be substantially modified to recognize that the N.W.T. is not the same as the provinces for whom the contract was designed.

MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 189)

Territorial Fiscal ArrangementsSeptember 22, 1976  
Yellowknife, N.W.T.TABLE OF CONTENTS

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TOPIC: Territorial Fiscal Arrangements

DATE: September 22, 1976 in Yellowknife, N.W.T.

WITNESSES: -Mr. William Lafferty, Member of the N.W.T.  
Legislative Assembly for Mackenzie-Liard, Chairman,  
Finance Committee  
-Mr. Dave Nickerson, Member of the N.W.T.  
Legislative Assembly for Yellowknife-North  
(appearing for the N.W.T. Association of Municipalities)

HIGHLIGHTS:

TRANSCRIPT  
REFLRENC

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 Basis for Developing a Budget

- Mr. Lafferty in-chief described the component parts of the annual budget for the Government of the N.W.T. and how it was developed. He described the changing financial relationships between the Federal and Territorial governments from the time when the Territorial government was treated as a federal government department to the present position where financial discussions take place on a "government-to-government" basis. The Commissioner with the support of the Minister of Indian and Northern Affairs negotiate the size of the budget with the Ministers of the Treasury Board. Once the size of the budget is agreed to the Executive Committee of the N.W.T. has the responsibility of dividing the total budget between the various needs, subject to federal-territorial agreements dealing with such things as hospitals, social assistance, manpower training and similar matters.

Vol. 189  
29264-29268

c-2 Pipeline Taxation

- Mr. Nickerson in-chief agreed with the concept that "a significant portion of revenues generated through development of northern resources should be retained in the N.W.T. thereby moving the territories towards a position of physical and political autonomy"; and "in order that all persons in the territories can benefit from such revenues, not just those living in the communities in close proximity to the proposed right-of-way, much of the revenues should accrue to the Consolidated Revenue Fund of the Government of the N.W.T."

Vol. 189  
29269

c-2-1 Property Taxes

- Mr. Nickerson recommended that the practice of taxing a pipeline within municipal boundaries be followed but he was opposed to unduly extending municipal boundaries for long distances along the pipeline right-of-way for the sole reason of allowing them to tax the pipeline. He felt that judicious allocation of funds on the part of the territorial government could help to overcome the problem of some communities benefiting from pipeline taxation while other communities located a few miles from the pipeline would not directly receive monies from municipal pipeline taxation. Vol. 189  
29270-29271
  
- Mr. Lafferty stated that he saw the development of hydrocarbon and other natural resources in the North as the key to a much greater degree of physical self-sufficiency for the N.W.T. Vol. 189  
29272
  
- "Pipeline assessment rates are ridiculously low and bear no relation to actual fair value", according to Mr. Lafferty in-chief. If the present assessment rates for a pipeline only, of \$9.71 per foot for a 42" pipeline and a \$10.65 per foot for a 48" pipeline were used, revenues accruing to the N.W.T. Government for a 700 mile pipeline would be \$897,204 and \$984,060 respectively. The rates, he said, must be made to approach fair actual values and "the revenue to the N.W.T. resulting from the operation of a pipeline system such as that proposed by Arctic Gas should on no account be less than \$50,000,000 per annum and that, should the territories be unable to extract that amount by way of property taxation, it would lead us to press vigorously for some other form of taxation such as throughput taxes etc.", according to Mr. Nickerson in-chief. Vol. 189  
29272-29274

c-2-2 Income Taxes

- The Territorial Government hopes to replace the Federal Government surtax on Territorial residents with a temporary income tax according to Mr. Nickerson in-chief. The proposed Territorial income tax would be at the same level as the existing Federal surtax so that corporations and individuals would not have to pay extra taxes. Vol. 189  
29274-29275

c-2-3 Royalties

- Mr. Nickerson recognized that the Federal Government has jurisdiction over royalties arising from natural resources in the N.W.T. until such time as the N.W.T. received full provincial status when it would then assume full control over its natural resources. Until that time, Mr. Nickerson proposed an interim arrangement whereby the Federal Government would continue to set up and collect royalties and turn over a mutually agreed upon percentage of those revenues to the Territorial Government without strings attached. Vol. 189  
29275

- Mr. Nickerson cautioned those who advocated excessively high royalty rates and he went on to say that the total tax take imposed by various taxing authorities should not exceed a certain maximum otherwise the whole proposal will become uneconomic and uncompetitive and this state of affairs would be to no ones advantage.

Vol. 189  
29276c-2-4 Throughput Taxes

- Mr. Nickerson felt that there might be certain advantages to a throughput tax; it might be used as a replacement for, or in conjunction with, property taxation and would have the advantage from the pipeline operation's point of view of decreasing taxes payable when the pipeline is not operating at full capacity. If the government took a portion of the throughput tax in kind, it could be used for electricity generation or other purposes designed to keep the cost of living in the North compatible with that of the south according to Mr. Lafferty in-chief.

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29277-29278

MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 189)

Municipal FinancingSeptember 22, 1976  
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TOPIC: Municipal Financing

DATE: September 22, 1976 in Yellowknife, N.W.T.

WITNESSES: Mr. M.S. Smith, Head, Assessment and Taxation,  
Department of Local Government, Government of  
the Northwest Territories  
Mr. N. MacLeod, Chief, Municipal Affairs Division,  
Government of the Northwest Territories  
Mr. Jim Robertson, President of the N.W.T.  
Association of Municipalities and Mayor of Inuvik.  
(appearing on behalf of the N.W.T. Association  
of Municipalities)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 Real Property Assessment and Taxation

- Mr. Smith in-chief outlined the function of property assessment and taxation in the N.W.T. He described the various methods of determining the value of land and buildings for assessment purposes, the determination of municipal and school taxes and the system of government grants in lieu of taxes. Vol. 189  
29365-29374
- Mr. Smith estimated that the annual property taxes of the pipeline and ancillary facilities as proposed by Arctic Gas would be approximately \$2,000,000. Vol. 189  
29374
- According to Mr. Smith in-chief, it could take 3 to 5 years from the time a municipality starts to spend money developing building sites until they can expect any tax revenue in return. Vol. 189  
29376

c-2 Municipal Affairs Division of the Government of the N.W.T.

- Mr. MacLeod in-chief described the composition, functions and responsibilities of the Municipal Affairs Division as they relate to the status of the communities in the N.W.T. He outlined the composition of the Division and the type of assistance offered to cities, towns and villages. Assistance comes in the form of pro-capita grants, water delivery and road maintenance grants, grants in lieu of taxes, capital grants for water/sewer and road and sidewalk construction and debenture loans. Vol. 189  
29377-29383

c-3 Financial Issues and Problems Facing Municipalities

- Mr. Robertson in-chief made a number of recommendations which he thought would alleviate a number of the financial problems faced by the municipalities. He recommended that: 1) funding be made available by the federal government to ensure the full implementation of approved funding programs. Mr. Robertson felt that a number of approved funding programs were suffering as a result of insufficient federal government funds; 2) the grants programs which are currently implemented through "extraordinary funding" be replaced by explicit grants policy which includes specific criteria for grant application and allows for planning grants considerably greater than \$2500 per year; 3) there be established an explicit extraordinary funding procedure which would provide funding for extraordinary capital expenditures in light of the projected additional requirements for extraordinary funding; 4) since many of the current municipal grants are based on population figures, and, as such, are vulnerable to the uncertainties of census taking, that a specific procedure be established for municipal census taking which recognizes the existence of highly transient groups; 5) the territorial government through detailed planning ensure that sufficient funds are available for municipal debenture, 6) in order that municipal residents will not be left with a legacy of high debt, taxes or user charges, grants should be available to pay for services and facilities that are required to satisfy short-term demands resulting from pipeline impact; and 7) federal grant in lieu of taxes should be calculated at the same assessment basis as all other tax classes since the same municipal services are used by the federal government. The grant in lieu of taxes should be paid promptly on receipt of the municipal application and notice should be given to the municipality when lands are transferred from the federal to territorial government and grants in lieu should be paid for the year in which the land was acquired.

Vol. 189  
29384-29391

Policy and Planning (ACND)  
Division,  
October 15, 1976.

MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 189 &amp; 190)

RecreationSeptember 22 and 23, 1976  
Yellowknife, N.W.T.TABLE OF CONTENTSPage

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TOPIC: Recreation

DATE: September 22 and 23, 1976 in Yellowknife, N.W.T.

WITNESSES: Mr. R. Goulet, Chief, Recreation Division,  
Government of the N.W.T.  
Mrs. L. Harris, Counsellor, Village of Fort Simpson  
Mr. D. Fergusson, Counsellor, Town of Lay River  
(appearing on behalf of the N.W.T. Association  
of Municipalities)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 Trends and Recognition of Needs

- In response to expanding local needs and involvement, the major portion of the recreation service is now directed to the community, according to Mr. Goulet in-chief. The expanding local needs have come about for several reasons: the development of larger, more modern communities; the move away from traditional native societies having a close attachment to the family, the community and the products of the land; the identity crisis, for both natives and non-natives; expanding unemployment or lack of appropriate and satisfying employment; and growing social problems. Recreation and leisure programs can salve these wounds but only if recreation is accepted in its broad and diverse sense with human growth and personal development accepted as the major goal. If the services are considered as diversionary activity as is so often the case, they are doomed to failure.

Vol. 189  
29433-29434

c-2 Existing State of Services

- In terms of spending in Canada, the territorial local recreation services are funded to the level of \$18 per capita compared to the level of \$70 - \$120 available for provincial-municipal services in other parts of Canada according to Mr. Goulet in-chief. What is needed is a serious commitment and a massive effort on local, territorial and by federal governments, focussed upon the community to bring the N.W.T. up to a national level of leisure

Vol. 189  
29434-29436



service. He felt this was especially necessary in light of the impending industrial development and cultural shock facing the North.

#### c-3 Priorities

- The top priorities, according to Mr. Goulet in-chief, in accommodating the massive undertaking necessary to improve the leisure situation in the N.W.T, are: 1) the development of local leadership and leisure education; 2) the establishment of a diverse range of local programs and services that accept the individual and his needs, and 3) the development and operation of basic community facilities that foster social, cultural and physical activities, but do not overburden the community resources. Vol. 189  
29436-29438
- The resources necessary to bring about this leisure development are funding, competent staff and most critically, time, according to Mr. Goulet. Leisure services can have tremendously beneficial effects in bringing people out of a traditional or primitive society and easing them into a modern industrial or post industrial situation. Vol. 189  
29438-29439

#### c-4 Local Problem Areas

- Mrs. Harris in-chief described the present recreational facilities in Fort Simpson and the condition that they were in. She characterized the problem of maintaining and utilizing these facilities as both internal and external. Some of the internal problems are: the inability for natives and whites to work together in developing recreational programs which could create a sense of community; little community involvement; and a tax base too small to provide enough money for recreation facilities. Some of the external problems include: a lack of funding for professional help, for example, a recreational director, and territorial government recreation policies which are developed without the benefit of community input. Vol. 189  
29440-29445
- Mrs. Harris suggested some possible solutions for the problems. Internally, the people within the village of Fort Simpson will have to be more positive and supportive in their attitudes towards leisure time activities; as well, people will have to participate more in community work endeavours such as building a new recreational facility and helping to upgrade those which presently cannot be replaced. Possible solutions to external problems are the provision of a recreational director to provide the community with the necessary long-term leadership it requires; provision of additional funds for the upgrading of existing facilities and building of new facilities; and a requirement that both the pipeline builders and the secondary service companies provide assistance (financial and technical) to provide adequate recreational facilities within the community. Mrs. Harris felt that the influx of young males who follow this type of development will be a disruptive factor unless adequate recreational facilities are available. Vol. 189  
29445-29447

c-5 Development Impact and Recreational Facilities

- Mrs. Harris felt that the pipeline was going to be built before Fort Simpson was socially able to handle it. Therefore, she said, considerable leadership must come from the pipeline company and related industries. The recreational facilities in Fort Simpson already have problems which will only be compounded by a pipeline and therefore the onus to provide money and assistance must be placed on the pipeline builders and related industries. Funds must be made available now so that Fort Simpson can begin its preparation. Vol. 189  
29447
- Mr. Fergusson in-chief felt that it was important to ensure that the development of recreational facilities did not lag too far behind growth expected in the town of Hay River. A new residential area will have adequate land for recreational purposes but more than just open space was needed. To meet this need, a Parks and Recreational Development Plan will be formulated, set into an appropriate schedule, and provided with a budget for implementation. Vol. 190  
29671

Policy and Planning (ACND)  
Division,  
October 15, 1976.

MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 190)

Territorial PlanningSeptember 23, 1976  
Yellowknife, N.W.T.TABLE OF CONTENTS

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TOPIC: Territorial Planning

DATE: September 23, 1976 in Yellowknife, N.W.T.

WITNESS: Mr. A.E. Ganske, Chief, Town Planning and Lands,  
Department of Local Government, Government of the  
N.W.T.

(appearing for the N.W.T. Association of Municipalities)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 Overview

- Mr. Ganske in-chief gave an overview of planning in the Mackenzie Valley. He reviewed the responsibilities of the Town Planning and Lands Division of the Territorial Government and described the Block Land Transfer Program and the Municipal Land policy.

Vol. 190  
29570-29578

c-2 General Development Plans

- The territorial government's approach to community development plans is oriented towards a high degree of local consultation and control depending on the degree of political and administrative ability which the community has achieved according to Mr. Ganske in-chief.
- General development plans for the communities are prepared to meet both normal growth requirements and the increased growth requirements which would be expected with petroleum and highway developments. The plans are basically designed to provide for physical development for the community and expansion along with a seven-year capital program to give the department guidance in the amounts of monies required to carry out the proposed developments.

Vol. 190  
29578

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29581

c-3 Pipeline Impacts

- The impact of the pipeline on the communities does not begin with the announcement of a pipeline decision according to Mr. Ganske in-chief. It has been ongoing for the past three years because of an increased inflow of civil servants in the North to prepare for the pipeline activity and preparations that have been made by private entrepreneurs to get warehouses, storage areas, and transportation equipment in place in order to take advantage of the anticipated business opportunities. Mr. Ganske felt that it was because of this activity that places such as Hay River and Inuvik have experienced

Vol. 190  
29581-29582

a substantial growth and have required an expenditure of public funds for basic municipal service infrastructure.

- Mr. Ganske in-chief said that there will be a tremendous impact during the construction of a pipeline on municipalities due to competition for labour, the competition for transport facilities and the competition for materials. The best way to guard against this kind of impact he felt was to get the major facilities in place prior to competition becoming a major problem. Mr. Ganske did not feel that this would be possible due to the time constraints and therefore proposed that a small but effective coordinating committee be formed consisting of the major governmental constructors in the North (NWT Department of Public Works, NWT Housing Corporation, federal Department of Public Works and Ministry of Transport) and the applicant to assess the ability of the market to supply materials; to assess the effect on transportation facilities; and to assess the effect on labour, and to make recommendations regarding the priorities and the timing of the pipeline and other projects which must be adhered to in order that the problem of competitive supply, labour, transportation and materials may be reduced. This committee would then report to whatever organization has the ongoing control over the applicant during the pipeline construction. Vol. 190  
29585-29585
- Mr. Ganske in cross-examination by Commission Counsel felt that it was important to have the major facilities required to alleviate or deal with development impact in place and operative prior to the start of pipeline construction. He estimated that it would take between two and two and a half years from the time a decision to build major facilities was taken until they are in place. He felt that if these projects were not in place prior to the start of pipeline construction they probably would not be able to be built during the pipeline construction period. Vol. 190  
29586-29590

MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 190)

Municipal PlanningSeptember 23, 1976  
Yellowknife, N.W.T.TABLE OF CONTENTS

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TOPIC: Municipal Planning

DATE: September 23, 1976 in Yellowknife, N.W.T.

WITNESSES: Mr. Orest Watsyk, Chairman, Fort Simpson Council  
 Mrs. Carol Bennett, Councillor, Inuvik Council  
 Mr. John Roska, Councillor, Inuvik Council  
 Mr. R.E.K. Feilden, Secretary, Inuvik Utilities  
 Planning Committee  
 Mr. Donald Taylor, Councillor, Hay River  
 Mr. Donald Fergusson, Councillor, Hay River  
 Mr. Des Fogg, Assistant to the Mayor of Hay River  
 (appearing for the N.W.T. Association of Municipalities)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 The Planning Process in Hay River

- Mr. Fergusson in-chief described some of the factors influencing the growth of Hay River and the development of the planning process in that town. A General Development Plan was adopted in 1970 and has recently been revised because it did not provide useable new development areas for immediate residential needs nor did it provide for anticipated impacts due to the pipeline. According to Mr. Fergusson, "the town of Hay River has adopted the planning process as an essential element in its growth strategy. Studies have been carried out whenever there was need to provide guidance in making growth decisions, and the policy and guidelines arising from the studies have been used consistently and effectively in executing and controlling growth."

Vol. 190  
29656-29661

- Mr. Fergusson described the existing physical infrastructure in Hay River, its finances and programming. The capital expenditures required for services have been enormous for a town of the size of Hay River according to Mr. Fergusson but there has been relatively little adverse effect on the town during the change since the planning had gone on prior to implementation of the projects and in most cases the answers were ready before the problems arose.

Vol. 190  
29661-29668

c-2 Zoning and Development Control

- The town of Hay River maintains a high degree of control over servicing standards and cost and the availability and cost of serviced land according to Mr. Taylor in-chief. This is due to the fact that at the present time servicing of the land is done only by the town. Service lots are then sold to land users. However, if rapid growth continues, he felt that this procedure may impose a heavy financial burden on the town. He suggested that an additional measure of control could come if all lands held by senior government be transferred to the town rather than sold or leased directly to the user of the land. This would enable the town to maintain control of tenure of the land and thus ensure that land use conforms with the town's general plan. Vol. 190  
29642-29644
- The town of Hay River is also considering having the administration of the Hay River Harbour put under a Port Authority as recommended by The Hay River Industrial Development Study. This would enable the town to have control over lands which are essential to the development and operation of the port. Vol. 190  
29644

c-3 Residential Development

- Mr. Taylor in-chief described the changing trends of housing in Hay River. He stated that there had been a change in the housing mix, a change in the location and a trend toward apartment living. These trends he said were dictated more by government policy decisions than by public preferences. The changing in overall housing mix is an important consideration in land use planning because it helps to identify the quantity classification of residential land requirements. Vol. 190  
29645

c-4 Future Land Requirements

- If there is an indication in 1976 that there will be a pipeline most of available land for the residential development in the new town east of Hay River will be taken up by 1977 according to Mr. Taylor in-chief. Programs to make additional land available will have to start soon he said because a lead time of 2 years is required to prepare the land for occupancy. Careful planning is required to accommodate the expansion of residential, commercial and industrial developments. Vol. 190  
29645-29654
- Mr. Fergusson felt that Hay River was generally well supplied with health and welfare facilities and services. However, as the need for additional facilities and services arise he felt that a detailed study of location requirements and possibilities should be made to ensure that suitable locations are chosen and that adequate standards are maintained. Vol. 190  
29677

c-5 Cost of Municipal Services

- The communities of the Mackenzie Valley are in favour of development according to Mr. Feilden but they felt that the cost of expanding municipal facilities to accommodate future impact populations and the cost of operating and maintaining abnormally expanded facilities should not be borne by existing populations. The municipalities he said did not have access to sufficient capital to keep expansion of their facilities abreast of predicted growth rates. Vol. 190  
29617



TRANSCRIPT  
REFERENCE

- Mr. Feilden described some of the steps taken jointly by Inuvik and the territorial government to prepare for rapid growth. Included are several water supply and sewerage projects and land developments. The increased costs of borrowing for these capital projects and the higher operations and maintenance costs are occurring well in advance of offsetting increases in the municipal population and tax base. The result is that the current tax payers are required to bear the costs arising from efforts to prepare Inuvik for pipeline impact. He estimated that forced growth could increase Inuvik's interest charges \$50 to \$90 a year for every person now in Inuvik. He felt that the high rate of growth was more than present tax payers could or should be expected to carry. Vol. 190  
29618-29624
- To help overcome the financing problems of providing municipal services should pipeline construction proceed Mr. Feilden recommended: Vol. 190  
29626
  - 1) that senior levels of government increase the limits on debenture borrowing and increase the amounts of loan capital available sufficiently and in good time to allow municipalities to expand their facilities and prepare for population surges; 2) that senior governments make available to the municipalities the capital necessary for growth rates over and above normal interest free.
- In cross-examination by Commission Counsel, Mr. Feilden felt that regardless of the forecast growth rates for Inuvik the present funding arrangements were not adequate to sustain a rapid growth rate. Vol. 190  
29630

c-6 Forecasting Growth Rates

- A long construction time of 2 years or more is required between the time land development starts and people arrive according to Mr. Feilden. If predicted demand for lots does not materialize about the time that lot construction is completed then the town is unable to sell the lots and recover its costs. Adequate forecasting of growth rates and growth surges is important since an overestimate of population growth can have a damaging effect on a municipality's financial position. In order to overcome this problem Mr. Feilden recommended that senior governments continue and intensify their efforts to provide municipalities that may experience forced growth with well researched population forecasts. Vol. 190  
29624-29626

c-7 Projected Housing Requirements in Inuvik

- Mrs. Bennett in-chief presented projected housing requirements for the town of Inuvik in the event the gas pipeline and auxiliary facilities are constructed. She reviewed the history of housing in Inuvik and described the current situation. Vol. 190  
29602-29605
- The town's policy regarding housing in the event of the gas pipeline according to Mrs. Bennett are as follows: 1) company building the gas pipeline should base supervisory and other permanent staff in Inuvik, 2) there should be no satellite communities such as Parsons Lake area permitted to develop, 3) suppliers of the hydrocarbon industries should be permanently based in Inuvik, 4) residents

TRANSCRIPT  
REFERENCE

of the Delta settlements who take permanent positions with the pipeline companies may chose to relocate in Inuvik and housing will have to be made available, 5) work camps during the construction period should not be located in the town and pipeline workers discouraged from visiting the town where ever possible.

Vol. 190  
29605-29607

- Mrs. Bennett felt that there was a considerable shortage of housing for single persons and young married families and that it would be aggravated by the anticipated increased demand due to pipeline construction. She forecasts that in the event of a pipeline an additional 1200 serviced residential lots would be required. In order to overcome an anticipated shortfall of 800 serviced units, Mrs. Bennett stated that the town would need assistance from senior governments in the form of interest-free loans for development and land assembly programs. In addition she recommended that housing policies of senior government departments be changed so that locally hired persons could occupy government housing. Additional relief to the housing situation could come through additional funding for public housing and single person accommodation; provision of all units promised by the N.W.T. Housing Corporation; additional funds for private housing and extraordinary funding to provide amenities (ie. water, sewer, heat, roads, street lighting, garbidge pickup and recreation areas) at a reasonable cost.

Vol. 190  
29607-29609

c-8 Transportation

- Mr. Roska in-chief reviewed the air, road and water facilities which currently exist in the Inuvik area. Some of the existing problems discussed by Mr. Roska include; lack of competition; high tariff and toll rates; a lack of linking allweather roads from the Mackenzie area and provincial suppliers; high cost of road construction and the availability of granular materials; and an overlapping of services provided to Inuvik by commercial, government, and oil companies.
- Potential problems associated with pipeline development according to Mr. Roska are: 1) that construction needs may be given consideration over the ongoing servicing needs of the N.W.T. communities; 2) the problems of increased traffic and congestion; 3) the easier access to northern communities and the related problem of "boomers"; 4) the increased demand for granular materials required for development projects should not be satisfied at the expense of communities requiring the same granular material for municipal or settlement development projects.
- Mr. Roska identified two potential benefits to residents of the Inuvik area resulting from development activities. They are: 1) the increased demand for the movement of goods and personnel should encourage competition in northern transportation systems and permit the licencing of more than one carrier within the same transportation mode; and 2) a proliferation of carriers should reduce northern dependency on one transportation mode only or on one carrier within a mode.

Vol. 190  
29609-29611

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29614

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29614

TRANSCRIPT  
REFERENCE

- In order to minimize some of the problems which might occur as a result of pipeline development Mr. Roska recommended that 1) government and industry use existing commercial carriers as much as possible when moving goods and personnel and thus contribute to the reduction of cost for such services borne by the general public, 2) northern community leaders, representatives and managers must be extended as much planning lead time as is politically and humanly possible and 3) the "freedom of mobility" of vagrants and undesireables travelling on "spec" into the N.W.T. must be curtailed to ensure northern residents have the right to quiet enjoyment of ones home surroundings.
- Mr. Wasyk in-chief felt that the development of Axe Point as a temporary transportation centre was a waste of money and effort. He felt that there were long-term post construction advantages to developing a permanent facility in Fort Simpson. Mr. Fogg asked the Judge to recommend that Axe Point not be allowed to develop.

Vol. 190  
29615Vol. 190  
29598  
29679c-9 Controls on Pipeline Development

- Mr. Fogg in-chief stated that the people of Hay River generally agree with pipeline development but that there should be the following controls. First, there should be a control which would stop the unreasonable influx of people. And secondly, that since grants to the municipalities depend on the number of people that are counted in a census that a correct census be taken which would take into account the large number of transients which live in communities like Hay River. The reason for this he said was that the municipalities had to provide services for transients although they were not allowed grants to finance these services.

Vol. 190  
29679c-10 Lead Times

- The lead time necessary between the time a decision is taken to go ahead with the pipeline and the actual start of construction ranged between a one year estimate by Mr. Roska and a five-year estimate by Mr. Feilden. Mr. Feilden recommended the five years because he felt that during the period of pipeline construction there would be no major municipal or other services constructed because of the demand for labour and materials. Mr. Fergusson suggested that a three-year lead time would be required to get municipal services and mechanisms in place.

Vol. 190  
29630-29632  
29386c-11 General

- Mr. Fergusson in-chief felt that the town of Hay River had provided itself with the information necessary to implement an orderly development with or without a pipeline. However, he felt that the initial impact could still be difficult to cope with unless sufficient lead time is given and financial and social resources are made available. He said that there was a general feeling among many people of the town and of the North in general that the pipeline in the longrun may not benefit the town or the people of the N.W.T. a great deal unless the senior governments are

Vol. 190  
29677

prepared to provide assistance in large doses prior to, during and after the completion of the project, and unless real economic benefits such as a gas line to serve communities on route is guaranteed, and health royalties payments are made to the government of the N.W.T. for subsidization of fuel costs in the areas served by the line.

Policy and Planning (ACND)  
Division,  
October 29, 1976.

MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 194)

Political Concerns and Impacts -  
Regionally and TerritoriallyOctober 6, 1976  
Yellowknife, N.W.T.TABLE OF CONTENTS

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TOPIC: Political Concerns and Impacts - Regionally and Territorially

DATE: October 6, 1976 in Yellowknife, N.W.T.

WITNESS: Mr. T. Butters, Member of the Legislative Assembly of the N.W.T.  
(appearing on behalf of the N.W.T. Association of Municipalities)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 Political

- Mr. Butters in-chief restated the terms of reference Vol. 194  
of the Inquiry and referred to the obligations of 30267  
the Commission to look into questions related  
to political evolution in the N.W.T.
- Mr. Butters, in cross-examination by Commission Vol. 194  
Counsel, clarified the position of a committee 30272-30273  
to look into the attitudes and reactions of  
people relative to the Mackenzie Valley Pipeline.
- Mr. Butters in examination by the Association Vol. 194  
of Municipalities, suggested: 1) the subpoenaing 30275-30284  
of Commissioner Hodgson, Deputy Commissioner Parker,  
Ewan Cotterill and Digby Hunt to appear before  
the Inquiry; 2) Justice Berger should tell  
northerners to "sit down and start talking to  
one another" because the major reason they cannot  
resolve their problems is due to the fact that  
they do not talk to each other; and 3) the  
Federal Government be made aware of the existence  
of a legitimate functional system of  
democratic government operating in the N.W.T.

c-2 "Rapid Growth" Concept

- Mr. Butters in-chief referred to his attempts Vol. 194  
at implementing a concept allowing "extraordinary 30268-30271  
funding for rapid-growth communities" in the  
territories. These attempts included the forwarding  
and eventual withdrawal of the "Growth Centers  
Ordinance". Mr. Butters stated he eventually

withdrew the Bill because it was "premature" and he was confident that "the Federal Government would recognize and eventually provide extraordinary funding to rapid growth communities. Unfortunately the concept...was never really accepted by the Federal Government". Mr. Butters went on to conclude that this lack of acceptance has forced the costs of development in the N.W.T. to be passed along to municipalities and individual residents.

Policy and Planning (ACND)  
Division,  
November 18, 1976.

MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 189 &amp; 190)

Economic and Political DevelopmentSeptember 22 and 23, 1976  
Yellowknife, N.W.T.TABLE OF CONTENTSPage

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TOPIC: Economic and Political Development

DATE: September 22 and 23, 1976 in Yellowknife, N.W.T.

WITNESSES: Mr. Dick Hill, Executive Director, Archtech Services.  
Mr. Fred Henne, Mayor of Yellowknife  
Mr. Don Stewart, Mayor of Inuvik  
(appearing for the NWT Association of Municipalities)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 Northern Participation in Local Government

- Contrary to a general southern media impression that northern government activities are dominated by newcomers, at least 79% of elected councillors were born in the N.W.T. and an addition 14% have over ten years residency according to Mr. Hill in-chief. This indicates that at least 93% of elected councillors are committed northern residents who are vitally interested in the future of their communities. The high degree of local involvement in community government indicates that the struggle for the participation of northerners in their own affairs has been successful. Mr. Hill felt that the introduction of effective northern local government was the most significant but least publicized aspect of development in the N.W.T. Vol. 189  
29289-29295
- "The combination of local government programs, higher educational opportunities, and improved communication facilities provided by the senior government, has assisted northerners to effectively participate in local government activities and for them to speak out and be heard on how they want their communities to be operated", according to Mr. Hill in-chief. Vol. 189  
29298
- "Most northern residents want self-government particularly at the local levels. They are speaking up and being heard. For continuing social and economic progress, a complete democratic system is required in the N.W.T. that will have the authority and power to proceed with the desires of the majority or protecting the rights of individuals", according to Mr. Hill in-chief. Vol. 189  
29311

c-2 Local Government Responsibilities

- "The function of local government is to assist a community in becoming a better place to live by representing the collective interests of all residents. Elected community councils have the responsibility and authority to make decisions and to pass by-laws on situations effecting the communities under the terms of the Municipal Ordinance", according to Mr. Hill in-chief. A prime strength of the local government assistance is to complete regulation of council activities so that community business is handled openly and fairly. Vol. 189 29299
- Mr. Hill felt that because of the pluralistic society which exists in most of the communities, a flexible form of community government is required to accommodate differences for the mutual benefit of the majority and protection of the minority. Vol. 189 29300

c-3 The Need for a More Complete Government

- Mr. Hill in-chief felt that a more complete form of self-government in the N.W.T. could assist in acceptance of the solutions to the problem and an improvement in the overall wellbeing of northern residents. He felt that what was needed was a better definition of territorial and local political responsibilities. In contrast to the ambiguous authority of the territorial and local governments, the political responsibilities of the federal government are clear and they are sharply represented in the North without an effective balance and check from the local and territorial governments. The significant difference is that the federal government controls the non-renewable resources and the territorial government is left with the social dilemmas caused by resource development. Vol. 189 29302-29303
- "Progress towards a normal Canadian political process in the N.W.T. with clear lines of provincial type authorities is required to achieve real participation and benefits for all northerners. Most northerners are not advocating provincehood for the N.W.T. but they do want a responsible government system where representatives elected by organized ballots can discuss and negotiate how, when and under what terms any developments in the N.W.T. will take place."
- Mr. Hill in-chief felt that what the N.W.T. needed most was a more complete government and the opportunity to do its own 'thing' with assistance rather than displacement from the Federal Government. Vol. 189 29304

c-4 Development

- Mr. Hill felt that continued social and economic progress was essential for the future wellbeing of community residents. Without continued progress, Mr. Hill felt that northern opportunities would be limited and economic viability would be in jeopardy. In order to lessen the N.W.T.'s reliance on southern funding, every effort needs to be directed towards local income generation and a decrease in expenses so that if funds from the south were cut off or restricted northern residents would not suffer from a complete social and economic collapse. Mining and petroleum production appear to be the prime industrial activities at present that could provide employment for many northerners and generate the revenue necessary to keep the the N.W.T. viable. Vol. 189 29304-29307

TRANSCRIPT  
REFERENCE

- Mr. Hill felt that without resource development Inuvik and other communities would lose considerable population and will have to receive virtually all operating and capital revenues from the government. This would increase dependency under which it would be difficult to operate local governments with resident involvement. He felt however, that with resource development and good planning, the residents of the N.W.T. should all benefit from the increased revenue to government and better opportunities for employment and business. Vol. 189  
29307-29308
- Mr. Hill in-chief felt that special protection should be provided for groups who because of their ethnical and spiritual differences do not want to join the majority. They have a right not to participate. Any small band or small settlement in the N.W.T. could decide to remain isolated from industrial development. Vol. 189  
29310
- Mr. Henne in-chief stated that the city of Yellowknife supports development and that the development of the pipeline will not only benefit Yellowknife but every northern community as the pipeline would stimulate further development. Vol. 190  
29700
- In cross-examination by Commission Counsel, Mr. Henne stated that he wanted development to take place because it would provide as equal an opportunity to earn a livelihood north of 60° as people have south of 60°. Vol. 190  
29715
- Mr. Robertson in-chief stated that the Association recognizes that there are alternates to hydrocarbon resource development available in the areas south of the Mackenzie Delta and recommended that even with continued resource development government and other agencies be encouraged to investigate and pursue these alternate opportunities of employment. Vol. 190  
29713

c-5 Development Impact

- The biggest impact on a municipality of a sudden population increase is in the area of finances according to Mr. Henne in-chief. A population increase creates a greater demand for all services and consequently increased costs to the municipal government of providing such services. These services include general government, protection, transportation services, sanitation and waste removal, public health, and recreation services. "The real crunch is trying to get the money to develop and provide these services", according to Mr. Henne. The problem is that increased population is not at first accompanied with the commercial or industrial development so the burden of financing falls upon the individual ratepayer. Governments are slow to react to the increased need for funding. Vol. 190  
29701-29704

c-6 Royalties to the Municipalities

- Mr. Henne thought that municipalities must be given a share of the royalties that other levels of government will realize. He did not feel that the municipal governments could function adequately and provide the level of services demanded without a better deal in funding. "The people of the North and their local government have a right to share the revenue from the resources that may be exploited in the North", according to Mr. Henne. Vol. 190  
29704

- The key to future self-government in the N.W.T. is financial control, according to Mr. Hill in-chief. What is required to achieve this is an independent source of income such as a negotiated share of resource taxes and royalties in order to develop effective self-government in the N.W.T.

Vol. 189  
29303

#### c-7 The Case Against a Moratorium

- Mr. Robertson in-chief presented what the Association of Municipalities perceived to be some serious problems which could arise as a result of an indefinite moratorium on resource development.

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29701-29713

He felt that without some form of development there would be few opportunities for permanent employment for the increasing numbers of high school graduates. He felt that trapping had limited applicability to the high school graduates and did not offer a long term solution to the increasing population. The education system has prepared the people over the last 15 years to take part in the main stream of Canadian society and although this may be altered in subsequent years it leaves a large portion of population partially or fully dependent on a wage economy. He felt that in areas such as the western Arctic there would be no alternative to outward migration. Mr. Robertson estimated that 50% of the present local workforce in the Mackenzie Delta was working directly or indirectly as a result of resource development.

Without a continuation of the resource development there would be an erosion of the present tax base within the municipality with as much or more adverse social impact than predicted as a result of the construction of the proposed pipeline. It would result in a decrease in the monies available for recreational and cultural facilities, government services and increased costs for other services because capital costs and operation and maintenance costs then have to be drawn from a smaller market.

The education policies of the government of the N.W.T. would by necessity have to be reoriented to reflect the anticipated change in available occupations for those remaining in the N.W.T. Other impacts would include an out-migration of civil servants, a further centralization of the decision-making, and while many families especially in the smaller communities could continue to provide for themselves with an existence from the land he doubted that many would freely elect to live off the land on a full time basis for an indefinite period of time.

#### c-8 Land Claims

- The settlement of native land claims in the N.W.T. can be compatible with the local government system and could be enhanced by it according to Mr. Hill in-chief. Nunavut claim appears to adopt the local government system completely for the Inuit area. Mr. Hill stated that "the Northwest Territories Association of Municipalities has supported native claims and requested a planned timeframe for their settlement. Most northern residents appear to favour a just land claims settlement."

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29310

MACKENZIE VALLEY PIPELINE INQUIRYSUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 175)

## Northern Business

August 23, 1976  
Yellowknife, N.W.T.TABLE OF CONTENTS

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TOPIC: The Problems of Resident Northern Business and Their  
Potential Participation in the Proposed Hydrocarbon  
Industry Development

DATE: August 23, 1976 in Yellowknife, N.W.T.

WITNESSES: Mr. John MacLeod, consultant  
Mr. Barry J. Ashton, President, Hay River Chamber  
of Commerce  
Mr. William Grant Hinchey, Director, Yellowknife  
Chamber of Commerce  
(for the NWT Chamber of Commerce)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 Purpose of Study

- The purpose of this study conducted by Messrs. MacLeod Vol. 175  
Ashton and Hinchey was to examine the major 27227  
difficulties presently experienced by northern  
businesses and to make recommendations on the  
manner in which these problems could be overcome  
in order to give the resident operators an equal  
opportunity to acquire contracts which are to be  
performed in the North. Mr. MacLeod in-chief stated  
that all proposals advocating minimum quotas were  
rejected because 1) it was conceivable that potential  
abuse by a single small unprincipled minority  
could outway the possible advantages and 2) the  
implementation of their recommendations should  
eliminate the need for such quotas.

- "Northern businesses do not request preferential Vol. 175  
treatment, in fact they do not want it", according 27275  
to Mr. Hinchey in-chief. "They are asking only  
that the resources be provided to all businesses  
so that an effective management and active  
expansion can be accomplished thus enabling maximum  
participation of established northerners in  
northern development".

c-2 Manpower

c-2-1 Competition from Government

- Many local businesses reported a severe shortage Vol. 175  
of trained, skilled and professional personnel accord- 27233  
ing to Mr. MacLeod in-chief. This is due to:  
1) the low skill levels and sporadic work habits  
of the local labour force and 2) the attractive  
benefits provided by governments. The inequalities  
and inconsistencies with respect to the way

benefits and subsidies are treated for tax purposes places local businesses in a disadvantaged position relative to the public sector with respect to the recruitment of personnel.

- Mr. MacLeod recommended that 1) the inequities which presently exist among the various approaches to subsidization of employees in the N.W.T. should be recognized and guidelines should be established before further development brings a new form of subsidization, and that the Department of Indian and Northern Affairs create a task force to prepare these guidelines. 2) a substantial non-taxable home owners grant to residents of the N.W.T. replace the present subsidization of living quarters. Vol. 175  
27234  
27235

c-2-2 Potential Competition from the Pipeline

- Mr. MacLeod in-chief stated that because of the nature of pipeline-related work, "the adverse effects of a pipeline on the manpower resources of the private sector are somewhat exaggerated". Vol. 175  
27235

c-2-3 Vocational Training

- In order to overcome the shortage of skilled personnel, Mr. MacLeod recommended that: 1) the vocational training facilities (A.V.T.C.) be increased to meet the current and anticipated increased requirements for skilled northern residents; 2) vocational training facilities should be established elsewhere in the study region, particularly in the Delta; and 3) additional funding and expanded terms of reference for the Canada Manpower Centre for on-the-job training program. Vol. 175  
27237

c-3 Unionization

- "The unionization of all employees in the private non-pipeline sector could seriously restrict the employability of people possessing a range of related general skills but little formal education, in addition to entailing a substantial increase in labour costs," according to Mr. MacLeod in-chief. Vol. 175  
27239
- A possible solution to offset the potential problems of unionization "would be to designate the prime contracts as union and request that the successful pipeline applicant and producer companies retain some of the sub-contracts which they would tender themselves to non-union firms." This proposal according to Mr. MacLeod could be enforced through appropriate amendments to the "Labour Standards Ordinance". vol. 175  
27241
- In cross-examination from Arctic Gas, Mr. MacLeod felt that the tender of contracts to non-union northern firms would work if the non-union jobs were physically removed from the union jobs and also that the scheduling be different. Vol. 175  
27288

c-4 Transportation

- Mr. MacLeod in-chief stated that, "the Chamber of Commerce believes that the key to economic development lies in greatly expanded transportation facilities, particularly in respect to the highway system".

Mr. MacLeod thought it would be unwise to aggressively pursue highway construction as the envisioned economic benefits could not be obtained without some social cost. His recommendations included: 1) the extension of the Dempster Highway toward the Delta on the understanding that a portion remained incomplete until termination of the pipeline and gas plant construction. The intent of this proposal is to allow for the transportation of pipeline and gas plant construction materials in the winter and to minimize the creation of the type of transient problem which has occurred in Alaska. 2) that an all-weather road be built between Inuvik and Tuktoyaktuk. 3) that a bridge be built across the Mackenzie River on the Mackenzie Highway, and 4) that the N.W.T. portion of the Mackenzie Highway be considerably upgraded.

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27242

c-5 Financial Problems and Recommendations

- Mr. Ashton in-chief outlined some of the problems facing northern businesses with respect to financing. To overcome these problems and ensure that adequate funding be available to northern businesses Mr. Ashton recommended that: 1) chartered banks be encouraged to retain managers in their northern branches for a longer period of time, three years minimum but preferably for five years. 2) a permanent office of the Federal Business Development Bank be established in Yellowknife to streamline the application and approval of financing within the Northwest Territories. 3) the Northwest Territories Loan Funds be expanded to provide additional inventory financing. 4) the Small Businessmen's Loan Fund be increased to \$100,000, and that adequate lead time be provided on all developments to enable the business people to analyze and obtain the required funding.

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27244-27251

c-6 Tendering and Administration of Contracts

c-6-1 Recommendations

- Mr. Hinchey in-chief presented a number of recommendations concerning the tendering and administration of contracts. His recommendations covered the areas of tender notices, bonding, bid differentials, materials supply contracts, air charter contracts and the size of contracts. Recommendations included a proposal that a scaled tender differential allowance be accorded to northern contractors and that tenders for materials and supplies should be called F.O.B. place of use rather than origin of supplies.

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27253-27263

c-6-2 Mackenzie District Business Association

- Mr. Hinchey also recommended the establishment of a Mackenzie District Business Association, to be jointly funded by the Federal and Territorial Governments and the successful applicants. The Association would assist in resolving problems currently being experienced by northern firms. It would ensure that resident businessmen are involved to the fullest extent of their capability and also serve to protect the pipeline companies from abuse by resident firms.

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27263

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27272



c-7 Amendments to Federal and NWT Regulations

c-7-1 Federal Regulations

- Mr. Hinchey recommended that a MOT inspector be permanently located in Yellowknife and that an orientation program for pilots and crews on navigation and survival in a northern environment be established. Vol. 175  
27265
- With respect to price and wage controls, Mr. Hinchey recommended that wage control limits be raised so that the northern entrepreneur will be able to remain competitive during the pipeline and gas plant construction period. Vol. 175  
27267

c-7-2 Territorial Regulations

- Mr. Hinchey recommended changes to Territorial regulations in the following areas; the trucking industry, labour standards, mechanics liens, document registry and workmens compensation. These recommendations would help eliminate problems currently encountered within the northern business community. Vol. 175  
27267-27271

c-8 Mackenzie Valley Pipeline Authority

- Mr. Hinchey proposed that a Mackenzie Valley Pipeline Authority be formed to provide a single interface between the pipeline companies, government departments and the pipeline corridor north of the 60th parallel. It would be a small group, headquartered in either Fort Simpson or Norman Wells and would be responsible only for pipeline and related activities within the Mackenzie Corridor and would cease to exist after construction of the pipeline. Vol. 175  
27271

D. Miscellaneous

d-1 Crown Corporations

- Mr. Ashton in-chief believed that in order to promote industrial and commercial progress in Canada the federal government should discourage dispensation of Crown corporations into service areas where competitive enterprise is able and willing to provide the service to an adequate standard and at an exceptable cost. Mr. Ashton as an example, cited the case of N.T.C.L. trucks competing with trucking firms in the Delta. He did not feel this was a proper utilization of a Crown corporation. Vol. 175  
27252

MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 182)

People and the Pipeline

September 9, 1976  
Yellowknife, N.W.T.

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TOPIC: People and the Pipeline

DATE: September 9, 1976 in Yellowknife, N.W.T.

WITNESSES: - Dr. John Clayton, Professional Director, Canadian Mental Health Association  
- Mr. Jack McCombs, Regional Supervisor for Mental Services, Northern Region, Alaska Division of Mental Health  
- Mr. Terry Forth, President, Mental Health Association of the N.W.T.  
(appearing for the Mental Health Association of the N.W.T.)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 Definition of Mental Health

- "Mental health is far more than simply the absence of mental illness", according to Mr. Forth in-chief. Mental health refers to a quality of life, one which is salutary and fulfilling, and one in which the stresses and pressures which can lead to the occurrence of mental illness are generally within the control of the individual and the community. Good mental health is likely to be present in a situation where people have reasonable control and choice over their own lives, and the ability to significantly influence the environments in which they live.

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28242-28274

c-2 Positive Effects of Pipeline Development

- The positive effects of pipeline development are those which will improve the capacity of individuals to exercise choice over their own lives and to significantly influence the environment in which they live, according to Mr. Forth in-chief. Potential benefits include: an improved economic climate; improved services in many different sectors including recreation, increased social and health services and improved mental health services and facilities; improved transportation and communication facilities; the availability of energy at a more reasonable price; the opportunity for increased economic and political control on the part of the residents.

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28242

c-3 The Negative Effects of Pipeline Development

- Mr. Forth felt that in addition to the benefits which would accrue to the N.W.T. there would be several disbenefits including: a housing shortage; additional inflation within the territories; increased problems of alcohol abuse resulting from increases in the per capita income; an escalation in social problems including increases in the rate of family breakdowns, juvenile crime, child neglect, suicide rate, and increases in racial tensions; short-run transportation difficulties; and increases in the incidences of communicable diseases and industrial accidents. "It is truly unfortunate that the residents of the territories have not had the choice of determining by referendum whether a pipeline should be built", according to Mr. Forth in-chief. Vol. 182  
28244-28247

c-4 Community Involvement in Mental Health Planning

- Mental health services can no longer be planned separately or simply as a component within the health care system; they must be part of a wide range of health, social services, educational and correctional services according to Dr. Clayton in-chief. There is overwhelming evidence supporting the local and consumer participation in planning and delivery of the services. Local planning must not be by professionals only, it must also involve consumer participation. Dr. Clayton felt that the person needing help can best be served in his or her own community by those who know and can understand the personal, family, social, occupational and cultural stresses that must be overcome. In cross-examination by COPE, Dr. Clayton went on to say that he would like to see programs like education, corrections and health delivery systems controlled in the individual communities as much as possible. He said that locally there must be a say about what sort of needs must be met first and what the priorities are. Dr. Clayton summarized by saying that a remarkable opportunity belongs to the people of the Northwest Territories. He urged that southern service models and methods not be transplanted to the North, because although some southern systems work, others do not. "Local people, local traditions, local resources, local authority and local planning are the essential ingredients for both effective services and preventive programs. Vol. 182  
28257-28273  
28336
- Mr. McCombs in response to questions from COPE, felt that it was important to establish local mechanisms for local program design and development but he did not think that this was possible without the technical assistance. Vol. 182  
28324

c-5 The Alaska Experience and Recommendations

- Mr. McCombs in-chief described some of the factors which made planning for pipeline contingencies in Alaska extremely difficult. Problems arose because of the privacy of negotiations between the pipeline companies and the State; the State's apparent reluctance to plan for negative social impact; the contradictory nature of manpower projections, timetables and other baseline data; and the lack of information regarding the types of social and medical services which would be provided directly by the contractor and how much reliance would be placed on the public sector. Vol. 182

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REFERENCE

As a result of this situation, Mr. McCombs outlined several phenomena which were observed in Alaska: disproportionately high increases in crime, divorce, child abuse and neglect, mental health casualties, auto traffic and juvenile arrests; severe housing crisis resulting in outrageous sale and rental prices; inflated prices; increased average income; employment for many marginally employed and some chronically unemployed; overcrowding schools; increased employment opportunities for youth; increased demands on the court and penal systems; problems of fixed income persons with escalating costs of living; inability to conduct routine businesses; crowded recreational facilities and areas; reduced demand for services from some public agencies and increased demands from others resulting in an imbalance of personnel in public agencies; increases in construction and businesses; and the dependence upon legislative appropriations resulted in belated program implementation.

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28276-28285

- Mr. McCombs went on to recommend the following:  
1) that clear undebated lines of authority for all phases of construction be established, including regulatory responsibility and enforcement; 2) that mechanisms be established to allow local communities to have the decision-making power about health and social programs; 3) that an information system be established immediately regarding health and social service casualty data and community social parameters ie., divorce rate, suicide, juvenile arrests, school drop-out rate etc.; 4) that every effort be expended to assist government, local communities, and oil companies to engage a collaborative planning dialogue; 5) that there be a prompt settlement of native land claims thereby providing a structure and a social and economic baseline for that part of the population which will undoubtedly receive maximum impact from pipeline construction; 6) the establishment of an interim funding mechanism to enable the immediate training of a cadre of indigenous mental health professionals.

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28288-28290

c-6 Recommendations by the Mental Health Association  
of the Northwest Territories

- Mr. Forth in-chief recommended that: 1) there be a settlement of land claims prior to the start of construction; 2) Mr. Forth felt that the existing timetable for the commencement of pipeline construction was inappropriate and therefore recommended a moratorium of 2 years between the date of approval to build the pipeline and actual start of construction. This would give the government and the people an opportunity to seriously prepare for the development and to undertake various preventive programs. In addition Mr. Forth recommended that the construction phase be extended to five years, on the belief that a great deal of the destructive impact would be lessened by adopting a timetable which allows for orderly, less rapid development; 3) all health services be transferred from Health and Welfare Canada to the Government of the N.W.T. Mr. Forth felt that this would bring the responsibility of delivering health services closer to the people; 4) measures be taken by government to discourage transients from entering the territories in search of pipeline jobs; 5) training programs offered by the various governments should be only for those skills which are applicable to the operations phase; 6) an

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28248-28252

indexed guaranteed income for persons on fixed incomes be created; 7) governments provide additional money to organizations delivering essential services to ensure that they are able to keep salaries competitive with hydrocarbon jobs.

c-7 Terms and Conditions

- Mr. Forth in-chief recommended the following terms for companies and their immediate contractors participating in pipeline development. 1) the companies must consult with the communities before final decisions are made concerning the siting of camps and staging areas. Community councils must have the right to specify whether and under what conditions camp personnel may visit particular communities. 2) the companies must make provisions for screening out undesirable southern employees and persons who might have difficulty adapting to the northern working environment. Southern hires should be provided with an orientation program to ensure they have a sensitivity to the way of life in the N.W.T., prior to taking employment. 3) local hires must be given preference in the construction phase jobs, where skills required might be transferable to the operating phase. 4) an obligation must be placed on the companies to "blue ticket" southern employees who leave their employment or are fired. 5) the company should provide an orientation program for locally hired people to ensure that they are aware of the working and living conditions they will face in pipeline camps. 6) rest and recreation periods must involve the mandatory repatriation of the worker to his point of hire, whether that be within or outside the N.W.T.

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28252-28254

Policy and Planning (ACND)  
Division,  
October 6, 1976.

MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NOS. 142 and 143)

Evidence of Arctic Gas and Foothills on NORTRAN

Yellowknife, N.W.T.  
April 13 and 14, 1976

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TOPIC: Phase IV: The Impact of a Pipeline and Mackenzie Corridor Development on the Human Environment.

Northern Petroleum Industry Training Program (NORTRAN)

DATE: April 13 and 14, 1976 in Yellowknife.

WITNESSES: Arctic Gas and Foothills combined panel:

- C.B. Virtue : Manager, Northern Petroleum Industry Training Program (NORTRAN)
- A.R. Giroux : Assistant Manager, NORTRAN
- R.J. Behn : Counsellor, NORTRAN

HIGHLIGHTS

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil.

B. Environmental

Nil.

C. Socio-Economic

c-1 History and Objectives of NORTRAN

- Nortran was established to provide training and employment opportunities for residents of the N.W.T. and Yukon, according to Mr. Virtue in-chief. It is sponsored by AGTL, CAGSL, Foothills, Gulf, Imperial, Shell and TransCanada Pipelines. Mr. Virtue and Mr. Giroux explained the evolution of the program and its administration. The emphasis has been on career development rather than on employment alone, but there has been some limited construction trade training. Vol. 142  
21531-21535  
21544-21549
- The objectives of Nortran, according to Mr. Virtue, are: (1) to provide training and employment opportunities for northern residents in all phases of the petroleum industry, (2) to involve northerners and government in the development and implementation of the program and, (3) to emphasize a career development approach keyed to the individual's motivation and ability. Vol. 142  
21535-21536

c-2 Nortran Entrance Requirements

- Individuals are often encouraged to seek academic upgrading before entering the program, according to Messrs. Virtue and Giroux in cross-examination by ITC/COPE. Grade 10 is generally the minimum for the apprentice jobs. An information program provides the applicants with the information required to select their field of training. The program is aimed at the 22-24 year old age group, primarily because of the educational requirements. Vol. 142  
21565-21570



c-2 Nortran Entrance Requirements

TRANSCRIPT  
REFERENCE

- Because of the high cost of the program, the industry asks for a total commitment on a career basis from the prospective applicants. Although a sociologist has reported that recruitment from small Arctic coast communities would be the most successful, the program has continued to recruit along the pipeline route in the Mackenzie Valley.
- The criteria used in selecting trainees was described by Mr. Virtue in cross-examination by Commission Counsel. Northerners are those people who have lived in the north for a minimum of four years. There are over 400 prospective trainees on a "wait list". No study has been undertaken to verify the appropriateness of the entry standards. Standard educational tests are used and no consideration has been given to using functional literacy tests. The provincial apprenticeship boards have set educational requirements. The tests reflect a southern lifestyle bias.

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21689-21698

c-3 Nortran Enrolment

- The "attrition" rate is 51%, according to Mr. Giroux in cross-examination by the N.W.T. Brotherhood/Métis Association. In response to the Judge's questioning, Mr. Virtue said a 5 year on-the-job training period isn't unusual but the actual period is a function of the aspirations and ability of the individual.
- Of the 224 people who have been involved in the program, there are 109 still engaged, according to Mr. Virtue in response to the Judge's questioning. Of the original 16 trainees in 1971, 7 are still with the program.
- The program is presently limited to 109 positions because each trainee must be guaranteed a permanent job even if the northern pipeline is not built, according to Mr. Virtue in cross-examination by the N.W.T. Association of Municipalities. If there were to be no pipeline or gas plants, the program would end. If a pipeline were approved the program would quickly be expanded.
- The Nortran program hopes to fill 90 of the 200 plus permanent jobs on the pipeline and about one quarter of the 180 permanent jobs at the three gas plants, according to Mr. Virtue in cross-examination by Commission Counsel.
- About 90% of the present 109 trainees are Native people, according to Mr. Virtue in cross-examination by Commission Counsel. Of the 400 people on the 'waiting list' about 80% are Native. About 20% of those on the list were employed elsewhere for a substantial portion of the year. These 400 people represent a substantial component of the stable workforce in the N.W.T. No study has been conducted to assess the effect of removing these people from their present positions. The available information shows that 500 to 600 "unemployed employables" are in the Mackenzie Valley corridor although the definition of "unemployed" in those statistics hasn't been examined.
- With a waiting list of 400 for 109 positions, Commission Counsel asked why Nortran continued an aggressive recruitment program. Mr. Giroux said not all the 400 on the list were qualified to enter the program. An eligibility list would probably consist of 25 to 50 names. Mr. Behn said 400 is the number who have applied. In view of the limited size of the program, the limited number of prospective jobs on a northern pipeline, and the large number of prospective trainees listed and being recruited,

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21626-21628

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21664-21669

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21671-21680

c-3 Nortran Enrolment Cont'd.

TRANSCRIPT  
REFERENCE

Commission Counsel suggested that Nortran was making promises it couldn't keep. Mr. Virtue agreed that this might be the case but noted that the high attrition rate means that positions have to be re-filled regularly.

- In the south there are 30 married and 41 single trainees, according to Mr. Giroux in cross-examination by ITC. The influence of the wife can be positive or negative.
- There are no women in technical positions but there is one woman in a marketing department, according to Mr. Virtue in cross-examination by Commission Counsel. Women trainees are generally in clerical positions.

Vol. 142  
21570-21571  
21577-21578

Vol. 143  
21669-21671

c-4 Nortran Personnel Policy Experience

- The relationship of contractors and unions to the Nortran program was described by Mr. Virtue with respect to experience on the Sarnia to Montreal pipeline.
- Nortran is a training program for the sponsor companies with the following differences, according to Mr. Virtue: (1) it has less stringent entrance requirements, (2) it incorporates an orientation program, (3) it includes an ongoing counselling program and (4) it includes special benefits such as furnished housing. Commission Counsel suggested that the personnel policies developed by Nortran from its experience in training northerners would be a key element in the personnel success of the pipeline and gas plant operating companies. Mr. Virtue said that these companies have not sought Nortran's recommendations although Nortran is in a unique position to offer advice on the ways to maintain a useful and contented northern work force. Mr. Virtue made some preliminary suggestions that the operating companies should consider and undertook to provide details in writing.

Vol. 142  
21596-21598

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21637-21653  
Vol. 143  
21728-21731

c-5 Nortran Orientation and Special Training Aspects

- The important aspects of the Nortran program, according to Mr. Virtue in-chief, are: (1) career and job information, (2) recruitment and selection, (3) trainee orientation (4) industry supervisor's seminars, (5) monitoring and evaluation, (6) counselling services, (7) governments' contribution to training efforts, (8) trainee meetings, (9) trainee benefits, and (10) continuing employment opportunities. There is some danger that the trainees will be attracted away from their career development programs by the high wages paid during pipeline construction. The companies have been participating with government on a manpower delivery system.
- Mr. Giroux described in-chief, the program as it relates to: (1) community information (2) recruitment and selection, (3) trainee orientation, (4) industry supervisors' seminars and, (5) counselling service.
- The program is similar in content to what a southern trainee would receive and there is little that is specifically related to the north, according to Mr. Virtue in cross-examination by the N.W.T. Association of Municipalities. If there were facilities in the north, the on-the-job training

Vol. 142  
21536-21544

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21549-21551

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21625  
21633-21634

c-5 Nortran Orientation and Special Training Aspects

TRANSCRIPT  
REFERENCE

- and perhaps some of the technical academic training could be done in the north.
- There are 21 different trades within the program but prospective trainees experience some difficulty in making a wise career choice because of limited previous exposure to the industry, according to Mr. Giroux in cross-examination by ITC/COPE. Mr. Virtue said that the major emphasis is on transferable skills. Vol. 142  
21575-21577  
21594-21596
  - The details of the orientation program were explained by Messrs. Virtue and Giroux in cross-examination by ITC/COPE, the N.W.T. Association of Municipalities, the N.W.T. Indian Brotherhood/Métis Association and Commission Counsel. The orientation is done in co-operation with the Territorial Department of Education at AVTC in Fort Smith. It is a two to three week program. Additional programs will be needed if a pipeline is approved but this hasn't yet been resolved with the government. All instruction is in English. During orientation no discussions are held on the proposed pipeline. People who go through the orientation program are better equipped to handle subsequent aspects of the program than those who do not. Vol. 142  
21573-21575  
21618-21619  
21623-21624  
21632-21634  
Vol. 143  
21731-21732

c-6 Nortran Costs and Government Involvement

- Nortran is operated by industry in co-operation with the Territorial Government's Employment Division and the Federal Manpower Department, according to Mr. Virtue in cross-examination by ITC. The orientation part of the program at Fort Smith is operated by the Territorial Department of Education. Vol. 142  
21559-21562
- The governments' financial involvement, according to Mr. Virtue in cross-examination by the N.W.T. Indian Brotherhood/Métis Association, is that Manpower pays a percentage of the salary for the "non-productive" period of an employee which can range from 10 to 40 weeks. It is usually about 60%. The government pays for the orientation at AVTC and some of the relocating expenses. They also help in recruitment. Assistance is also given to the industry-supervisor seminars. Two people on staff were also seconded from government. Less than 10% of the total cost is borne by government. Commission Counsel asked for a cost breakdown of the program. Vol. 143  
21737-21738

c-7 Counsellors

- The objective of counselling is to orient, not convert, a northerner to a southern lifestyle and wage economy in such a manner that he or she is a capable and productive member of that system, according to Mr. Behn in-chief. He listed the duties and responsibilities of a counsellor. In cross-examination by the N.W.T. Association of Municipalities, Mr. Behn said that if the program were located in the north, the need for counsellors would be greatly reduced. Vol. 142  
21558-21559
- A counsellor should be a native person with an interest in, and an ability to communicate with people, as well as be familiar with the job, according to the panel in cross-examination by Commission Counsel. They are an essential part of the program. If counsellors are to be used as part of the personnel program during construction, they should be employed by the owner, not the contractors. Nortran does not place the trainees in the unions and generally leaves it to the companies concerned to make the appropriate arrangements with the union. Vol. 142  
21635  
Vol. 143  
21707-21713

<u>c-8 Personnel Problems Associated with Nortran Training</u>	<u>TRANSCRIPT REFERENCE</u>
- It isn't fair to judge the Nortran program by its attrition rate, according to Mr. Giroux in-chief. The program requires a total commitment on a career basis which is difficult under any circumstances. The biggest factor in trainee turnover is loneliness in the southern environment.	Vol. 142 21555-21557
- Experience with trainees in the Delta has been that home is too accessible and they quit their jobs, according to Mr. Giroux. In the south, it has been found that the trainees tend to be compelled to see a problem through rather than to run away from it. Mr. Virtue stressed that the trainees are encouraged to keep in contact with the northern community so that they will go back north when a pipeline is built. Inevitably, resocialization to a southern lifestyle occurs as has been reported by a sociologist's study. This is particularly true for an unmarried person going to a place where there are no other trainees. But the resocialization often has started long before the trainee came south through the influence of schools, churches, T.V. etc. The traditional northern lifestyle is "present oriented" as opposed to the southern lifestyle which is "future oriented". Mr. Behn pointed out that it is important to understand that the task is really to reorient skills that trainees already have. Once a trainee is told he is useful and is treated like a man, the other problems tend to disappear.	Vol. 142 21571-21572
- Loneliness is a prime factor in the high attrition rate of trainees; according to Mr. Giroux in cross-examination by the N.W.T. Indian Brotherhood/Métis Association. Some leave because of a lack of interest in the hydrocarbon industry. A gauge of the success of the program would be the progress of the trainees as the trainees see it. It is assumed that the program is successful or the trainees wouldn't be there.	Vol. 142 21619-21623
- There are no plans to move the program into the north, according to Messrs. Virtue and Giroux in cross-examination by the N.W.T. Association of Municipalities.	Vol. 142 21635-21637
- Some of the problems associated with the program were outlined by the panel in cross-examination by Commission Counsel. The special treatment of trainees sometimes disrupts the existing work force. There is trouble finding accommodation for trainees and landlords discriminate against the Native trainee. Alcohol is often a problem and the counsellor helps where he can; often with the assistance of A.A. Family problems are often serious. Wives often find it difficult to live in the south. They are encouraged to work or become involved in the training program themselves. Money and budgeting are often problems. Discrimination on the job is sometimes apparent but this usually disappears when the trainee proves his worth on the job. Supervisor seminars often help in this regard.	Vol. 143 21685-21689 21713-21728
- The complaints of a previous trainee as heard during the Hay River community hearing were brought to the attention of the panel by Commission Counsel. The basic complaint was that the trainee was just an "extra man on a shift" and others made more money. Mr. Giroux agreed with some of the complaints but pointed out that the person who gave the evidence is now back with the program.	Vol. 143 21680-21685

c-9 Construction Training

TRANSCRIPT  
REFERENCE

- The Nortran program emphasizes career training for the operational aspects of a pipeline, according to Mr. Virtue in cross-examination by ITC. Most of the construction phase training will probably be on the job. Arctic Gas said it would be calling evidence on the (construction) Manpower Delivery system at a later date. Vol. 142  
21562-21565
- There is a chance that trainees will be attracted away from their training by the high paying construction jobs according to Mr. Virtue in cross-examination by the N.W.T. Indian Brotherhood/Métis Association. The problem should be addressed and arrangements made to ensure that trainees are engaged in construction-related jobs that complement their training. This will have to be dealt with in negotiations with the unions. The Alaska experience isn't encouraging. Vol. 142  
21602-21609
- Construction worker training can be done on the job and in a short period, according to Messrs. Virtue and Giroux in cross-examination by the N.W.T. Association of Municipalities. Vol. 142  
21629-21632
- It would be useful to redefine construction jobs in terms of the precise skills and abilities required rather than the union and southern employer methods of education, certificates, etc., according to Mr. Virtue in cross-examination by Commission Counsel. Vol. 143  
21735-21737
- There would be problems in trying to apply a Nortran approach to construction training, according to Mr. Virtue in cross-examination by Commission Counsel. Experience could be gained on southern spreads but it is questionable whether the workers would be interested in prolonged training. Many of the jobs require only ordinary civil construction skills. Pipeline people say that the best place to train workers is on an operating spread. The Judge said this topic is of some importance. With the prospect of pipeline work, looping etc., lasting a decade such a program may be possible, according to Mr. Virtue. Preliminary discussions on this subject have been held with the companies (Foothills and Arctic Gas). However, there is very little current pipeline construction underway in Canada and the sponsor companies have little influence over pipeline contractors. This makes implementation of a training program difficult. The Nortran trainees should work on the client's (applicants) technical staff during construction - not the contractors. The DACUM approach could be used to develop construction skills for all but unskilled and semiskilled jobs. The panel agreed to give this more thought and respond in writing. Vol. 142  
21658-21663
- The number of people living off the land, as reported in the Arctic Gas application was disputed by the N.W.T. Indian Brotherhood/Métis Association. Vol. 143  
21698-21707
- The experience of Mr. Virtue in training of petroleum workers in underdeveloped countries was pursued by the N.W.T. Indian Brotherhood and the Judge. Vol. 143  
21733-21734

c-10 Miscellaneous

- The number of people living off the land, as reported in the Arctic Gas application was disputed by the N.W.T. Indian Brotherhood/Métis Association. Vol. 142  
21601-21602
- The experience of Mr. Virtue in training of petroleum workers in underdeveloped countries was pursued by the N.W.T. Indian Brotherhood and the Judge. Vol. 142  
21598-21601

D. Miscellaneous

d-1 Arctic Gas Phase IV Opening Statement

- Counsel for Arctic Gas said that the social and economic section of Arctic Gas' application has evolved since the documents were submitted. Additional materials will be brought before the Inquiry. The Vol. 142  
21520-21523

d-1 Arctic Gas Phase IV Opening Statement Cont'd.

TRANSCRIPT  
REFERENCE

company claims no special knowledge about how the project will affect the lives of the people in the north. It hopes to learn from others during Phase IV. The Company does believe that there will be benefits to northerners from the project. Arctic Gas will call six panels of witnesses to deal with these issues.

E. Inquiry Schedule

May

3-7 Formal Hearings, Yellowknife

May 10  
to  
June 7

Southern Community Hearings:

10-12 Vancouver  
13,14 Calgary  
17,18 Edmonton  
19 Regina  
20 Winnipeg  
25-28 Toronto  
31&1 Montreal  
3-5 Ottawa  
7 Halifax

June

14-17 Formal Hearings, Yellowknife

18, 19 Fort Providence Community Hearing

21-25 Formal Hearings, Yellowknife

July

5-23 Formal Hearings Yellowknife

August

9-13 Formal Hearings, Yellowknife

Policy and Planning  
(ACND) Division,  
May 5, 1976.

MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NOS. 157 AND 158)

ARCTIC GAS SOCIO-ECONOMIC PANEL - OVERVIEW - REVIEW OF STUDIES

YELLOWKNIFE, N.W.T.  
JULY 5 AND 6, 1976

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TOPIC: Phase IV: The Impact of a Pipeline and Mackenzie Corridor Development on the Human Environment.

- a) Socio-Economic Overview of the Mackenzie River Corridor
- b) A Review of Socio-Economic Studies Undertaken by Canadian Arctic Gas Study Limited

DATE: July 5 and 6, 1976 in Yellowknife.

WITNESSES: Arctic Gas Panel I: Introduction

- Dr. Charles Hobart - Professor, Department of Sociology  
University of Alberta
- Mr. Wayne Trusty - Economic Consultant

HIGHLIGHTS

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

- nil

B. Environmental

- nil

C. Socio-Economic

c-1 Introduction

- Dr. Hobart in chief extended his socio-economic overview presented in January 1976, of the Mackenzie Delta Region to include the corridor along the Mackenzie River that will be directly affected by the proposed pipeline. He presented his views on what he considered to be the most salient points relating to the history, culture, demographic, social interactions, economy and education characteristics of the Mackenzie River Corridor Region.

Vol. 157  
24059-24061

c-1-1 History

- The processes which resulted in the resettlement of virtually all the population in the communities started during World War II and were reinforced during the 1950's and 1960's. This has led to a stage of accelerated social change.

24061-24065

c-1-2 Culture

- The period of continuous cultural contact has resulted in cultural change throughout the area. Dr. Hobart described the cultural contacts of the native people from the time of the whalers to the present and the consequences of those contacts.

Vol. 157  
24065-24072

c-1-3 Demographic Aspects

- Dr. Hobart reiterated briefly the essential conclusions of the demographic data he presented in Inuvik.
- The Métis Association is currently involved in a demographic survey and expects the results of that survey to be available shortly.

Vol. 157  
24072-24081



c-1-4 Social Aspects

TRANSCRIPT  
REFERENCE

- Dr. Hobart presented an overview of the nature of interpersonal relationships of Euro-Canadians and the native people in the Mackenzie River Valley Corridor. He discussed native autonomy versus submissiveness and dependency on whites, the intrinsic value of native lore, crafts and skills, and prejudice and discrimination. Vol. 157  
24081-24086
- Dr. Hobart in cross-examination by Commission Counsel commented on Dr. Asch's paper about the dependency process and the social and cultural facts of wage employment within the communities. Vol. 158  
24167-24171

c-1-5 Economic Aspects

- Dr. Hobart presented data on family income in the Mackenzie Corridor. He discussed the role of income from government sources, transfer payments and exploration employment, the occupational structure of the area, and the works of Clairmont Van Stone, Welsh, et al. regarding native people's increasing uninterest in trapping in favour of wage employment. Vol. 157  
24086-24119
- Dr. Hobart in response to questions from the Judge felt that native people have shown a preference for the wage economy over trapping as a means for getting income. The conflict was not between hunting and wage employment but between trapping and wage economy. He emphasized that there was a continuing opportunity for having the best of both worlds if one is content with low skills level jobs. If one wanted to go the highly skilled or professional job route then one would have to forego trapping to a much greater extent. Vol. 157  
24133-24136
- There are a number of alternative rotation schedules which ought to be used in order to safeguard the ability of the native people to continue to exploit the land resources according to Dr. Hobart in cross-examination by Commission Counsel. Vol. 158  
24234-24237
- All other things being equal Dr. Hobart agreed with Commission Counsel that employment in the community is better than employment elsewhere. Vol. 158  
24237
- In cross-examination by COPE Dr. Hobart stated that meaningful employment for the young people of the Valley may well be essential over the next 20 years. Vol. 158  
24162

c-1-6 Educational System

- Dr. Hobart felt that virtually all his Inuvik critique of the educational system operating in the Delta is relevant to the rest of the Mackenzie Corridor. The educational system of the 1960's in the Territories promoted the displacement of native culture by white culture. Although this has since been mitigated, the results have been that children who attended schools for very many years are effectively unfitted for many traditional activities in terms of skills learned, motivation and exposure to hardship. Vol. 157  
24121-24126

c-2 Country Food

TRANSCRIPT  
REFERENCE

- Dr. Hobart agreed with Asch and Rushforths' position with respect to the continued importance of game sources as food. Vol. 157  
24134

c-3 Review of Socio-Economic Studies

- Mr. Trusty in chief reviewed the intent and nature of the various socio-economic studies undertaken and submitted by Arctic Gas and explained how they related to each other. Vol. 158  
24241-24257
- Phase I was basically an overview assessment of potential impacts and policy intentions. Mr. Trusty described how the work of the Boreal Institute and Gemini North helped to meet this end.
- Phase II is devoted to an analysis of specific impacts at the individual level, the ramifications of various policy options and details of individual policies. Key priority was the need to focus on potential long run physical impacts in communities and corresponding demands on the regional infrastructure, the local construction industry and the resources of communities and senior governments generally as a result of pipeline related developments. Vol. 158  
24260-24267
- Van Ginkel Associates Limited of Montreal was jointly commissioned by Arctic Gas and the three producing companies to study the socio-economic effects of the combined pipeline and gas field developments. The most important quantitative input to the study is the estimate of permanent employment opportunities and their potential effects on communities. In addition, the study included a community by community inventory of the services and facilities that could be achieved in 1985 under the conditions set by the maximum growth alternative. The Van Ginkel report was entitled "Communities of the Mackenzie: Effects of the Hydrocarbon Industry" and was published in January of 1975. Vol. 158  
24262-24266

c-4 Community Consultation

- Mr. Trusty in cross-examination by the Association of Municipalities discussed Arctic Gas' plans for community consultation. Arctic Gas plans to consult with each community on an individual basis during the pre-construction phase. Vol. 158  
24285-24289

D. Miscellaneous

d-1 Criteria for Co-ordinating Subsistence and Economic Development

- Commission Counsel introduced as an Exhibit (No. 647), a report on the subsistence and conservation of the Yupik lifestyles prepared by an organization called the Yupikpak Bista in Alaska in 1974, which outlined four criteria for co-ordinating subsistence and economic development. Vol. 158  
24237

MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUMES NOS. 159 AND 159A)

ARCTIC GAS PANEL ON ALASKA

YELLOWKNIFE, N.W.T.  
July 7, 1976

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TOPICS: Impacts of the Alyeska Project in the Context  
of the Alaska Socio-Economic Environment.  
  
Relating the Alaska Experience to the Northwest  
Territories and the Arctic Gas Project.

ARCTIC GAS PANEL ON ALASKA

DATE: July 7, 1976 in Yellowknife.

WITNESSES: Arctic Gas Panel II:  
  
Mr. David Boorkman - Partner, Urban & Rural  
Systems Assocs. (URSA) San Francisco  
Mr. David Weinstein - Manager, URSA, Seattle  
Mr. Wyne B. Trusty - Economics Consultant.

HIGHLIGHTS

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 Socio-Economic Context, Alyeska

- The impacts caused by the construction of the Alyeska pipeline can be understood only when placed within the socio-economic context of Alaska, according to Mr. Boorkman in chief. The most important factor in Alaska's socio-economic environment is the reoccurring historical phenomenon of population in-migration. If there had been no large scale population in-migration, the impacts associated with the Alyeska project would have been far different.

Vol. 159  
24347-24349

c-2 Alyeska Impacts

c-2-1 Population

- Historically in Alaska, periods of rapid economic development have been characterized by large scale population in-migration. The population of Alaska increased 22.5% between July 1st, 1973 and July 1st, 1975. The population in Fairbanks increased 66.3% in the same period while in Valdez the population increase was 469% in the period January 1974 to July 1975.
- Virtually all the socio-economic impacts associated with the Alyeska Project - inflation, shortages of vital goods and services, revenue shortfalls - are tied to recent and massive population increases according to Mr. Boorkman in chief.

Vol. 159  
21304-21306

TRANSCRIPT  
REFERENCE

c-2-2 Employment and Unemployment

- The Alyeska Project greatly increased employment during the peak period, the second quarter of 1975 with direct and indirect jobs estimated at 61,000 (24,000 direct and 36,600 secondary and indirect jobs). Vol. 159  
24306  
24393-24395
- Unemployment also increased because of the Alyeska project due to the number of unemployed in-migrants and because of the large number of resident Alaskans entering the labour force for the first time who were unable to find work. Vol. 159  
24307
- It has been estimated that 5,100 individual natives have worked for the Alyeska Project and that 8,000 total jobs have been filled by natives as a result of four native employment programs now in effect in Alaska. Vol. 159  
24326

c-2-3 Labour Shortage and Labour Costs

- Because of the number of people leaving their jobs to fill higher paying oil or gas related jobs there is an anomalous situation in Alaska of high employment and at the same time important jobs going unfilled. This has caused problems in both the private and public sectors. Vol. 159  
24308,24380,  
24384-24386  
24405-24410
- Mr. B. Weinstein in cross-examination, of the Association of Municipalities, said that there was no question that the high wages paid by Alyeska had an influence in attracting in-migrants but that the wages were economically justifiable and that without them there would probably not be a pipeline. Vol. 159  
24386

c-2-4 Revenues and Expenditures

- State and local budgets have grown enormously due to the rapid population increases. However, revenue sources have not grown rapidly enough to sustain a desired level of public expenditure and have thereby aggravated the intensity of Alyeska impacts. Vol. 159  
24309-24311  
24410,24450
- When the oil flow out of Prudhoe Bay is at its peak period, revenues to the State of Alaska from royalties and severance taxes will amount to 1.2 billion dollars a year, according to Mr. Boorkman in cross-examination from the Association of Municipalities. Vol. 159  
24412

c-2-5 Impacts on Private and Public Goods and Services

- The supply of most private and public goods did not keep up with the demand, with the most important impacts being on housing, utilities, public safety and education, according to Mr. Boorkman in chief. Vol. 159  
24311-24321  
24367-24372  
24437-24441  
24491-24495
- In response to questions from the Association of Municipalities, Mr. Boorkman said that the important point about public service delivery systems was to determine early on what the likely level of impact in the various social service delivery fields, and what level of government was responsible for providing those services and then how to get the money where it is needed most. Vol. 159A  
24580-24585  
24591  
Vol. 159  
24431, 24435

c-2-6 Inflation

- The cost of living in Alaska has always been higher than the lower 48 and until the Alyeska boom the differential between Alaska and the lower 48 had been decreasing. Since the Alyeska boom however, this differential in the cost of living is increasing, because in Alaska inflation is both demand pull (for example, the housing shortage) and cost push (for example, the high Alaska wages). Vol. 159  
24321-24342  
24442-24444
- The rate of inflation is higher in Fairbanks than Anchorage because Fairbanks had more impact and because it is smaller, according to Mr. Boorkman in cross-examination from the Association of Municipalities. Vol. 159  
24442

TRANSCRIPT  
REFERENCE

c-2-7 Small Village Impact

- The participation rate of rural people employed on pipeline work was low ranging from 2% to 22.2% according to a survey completed in June, 1975. Vol. 159  
24324-24326a  
24444
- Despite the low percentage of rural native employees, the pipeline is having a significant effect in terms of loss of manpower and leadership. Vol. 159  
24325

c-3 Alyeska Induced In-Migration

- According to Mr. Boorkman in chief, Alyeska-induced in-migration has been aggravated by three crucial factors; 1) local or resident hire, 2) the location of union hiring halls in Fairbanks, and 3) the lack of adequate State planning. These three factors have operated to intensify the level of Alaska's historic in-migration problem and to exacerbate the negative impacts caused by the Alyeska Project. Vol. 159  
24331,  
24444-24448  
24499,  
24347-24349
- Mr. Boorkman in cross-examination from Commission Counsel agreed that because of the Northwest Territories' relatively small population, 2,000-3,000 job seekers coming into the Territory would create surplus manpower which would be greater proportionately than the surplus manpower problem which occurred in Alaska. Vol. 159A  
24562-24564
- Messrs. Weinstein and Boorkman in response to questions from the Judge and COPE discussed policies which they thought could be used to limit the number of in-migrants to the Northwest Territories. Vol. 159  
24387-24392  
24486-24490

c-4 Relating the Alaska Experience to the Mackenzie Valley

- Mr. Trusty in chief stated that "It was dangerous to ignore or downgrade the importance of the socio-economic setting in which a project takes place and the various dynamic elements that ultimately determine both the positive and negative effects. The obvious danger is that of leaping to the conclusion that impacts of the kind and magnitude experienced in Alaska would automatically result from a comparable project in the Mackenzie Valley." Arctic Gas feels that their project will not create an Alaska type situation in the Mackenzie Valley. This does not mean that some of the same kinds of impacts will not be present but rather because of the basic differences in the two regions and the projects themselves and with the implementation of appropriate measures the magnitude and therefore the seriousness of those impacts will be greatly reduced. Vol. 159  
24349-24350
- Mr. Trusty described two major differences in the socio-economic setting between Alaska and the Northwest Territories as a) the history of population growth and in-migration and b) the role of government. Vol. 159  
24351, 24357  
Vol. 159A  
24613-24619
- The major physical differences between the two projects were described by Mr. Trusty in cross-examination by Commission Counsel. Vol. 159A  
24608-24612

c-5 Land Claims Settlement

- Mr. Boorkman in response to questions from Commission Counsel thought that without a pipeline there probably would not have been a land claims settlement in Alaska. In addition, he stated that the settlement had helped to alter the overall socio-economic picture in Alaska, but it was too early to determine the impacts from this settlement. Vol. 159A  
24538-24546

MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

TRANSCRIPT VOLUME 161

EMPLOYMENT POLICIES AND PLANS

JULY 12, 1976

YELLOWKNIFE, N.W.T.

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TOPIC: Employment Policies and Plans

DATE: July 12, 1976

WITNESSES: Wayne B. Trusty  
Guy Leslie Williams  
F.T. Hollands  
Melvin E. Carlson

(appearing on behalf of Canadian Arctic Gas Pipeline Ltd.)

HIGHLIGHTS

A. TECHNICAL/ENGINEERING

Nil

B. ENVIRONMENT

Nil

C. SOCIO-ECONOMIC

c-1 Estimate of Total Direct and Indirect Employment

- Mr. Trusty in Chief presented estimates of the primary direct and indirect employment opportunities that will result from the construction and operation of Arctic Gas' proposed pipeline system and from the development of the field facilities and gas plants that would be required to achieve the pipeline base case throughput.

Vol. 161  
24772-  
24781

Mr. Trusty estimates a stable employment base of 1,600 man-years of direct and indirect employment will be generated per year long after the main construction activity is completed providing regional residents with continuing employment opportunities. This 1,600 man-years of continuing employment represents an increase of 25% over the employment level of 6,450 man-years estimated by Gemini North in 1972. This is only one of several yardsticks that could be employed to indicate that, for this region, the stable continuing employment opportunities will be highly beneficial and not at all indicative of a boom-bust situation in the sense that the term is normally used. (See Appendix "A" attached.)



c-2 Boom-Bust Economy

- As long as proper measures are taken to insulate communities from adverse impacts as a result of the influx of outside workers, the regional boom-bust aspects of the impact can be greatly minimized. Vol. 161  
24782

c-3 The Nature of Employment Opportunities During Construction

- Mr. Williams in Chief presented a brief review of the nature of employment opportunities that will be available during the construction phase. Detailed information on personnel requirements and skill classification was essentially the same as was filed in response to the Pipeline Application Assessment Group, Question No. 2. Vol. 161  
24785

c-4-1 Employment Policies - Northern Residents

- Mr. Hollands in Chief presented testimony dealing with development of programs for employment opportunities for northern residents during the construction phase. These included giving preference to all employable northern residents who are desirous of construction employment and an attempt to negotiate with unions to make union membership generally available. In addition Arctic Gas has been working with others in order to ensure northern residents capable of employment would have maximum opportunity to gain employment during the construction phase. Arctic Gas will ensure that employment opportunities are made available to present and expanded numbers of Nortran trainees. Employment will be continuous from the seasonal commencement of construction into December with a rotation break at Christmas. Construction will end for the season in April or early May. Orientation and counselling courses will be available for all employees. Vol. 161  
24790 -  
24800

c-4-2 Southern Workers

- Arctic Gas will attempt to discourage people from going North to seek pipeline jobs. Indoctrination and pre-employment training will occur in the South as will orientation for safety, fire and survival training. Southern employees will be required to take their rotational leave in a southern location. All employees will live in construction camps. Vol. 161  
24800-24802

c-5 Pipeline Employment Opportunities in O&M

- Mr. Carlson in Chief described relevant considerations that Arctic Gas will make when giving operating and maintenance employment opportunities. He stated that much of the expertise necessary to perform these tasks is developed by on the job experience as opposed to formal education qualification. The Northern Division will observe a build-up in personnel from 124 employees to 206 for the fifth year of operation. Vol. 161  
24802-  
24811

c-6 Employment policies and programs in O&M

Mr. Hollands in chief stated that the overall objectives of efficiency and economy in operating the pipeline would best be served by having all positions filled by northern residents. Orientation and counselling programs will be continued from the construction phase. Nortran employees will have the opportunity for jobs in O&M on the pipeline. Training programs for education upgrading on the job training will be encouraged. Manpower requirements will be coordinated with these training programs. Equal treatment will be given to all employees regarding conditions of work and company benefits.

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24817-24826

TOTAL DIRECT AND INDIRECT EMPLOYMENT IN THE STUDY REGION  
(Man-Years)

Category of Employment	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
Pipeline Construction	250	1,100	2,500	2,450	1,500	800	650				
Pipeline Operations			130	190	200	210	210	210	210	210	210
<b>TOTAL DIRECT</b>	<b>250</b>	<b>1,100</b>	<b>2,630</b>	<b>2,640</b>	<b>1,700</b>	<b>1,010</b>	<b>860</b>	<b>210</b>	<b>210</b>	<b>210</b>	<b>210</b>
Delta Gas Development and Production	600	1,450	1,500	1,750	1,450	1,250	1,300	650	650	650	650
Exploration	750	750	750	750	750	750	750	750	750	750	750
Transportation and Equipment Storage		550	550	550	550						
<b>TOTAL INDIRECT</b>	<b>1,350</b>	<b>2,750</b>	<b>2,800</b>	<b>3,050</b>	<b>2,750</b>	<b>2,000</b>	<b>2,050</b>	<b>1,400</b>	<b>1,400</b>	<b>1,400</b>	<b>1,400</b>
<b>TOTAL DIRECT PLUS INDIRECT</b>	<b>1,600</b>	<b>3,850</b>	<b>5,430</b>	<b>5,690</b>	<b>4,450</b>	<b>3,010</b>	<b>2,910</b>	<b>1,610</b>	<b>1,610</b>	<b>1,610</b>	<b>1,610</b>

MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NOS. 162 AND 163)

SOCIOLOGICAL ASPECTS OF CONSTRUCTION AND OPERATION

JULY 13, 14, 1976  
YELLOWKNIFE, N.W.T.

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TOPIC: Sociological Aspects of Construction and Operation

DATE: July 13, 14, 1976 in Yellowknife, N.W.T.

WITNESSES: Wayne B. Trusty

Charles Hobart

(Appearing on behalf of Canadian Arctic  
Gas Pipeline Ltd.)

HIGHLIGHTS

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

- nil

B. Environmental

- nil

C. Socio-Economic

c-1 Stable Employment

- Mr. Hobart in chief stated that the provision of stable employment opportunities should be considered a high or top priority, and the alleviation of poverty through the provision of stable employment opportunities could increase wage income and have a positive effect in reducing the incidence of anti-social behaviour in the long run. He explained that the lack of opportunities to experience employment demanding responsibility and commitment, to obtain the training that would lead directly into such employment and to aspire toward such employment, tends to perpetuate anti-social patterns. Without more stable employment becoming available, there are no opportunities for the structural and motivational reasons for such anti-social behaviours to change, nor are there generally effective mechanisms for reinforcing more socially constructive behaviour.

Vol. 163  
25100-25110

c-2 Quality of Physical Environment

- There is a danger in over-emphasizing the importance of improved facilities as a method towards reducing undesirable social habits such as alcoholism, violence, family breakdown, and poor work habits. However, violence among northern native peoples is almost always a result of intoxication, and there is evidence that alcohol consumption is associated with the quality of housing and availability of recreational facilities. Also cramped over-crowded housing tends to promote tardiness and absenteeism because of the difficulty of getting to sleep.

Vol. 163  
25110-25112

c-3 Racial/Social Tensions

TRANSCRIPT  
REFERENCE

- Prejudice, discrimination and inter-ethnic tension does exist in the North. It is likely, however, that pipeline construction and operation would have a significant potential for reducing inter-racial and inter-ethnic tension in the North, assuming that the potential for abuse or exploitation of natives by a minority of whites is effectively controlled. Vol. 163  
25113-25126

c-4 Impact of Construction Workers on Native Peoples

- Because Arctic Gas intends to enforce a policy of not allowing workers to leave camp during their off hours it is hoped that together with reasonable union cooperation the interaction between workers and native peoples will be minimal. Not only will the men be working long hours, but expanded RCMP policing and the willingness of management to apply stern disciplinary measures together with the fact that no roads exist to the nearest settlement will induce workers to stay in camp. Vol. 163  
25126-25127

c-5 Problems Encountered by Native People Living and Working in Camps

- Mr. Hobart suggested that in order to minimize the potential for prejudice and inter-ethnic tension that briefings be given to both white and native recruits on the history and culture of the other group. It is important that white work supervisors be aware of certain aspects of native psychology, experience and background which influence their job performance. Rules must be enforced as even handedly as possible across ethnic groups so that some groups are not seen as being coddled. Vol. 163  
25127-25134

c-6 Native Employment Opportunities

- Many native people are strongly attracted to industrial employment opportunities even when it involves extensive dislocations such as relocation to southern Canada, as in the Nortran and GELRR programs or isolation from the home community for six weeks at a time as in the construction of the Nanisivik Mine at Strathcona Sound. However they prefer permanent employment in their home community to seasonal employment away from home. There appears to be more enthusiasm among the Inuit than among the Dene for such industrial employment. However under certain circumstances the Dene response is more enthusiastic; namely, when the employment has a distinct and bright future and when it is strictly seasonal. Vol. 163  
25134-25140

c-7 Natives Absent from Home

- Periodic interruption of family life has been a common aspect of native experience for the last 50 or more years. However, younger northern native workers increasingly have the same kinds of ambivalent, if not distasteful, reactions to rotation work schedules that most young married southern Canadians would have. Accordingly the company should be prepared to accept some irregularities and undependability during the initial break-in period. Vol. 163  
25140-25143

c-8 Sociological Consequences from Native Pipeline Employment

TRANSCRIPT  
REFERENCE

- The social psychological consequences would be the consequences of self-concept, sense of identity, motivation, and morale of the people affected. The social structures in many communities are already in the process of massive change due to employment opportunities from the projects. These have been welcomed by the native people affected.

Vol. 163  
25143-25150

c-9-1 Personnel Movement

- Arctic Gas plans to have all indoctrination and pre-employment training for persons hired in the south carried out at centres in southern Canada. Southern workers will be transported to southern centres at the beginning of their rotational leave and will be flown out of a southern centre, probably Edmonton, on a large jet aircraft.

Vol. 162  
25066

c-9-2 Camp Facilities and Regulations

- Arctic Gas plans to provide camps that are comfortable and well maintained with a full range of high quality facilities. The modular dormitories and furnishings must be conducive to proper rest. Food preparation and dining facilities must be of a high standard. For non-working hours there must be adequate recreation facilities including postal services, commercial telephones and canteen facilities. To ensure proper health care a medical support system will be established to provide for the treatment of illness and injuries. The camps will be self-contained with respect to water, power fire-fighting and sewer services.

Vol. 162  
25057-25062  
25067-25070

c-9-3 Employment Policies

- Arctic Gas will be flexible in establishing work schedules for northern residents in order that their personal and community requirements can be taken into account. There will be no hunting, trapping or fishing for any employees while on the right-of-way or living in the camps. Firearms will not be permitted in the camps except for emergency or security purposes. Every attempt will be made to employ northern residents on sections of the pipeline as close to their home communities as possible. Personnel would not leave the confines of the camp during their non-working hours unless expressly authorized to do so by the appropriate camp authorities.

Vol. 162  
25068-25070

c-9-4 Alcohol

- Arctic Gas prefers to have alcohol available in the camps on a controlled basis. Several of the execution contractors on the Alyeska project were uniformly of the view that making alcohol available in the camps on a controlled basis is a preferable policy.

Vol. 162  
25071-25072

c-9-5 Effects on Transportation System

TRANSCRIPT  
REFERENCE

- Mr. Trusty pointed out that it was essential to ensure that project demands do not interfere with normal traffic flows associated with community re-supply and the movement of essential goods. There is also the question of whether freight rates will change as a result of the project from the levels that would otherwise prevail. An adequate level of service by various modes in and between communities must be maintained.
- Sufficient large sets will be added to the existing fleet to ensure that project requirements will not detract from the normal barging capacity. Arctic Gas intends to lease, charter or otherwise contract for aircraft to service construction. The situation with trucking services closely parallels that of air services.

Vol. 162  
25072-25076

c-9-6 Communications

- It has been decided to lease telecommunication facilities and select a satellite system with flexible characteristics in order to enhance the northern service capability of CN Telecommunications and Telesat Canada. This should result in improved and expanded telecommunication services in northern communities.

Vol. 162  
25076-25078

c-9-7 Local Procurement of Goods and Services

- Arctic Gas is committed to ensuring that local businesses benefit from the project. It is recommended that a regional economic liaison group with membership to include representatives of the various levels of government, native organizations, northern businesses, Arctic Gas and the producers, be established in order to provide a forum for discussion and the exchange of information.

Vol. 162  
25053-25055

c-9-8 Inflation and Shortages

- The inflationary effects will be mitigated somewhat by having the majority of workers housed in construction camps removed from the communities. The general lack of economic maturity in the region will limit the amount that can be purchased locally. One measure to reduce any tendency toward demand pull inflation is the encouragement of savings programs during their orientation and counselling program. The higher wages earned by pipeline workers could result in cost push inflation as local employers find they have to match the pipeline earnings. However, these higher earnings are a result of long working hours as well as high hourly rates. These long working hours also tend to counteract spending. Cost push inflation could also arise from labour market dislocations that make it difficult for employers to maintain the level and quality of output after trained employees leave local jobs for higher paying pipeline jobs.

Vol. 162  
25084-25096



c-10 Policies Plans Potential Impacts Operations  
Phase

TRANSCRIPT  
REFERENCE

- Mr. Trusty in chief reviewed the Van Ginkel study which assessed the socio-economic prospects, opportunities and potential impacts in the communities as a prelude to his current work which will further define the potential long-run impacts. The primary objective of his work has been to ensure that neither Arctic Gas nor the producers will be a burden on the communities and the opportunities for the pursuit of alternative lifestyles and development patterns will be preserved. The fundamental underlying premise of the Van Ginkel study was the assurance of freedom of choice for all individuals with the related implications of equality of opportunity. Vol. 163  
25168-25169
- The result of new economic activities would be to directly increase the job opportunities in an area and indirectly increase the number of jobs as a result of demand for supplies and services. Jobs in excess of the capacity of the existing labour force could result in in-migration which would create further demands and thus further jobs. The following factors were used to determine the final approximation of in-migration: the extent of increase in the spending power of existing residents; the proportion of total employees living in the study areas compared to the proportion from outside communities; the total of employees currently resident in the study region; the total of employees who migrate with their families to the study area from outside; and the possibility of new local service enterprises becoming more viable because of increased population and/or spending. Vol. 163  
25172-25182
- The Van Ginkel study noted that it is generally desirable that those who work in a community, or a region have a stake in its well-being. Every effort should be made by employers to encourage new employees from outside to move with their families and take up residence in the study area.
- In the work that has been undertaken subsequent to the initial Van Ginkel study, the focus has been on the large communities and the permanent full-time jobs that would most likely result in in-migration to those communities. While planning for community facilities has been initiated, plans will not be finalized until there have been extensive consultations with the communities. The considerations that will have to be borne in mind include: the possibility of constructing central facilities that can evolve in terms of the specific use of space as they shift away from a pattern of rotating employees; and pre-planning the use of space to account for the shift from facilities for single individuals to accommodations for families. The details of implementing any policies stated in the application with respect to such matters as housing, recreation facilities and community infrastructure generally must be resolved in the context of the individual communities. Vol. 163  
25182-25192

c-11 Alcohol Sales and Illegal Behaviour

TRANSCRIPT  
REFERENCE

- Dr. Hobart in chief just described the methodology and then the conclusions drawn from his study into alcohol sales and illegal behaviour. The original aim of the study was to replicate a previous study carried on in Coppermine relating alcohol consumption levels to child neglect as indexed by respiratory infections in infant and pre-school children, to incidents of drunken woundings and to law violation. Because of data deficiencies national, territorial and sub-regional data on liquor sales and certain law violations were converted into annual per capita liquor sales in the case of liquor data and violations per 1,000 population in the case of law violation data. Vol. 163  
25151
- He indicated that the data for the Mackenzie River communities showed great increases in liquor consumption during the period 1960 to 1972 after which there was a slight decline. The data for the study area for the component regions and for the individual communities, however, showed that the correlation between liquor consumption and convictions of offenders brought before the Magistrate's Court was far from perfect. Vol. 163  
25153
- The data for the Mackenzie River communities showed increased rates of law violation have reached very high levels in some communities. The apparent increasing tendency for native people in the Territories to lay charges against offending fellow townsmen, because of the frequent availability of telephones, makes it easier to contact the police. However he also stated that there can be no doubt that the impact of development has been accompanied by substantial increases in commission of offences. Vol. 163  
25154

MACKENZIE VALLEY PIPELINE INQUIRY  
SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NOS. 165 AND 166)

Socio-Economic Overview

July 19 and 20, 1976  
Yellowknife, N.W.T.

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TOPIC: Foothills Panel 1 - A Socio-Economic Overview

DATE: July 19 and 20, 1976 in Yellowknife, N.W.T.

WITNESSES: Mr. J.K. Burrell, Vice-President, Corporate Development, Foothills Pipelines Limited  
Mr. J.R. Ellwood, Supervisor of Socio-Economic Affairs, Foothills Pipelines Limited  
Ms. M.E. Jensen, Independent Socio-Economic Consultant  
Mr. J.B. MacLeod, Independent Economic and Management Consultant  
(appearing on behalf of Foothills Pipelines Ltd.)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 Purpose

- The purpose of the Foothills Socio-Economic Program is to ensure that their pipeline system is planned, constructed and operated in such a manner that it offers the maximum net benefit to the residents of the N.W.T., according to Mr. Burrell in-chief. The first step in the process was to assemble a description of the current socio-economic patterns and trends in the Mackenzie/Great Slave Lake area. The second step was to identify the potential interaction between the project and the existing socio-economic milieu. The third step is to predict the effects of the project on the existing socio-economic environment and to obtain feedback from the persons, communities and governments affected and to use that feedback as an input into possible project modifications.

Vol. 165  
25510-25511

c-2 Policies to Minimize Social Impact

- Mr. Ellwood stated that most would agree that the construction phase of the pipeline presents the greatest concern. In order to minimize potential adverse effects that the pipeline might have on the residents of the N.W.T., Foothills has adopted policies to: route construction personnel as expeditiously as possible from their point of hire to the work site; house workers in self-contained camps well removed from the communities; ensure that casual transportation is not available to camp workers; provide emergency health services within each camp; consider employment rotation and labour pools for residents of the communities; ensure that there is adequate public law enforcement within the camps and ensure that all contractors and sub-contractors observe the same regulations which Foothills has set for itself. Alcohol will

TRANSCRIPT  
REFERENCE

be allowed in the work camps through a tavern, subject to the Territorial Liquor Ordinance, and firearms will not be permitted in the camps.

Vol. 165  
22513-22516

- Foothills does not want to add to the housing shortage which currently exists in the N.W.T., according to Mr. Burrell in-chief, and therefore will be providing accommodation for all Foothills' employees in the N.W.T.

Vol. 165  
22517

- Foothills has adopted a compensation policy to cover accidental damage during the construction phase, according to Mr. Ellwood. Compensation will be paid on the basis of replacement value for damage to property and the fair market value for loss of productivity.

Vol. 165  
22519-22521

c-3 Housing

- Ms. Jenson, in-chief, reviewed the current housing situation in the N.W.T. and listed the recommendations she made to Foothills. They include a recommendation that during pipeline construction the camps used to house workers should be self-sufficient and isolated from the communities; accommodation for supervisory personnel in the operating centres during construction of the pipeline and O & M facilities should be permanent rather than temporary; there should be early consultation with local government authorities to ensure availability of service land for housing and compliance with local by-laws; and Foothills should develop a policy to encourage permanent O & M personnel to become home owners rather than tenants. In addition, she recommended that local contractors be utilized as much as possible during construction of employee housing; Foothills should discourage the establishment of a central facility in any of the N.W.T. communities to be used as an orientation or manpower staging site and that speculative transients should be discouraged from coming into the north once the permit to construct is approved. Ms. Jenson felt that the Foothills project would place little demand on the existing housing supply due to Foothills' plan of providing its employees with accommodation.

Vol. 165  
22521-22527

- Mr. Ellwood, in cross-examination from Commission Counsel stated that Foothills does not intend to have company subdivisions. Although the government has the responsibility of servicing land, if they were unable to service sufficient quantities Foothills had the capability to do it. Mr. Ellwood assured the Commission that Foothills' requirements would be met over and above the requirements of the rest of the community.

Vol. 166  
25754-25756

c-4 Water and Sewage

- Foothills is prepared to make its surplus water and sewage treatment facilities available to the communities after the construction phase and is designing them for that purpose, according to Ms. Jenson in-chief.

Vol. 165  
25530

c-5 Education

- Ms. Jenson stated that, as a result of the Foothills project limited expansion of all educational facilities in the operating centres would be necessary. She felt that the capability to provide additional facilities is available provided sufficient leadtime is given to educational authorities. In addition, Ms. Jenson expected an increased number of community residents to enroll in adult education programs to upgrade their basic skills. Vol. 165  
25531-25534

c-6 Alcohol

- Ms. Jenson felt that, although the possibility exists that increased disposal incomes resulting from pipeline employment could lead to increased alcohol consumption, the way to avoid the problem was to create an environment in which the population is aware of the inherent dangers associated with excessive alcohol consumption and to provide the necessary support services and rehabilitation programs to minimize the problem. Vol. 165  
25535

c-7 Crime and Development

- Ms. Jenson recognized that there was a relationship between crime rates and development and recommended the following: 1) pipeline construction workers should be housed in self-contained camps well removed from communities; 2) all access to and from construction camps should be controlled by Foothills; 3) excessibility to construction camps and right-of-ways should be opened to the R.C.M.P. and/or other police officers pursuant to the responsibilities; 4) working facilities should be provided in major construction camps for the R.C.M.P. and/or other peace officers pursuant to the responsibilities; and 5) ongoing consultation should be maintained with agencies responsible for maintaining the peace. Vol. 165  
25538-25541

c-8 Social Assistance

- Normally social assistance is beyond the scope and control of Foothills or any other developer, however, Ms. Jenson made recommendations to Foothills which she thought may help to reduce the impact of the proposed development. These include a recommendation that: 1) Foothills make provisions that would enable families in northern settlements to receive money directly while the wage earner is "out on the line" and 2) Foothills should undertake financial counselling and education programs so that employees may be aware of the consumption and savings options open to them in this partially serviced north. Vol. 165  
25541-25544

c-9 Natural Gas to Communities

- Foothills conviction, according to Mr. Burrell in-chief, is that whenever it is practicable to do so, residents of an area must be afforded the opportunity and the assistance to gain access to and benefit from the resources which are developed within their area. Foothills therefore has developed a plan to provide natural gas service to the northern communities. The cost of transporting the gas to the town gate of each community will be the actual cost of transportation or the price to be charged by Foothills for gas which it delivers to connecting pipelines at the N.W.T./Alberta border, whichever of the two is the lesser. For a number of communities,

TRANSCRIPT  
REFERENCE

this cost will be lower than a traditional utility approach. Foothills plans to overcome this by rolling the higher unit cost of the gas into the cost of delivery of the much larger volume of natural gas to downstream users. Vol. 165  
25548-25552

- Foothills plans to delivery gas to the communities of Inuvik, Fort Good Hope, Norman Wells, Fort Norman, Wrigley, Fort Simpson, Hay River, Pine Point, Fort Providence, Rae-Edzo and Yellowknife. Construction of the laterals is to start the year after completion of the main line. Vol. 165  
25555-25557
- Foothills does not intend to operate community distribution systems unless it is absolutely necessary according to Mr. Burrell. He estimated the average annual cost per northern household by the mid-1980's will exceed \$500.00 when compared to the cost of purchasing fuel oil. By the end of the 1980's, Mr. Burrell estimated the average daily consumption of the 11 communities to be 16.8 MMCF or approximately 0.7% of the main line throughput. Vol. 165  
25557
- In cross-examination from the Association of Municipalities, Mr. Burrell stated that the prime emphasis of the program was to provide lower energy costs to residential commercial consumers but when spare capacity was available it would be made available to industrial customers. Residential and commercial consumers have first priority. Vol. 165  
25609

c-10 Community Infrastructure

- Mr. Burrell in-chief stated that Foothills would work closely with the communities in order to avoid overtaking community infrastructures and will assist in the upgrading of existing facilities should the Foothills project make it necessary in the long-term. In addition, following the construction phase, Foothills is prepared to make surplus camp facilities available for use by the communities. Vol. 165  
25562

c-11 Incomes and Employment

- Mr. MacLeod, in-chief, stated that participation of northerners in pipeline development would result in a significant injection of revenues into the valley communities. As a result, one could expect a creation of substantial surplus income and/or an increase in outlays for current consumption in the communities. Personal disposal incomes can be expected to increase as a result of pipeline-related employment, and will provide individuals with the resources necessary to upgrade their living conditions. However, according to Mr. MacLeod, the ultimate allocation of these resources rests with the individual. Vol. 165  
25564-25570
- In the absence of additional wage employment opportunities, more and more people would have to rely on hunting and trapping for their livelihood. However, because of the demographic growth there is a real possibility of relative depletion of the wildlife resources, according to Mr. MacLeod. Pipeline employment he felt would generate more wage employment opportunities to accommodate the rising participation rates. Recognizing that the native people still have a strong attachment to the land and country food, Mr. MacLeod concluded that while the absolute numbers of full-time trappers will decline in relation to pipeline development, there will be increasing numbers of part-time hunters and trappers. Vol. 165  
25569

c-12 Fiscal Impact

- Mr. MacLeod, in-chief, reviewed the basis of his royalty projections included in the Foothills applications and included an estimate of corporate taxes payable by the applicant. The review estimate showed royalty revenues about 50% higher than the original estimate for the first year. Royalties would be comprised of two components, a minimum base period of 10% and a progressive incremental royalty (PIR) which would be a function of the profitability in specific fields. Royalties would be levied on a production rather than a throughput basis, according to Mr. MacLeod. In this way, the producing companies and not the applicant will be subject to royalty payments, and royalty revenues to the Canadian governments would not be greater should a larger pipeline be built to transport gas produced in other jurisdictions, such as Alaska in addition to Delta gas. Although the applicant will not be paying royalties, it will be subject to corporate taxes, stumpage fees and right-of-way taxes. Vol. 165  
25570-25578
- Mr. MacLeod, in-chief, stated that as a result of the revenues generated and payable to the territorial government, the proposed integrated hydrocarbon development would transform the chronic deficit position of the territories in its relationship with the federal government to a surplus. At the municipal level, increased revenues could be expected from property taxes and quarrying fees. Vol. 165  
25579-25583  
25591-25592
- Mr. MacLeod stated that only moderate increases in public expenditures would have to be incurred in order to reap the projected revenues. Expenditures would be necessary in the areas of medical services, education, roads and social services. Potential cost increases at the municipal level included increased demands for public utilities, street extensions, service land and recreational facilities. Vol. 165  
25584-25591

c-13 Pipeline Construction and Land Claims

- Messrs. Ellwood and Burrell, in cross-examination from Commission Counsel, stated that the current Foothills schedule for the start of pipeline construction would be some time in 1978 with first gas deliveries by November of 1982. They believe that this provides sufficient time to get the land claims question well under control. Vol. 166  
25705-25711



MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUMES NO. 170-171)

Employment

August 16, 17, 1976  
Yellowknife, NWT

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TOPIC: Employment

DATE: August 16 and 17, 1976 in Yellowknife, NWT

WITNESSES: John K. Burrell  
Miss Maureen E. Jensen  
John R. Ellwood  
John B. MacLeod  
William J. Deyell

(appearing on behalf of Foothills Pipe Lines Ltd.)

A. Technical/Engineering

nil

B. Environmental

nil

C. Socio-Economic

Vol. 170  
26370-26373

c-1 Employment and Hiring Policies

- Mr. Burrell in-chief outlined Foothills' overall hiring policy as it relates to northerners. Foothills intends to give preferential hiring treatment to all employable northerners. Northerners whose qualifications are not equal to southerners will be encouraged to take advantage of available training opportunities. Foothills has taken the position that: 1) in any given job category, all employees will be treated equally and each will receive equal benefits and allowances; 2) all workers will be assigned responsibilities in accordance with the qualifications; 3) during the construction phase, northerners will be offered employment close to their place of residency; 4) employment rotation and labour pool systems are being considered; 5) all contractor and sub-contractors will respect Foothills' employment and working policies; and 6) the company will concentrate hiring and training on those northerners who will be new to the labour force.

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26516-26526

PREFERENCE  
REFERENCE

c-2 Labour Force Projections

Vol. 170  
26373-26402  
26474

- Mr. MacLeod in-chief outlined his labour force studies in which he assessed the effects of an integrated hydrocarbon development taking place. He derived regional manpower availability projections for the operations phase by applying a compound annual growth rate 4.5% to the end of the 1974 base of 562 workers available for hydrocarbon employment. In the operations phase most employment opportunities will be of a permanent nature. Work in the construction phase will however, be highly seasonal. The non-permanency employment in this phase should accommodate a greater number of northern residents. Mr. MacLeod's estimates of projecting secondary employment potential were based upon estimating the local content of the effective demand for goods and services in the impact region, in conjunction with the marginal propensities to spend. His analysis hinges on the region's productive capacity. This method allowed him to utilize existing but limited data and to take into consideration a greater number of observations pertaining to the economy of the Mackenzie District. Secondary employment projections were not made for the construction phase. Although employment and entrepreneurial opportunities will be far more numerous in the construction period, the capacity of the northern work force to accept these opportunities may not be significantly greater than in the operations and maintenance phase. When considering secondary employment opportunities, the crucial question is not the value of the multiplier itself, but the number of opportunities created in relation to the capacity of northerners to capitalize on them.

c-3 Population Projections

Vol. 170  
26403-26411  
26484-26486

- Population increases resulting from the proposed pipeline and related developments were determined by applying a multiple of 2.5 to the projected number of workers originating from outside the impact area who elect to establish residence in the region. Such workers would fill pipeline operations, maintenance and management positions in the North, secondary jobs and varying proportions of outsiders holding field development jobs. The multiple of 2.5 pertains to the assumption that each new resident worker during the operations phase will be accompanied by an average of 1.5 dependents. This figure was obtained from the Gemini North Study. In general most of the population increase will be concentrated in Inuvik, Norman Wells and Fort Simpson. The demographic growth of Yellowknife will also be stimulated.

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26546-26547

- The potential disruption of the ethnic balance could be minimized by having the participation rate of the natives increase. This would be achieved if, first, a rapid improvement of skill levels occurred thus reducing the requirements for manpower originating elsewhere and, second, native northerners who have left the North because of inadequate employment opportunities returned to the North.

c-4 Manpower Requirements

- Mr. Ellwood in-chief outlined the construction manpower requirement for the Foothills' proposal. The peak manpower requirements build up at the following rates: 1,050 in the first year; 1,500 second year; 3,250 third year; 6,000 fourth year; 4,500 fifth year; 250 sixth year; 2,100 seventh year; and 1,700 in the eighth year. During years 2 to 5 inclusive these peak requirements occur during the 3 1/2 month winter season and the manpower required during the summer season varies between 40% to 60% of the peak for the year.

Vol. 170  
26411-26416

c-5 Union Participation

- In order to preclude the possibility of a strike on the project during the construction period Foothills would request the Pipeline Contractor's Association of Canada to negotiate a Project Agreement for its project with the unions, that would ensure as far as possible, labour peace on the project during the life of the construction. Such an agreement would cover only the mainline pipeline construction. The construction of compressor stations is covered by union agreements with the appropriate Building Trades Council.

Vol. 170  
26416-26417  
26468-26471

c-6 Northern Participation-Training Policies

- Foothills would like the provision for northern natives employment to be incorporated and "built-in" to the Project Agreement. The present training programs developed jointly by the Contractor's Association and the unions in conjunction with Canada Manpower are based on the concept that individuals that have had some exposure to the industry are provided with the opportunity to upgrade the basic skill. For a significant portion of the northerners on-the-job training would be the most effective means of upgrading skills.

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26421-26422

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26532-26534

c-7 Northern Manpower Delivery System

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26422-26446

- Mr. Burrell in-chief outlined the proposal for a northern manpower delivery system which would allow northerners who are unfamiliar with the type of work, the working conditions and procedures which will prevail, to take advantage of the opportunities open to them. The overall objectives of the system would be: 1) the system should be designed for the impact region but with the capability to provide information outside the impact area if requested; 2) it should be designed to deliver northern manpower to the total project; 3) it should direct northerners into the vocation for which they are best suited; 4) it should prepare the northerners for the working conditions which they will encounter; 5) it should be carried in communities as much as possible and 6) it should utilize services available from existing sources as much as possible.
- Mr. Deyell in-chief stated that Foothills' training program will be an on-going career development process directed towards upgrading the skill of its personnel thus providing them with the opportunity to advance to positions of increasing responsibility. In time it is expected that northerners will be employed in positions of supervisory and managerial responsibility.
- Mr. Deyell agreed with the statement that the long term success of the northern hiring and training programs will depend on the development of employment policies and procedures which are acceptable to the northern employees.

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26566-26575

c-8 Policies for Northern Entrepreneurship

- Mr. Deyell in-chief stated that Foothills will formulate and implement policies to encourage entrepreneurship where northern people desire it. Whenever practical contracts will be made available in proportions which will be manageable by small local firms. Whenever possible a greater than normal lead time with regards to bidding on contracts will be provided the northern businessman.
- Mr. Burrell in-chief stated that a prime objective of Foothills is to maximize within practical limits the participation of northern business in their project. Their overall policy will be to encourage and support the development of northern business enterprises and to maximize the "Northern Content" of their project by purchasing goods and services from resident northern companies whenever it is practical to do so. Foothills considers it most prudent to look at the operational phase for providing the best opportunities for long term benefits. Foothills intends to use the Mackenzie Pipeline Business Opportunities Board to identify business opportunities which would be potentially available to northern businessmen. Foothills is also in the process of compiling lists of northern supplies and contractors which would be utilized by their purchasing department.

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26446-26451

c-9 Mackenzie Pipeline Business Opportunities Board

- Foothills elected to sponsor the M.P.B.O.B. in order to maximize the participation of northern business in their project. It functions as an autonomous organization operating independently of its sponsoring companies. Its objections are:  
1) to ensure that resident northern businessmen have the opportunity to participate in and benefit from the construction and operation of the proposed Mackenzie Valley pipeline; 2) to provide present and potential business with the opportunities available; 3) to promote an awareness of pipeline business opportunities amongst the northern people and 4) to provide an interface for two-way communication between resident northern businessmen and the pipeline companies. The Board will be composed of up to seven long term northern residents with wide experience in business.

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26452-26456

MACKENZIE VALLEY PIPELINE INQUIRY  
SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 168)

Alcohol

July 22, 1976  
Yellowknife, N.W.T.

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TOPIC: Alcohol

DATE: July 22, 1976 in Yellowknife, N.W.T.

WITNESS: Dr. Hugh Brody, Associate, Scott Polar Institute  
(appearing on behalf of the Mackenzie Valley  
Pipeline Inquiry)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 General

- There was no history of the use of alcohol and drugs among native people of the North before the white-man came, according to Dr. Brody. However, today there is a considerable variation in the use of alcohol among northern natives. Two constant factors emerge from this random pattern of alcohol use; first, heavy use of alcohol and alcohol associated disarray have been spreading with epidemic-like speed throughout the North. Secondly, the problems with which alcohol is associated in native communities throughout North America are strikingly similar, despite dissimilarities of history and culture. Vol. 168  
26116-26123
- Dr. Brody described three common denominators to alcohol use in the Dene and Inuit societies. The first is a strong preference for spree drinking, the second is the quality of drunkenness itself and the third is the kind of social difficulties to which it often leads. Vol. 168  
26124-21626
- Dr. Brody stated that as a result of the drift toward heavy alcohol use in the N.W.T. over the last 10 or 15 years, we must be prepared to recognize that Inuit and Dene communities could become skidrows in miniature. "There are a number of similarities between the social and economic predicament and needs of Indians on skidrows and those of Indians and Inuit who remain at home in the northern communities". Vol. 168  
26127-26131
- The kind of drinking in which the native people engage is one of the most pleasureable types associated with parties and holidays, according to Dr. Brody. It is a long way from the compulsive and depressed drinking of the alcoholic. Drinking among the native people is guilt-free and is devoid of established tradition or ritual by which the use of drugs is often limited in other societies. Vol. 168  
26132



TRANSCRIPT  
REFERENCE

- Dr. Brody, in cross-examination from the Mental Health Association of the N.W.T. stated that virtually none, if any, of the natives were alcoholics. An alcoholic is generally described as someone who drinks impulsively alone and is alcohol-dependent. Native drinking is striking for the absence of this phenomenon. It has a social quality for if there are no friends with whom to drink, drinking will not take place. Vol. 168  
26180
- Dr. Brody, in cross-examination from COPE, thought that detoxification centres, alcohol centres and other institutions or facilities which have been set up in the south to deal with alcohol problems would be only of limited use in the north because they are designed specifically for the chronic alcohol and native people are not chronic alcoholics. Vol. 168  
26204

c-2 Reasons for Drinking

- There are four reasons for not drinking, according to Dr. Brody, but the answers amount to giving reasons for renouncing pleasure. Drinking is expensive, it is bad for the health, it results in the breakup of stable households and is morally doubtful. However, Dr. Brody felt that given the conditions of northern native life, southern arguments against drinking can easily appear irrelevant or down right irrational. "In our own society", according to Dr. Brody, "it is primarily socio-economic realities that maintain drinking at a socially acceptable level. Native people however, have no such clear link with their socio-economic base. This means that there simply do not exist the same kinds of reasons for being careful about anything including alcohol". Vol. 168  
26132-26135
- Dr. Brody hypothesized that the way and extent to which alcohol is used depends primarily on a groups' relationship to the means of production - that is the native people of the north live under special economic and material conditions and the relationship between these conditions and North American society as a whole is the guide to the alcohol problem. In the case of many native people, they have no clear relationship to the socio-economic system in which they find themselves, they have been or are beginning to be separated from the resources. Their aboriginal society and economy was displaced by a primitive trading economy which in turn has been displaced by the new economic forces. The Dene and Inuit are forced to shift their economic status from owners or defacto use right owners of land to potential fellows of their labour. They are however, a number of obstacles in the way of this transition including the preference to live at least seasonally off the land; a desire to live in their own territory; cultural traits which mitigate against normal participation in wage labour; low educational levels; racism in the larger societies and the feeling that by accepting wage employment they would weaken or lose altogether their hold on the land and all that their land represents.

TRANSCRIPT  
REFERENCE

Although all these factors may not affect all communities, some are experienced by virtually every northern native and they do much to push Indians and Eskimos towards an uncertain relationship to the economic system.

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26135-26138

- Despite the best intentions of government policy and the high wages associated with resource extraction industries, many natives are being pushed into the impossible situation where they are being separated from their own means of production and are unable to have a secure place in the southern economic system. As this situation develops, the native people will find less and less reason to avoid a life that has at its centre the heavy use of alcohol. Dr. Brody felt that this succession of events could only be avoided if the native people can achieve the economic niche they desire. This however does not mean that innovation and advances associated with northern industry must be stopped. In northwest Greenland, there are Inuit villages where hunting and trapping continue to be viable bases of economic life. Spree drinking is part of life there but it does not dominate and that is because the drinkers have a good reason for not drinking too long or too often. There are some communities in the eastern Canadian Arctic where it is also true, according to Dr. Brody, but if communities are pressured into participating in the industrial frontier at the price of leaving their own lands or surrendering their dependence upon them it will cease to be so.

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26143

MACKENZIE VALLEY PIPELINE INQUIRY  
SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NOS. 171 & 172)

Alaska  
Impact Information Centres

August 17 and 18, 1976  
Yellowknife, N.W.T.

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TOPIC: Impact Information Centres - Alaska

DATE: August 17 and 18, 1976 in Yellowknife, N.W.T.

WITNESS: Dr. Mim Dixon, Consultant and former Director,  
Fairbanks North Star Borough Information Centre  
(appearing on behalf of the Mackenzie Valley  
Pipeline Inquiry)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 General

- Dr. Dixon, in-chief, gave the history of the Impact Information Centre along with explanations of the methods of data collection and dissemination used by the centre and a brief description of how the implementation was used. In addition, she presented a list of principles developed for the successful operation of a program such as the Impact Information Centre and a broad conceptual framework which may be useful for assessing, predicting and evaluating the potential and actual impacts of oil and gas developments in the Mackenzie Delta. Vol. 171  
26582
- In cross-examination from the Association of Municipalities, Dr. Dixon recommended that there be a statewide monitoring or information centre. The impact information centre operated by Dr. Dixon was for the Fairbanks North Slope Borough only. She stated that a statewide centre would collect different kinds of information but would be similar in terms of regular kinds of monitoring and in making the information public and in trying to make it useful to the public. Vol. 171  
26621-26622
- Dr. Dixon, in cross-examination by COPE, described what role community-based organizations could have prior to assessing impacts of an ongoing project to determine or help to determine the carrying capacity and how satisfactorily community resources were prior to the implementation of any project. She suggested that there be one central organization to handle all requests for information from the communities. Each community would then hire a person to be trained as a data collector or researcher within the community and would work part-time in that capacity. The data gathered would then be passed back to the central collection and organization point. The kinds of data that individual communities could collect if such a program were set up are regular population counts Vol. 172  
26697-26700

to determine population fluctuations, surveys of local stores to check on fluctuation in prices or availability of goods, and housing surveys within the community.

c-2 Data Collection and Dissemination

- A major activity of the Impact Information Centre is to collect information about the changes in the community which may have resulted directly or indirectly from pipeline activity, according to Dr. Dixon in-chief. Methods used to collect data include a reporting system in which local and state governments send copies of their regular reports; a review of state and local newspapers; regular market basket surveys; use of public records; interviews; public meetings; formal questionnaires and other means. Vol. 171  
26587-26591
- The major source of dissemination of information collected by the Impact Centre is through the publication of regular reports, according to Dr. Dixon. Information is also disseminated through correspondence, staff speeches and presentations and by having people visit the Centre. Vol. 171  
26591
- Dr. Dixon described the roles played by the federal and state governments and the pipeline company in assisting the Impact Centre in obtaining the data. She stated that the Centre had some difficulty in obtaining data on a regular basis from both the pipeline companies and the state government. Vol. 171  
26608-26612
- In cross-examination from the Association of Municipalities, Dr. Dixon stated that there was a shortage of baseline data at the inception of the Impact Information Centre. Ideally, the centre should start collecting data prior to the actual impact being felt by the community. She suggested that programs ought to be started now to collect information on the Mackenzie Valley so that when the pipeline or other activities come along, there will be some kind of continuity in terms of the type of information that's available for understanding what kinds of changes are occurring. Vol. 171  
26623-26625

c-3 Principles for Successful Operation of a Program

- Dr. Dixon presented some principles she felt were basic to the successful operation of an Impact Information Centre. Briefly: 1) She felt that every group and individual in the community must be considered as part of the special interest group; 2) It is important to have an Advisory Committee or Board of Directors composed of representatives of broadly based segments of the community; 3) In order to maintain credibility it is imperative to limit activities to disseminating documented information, to minimize interpretations and to avoid projections; 4) Information must be presented in a clear and understandable manner; 5) Vocabulary is exceedingly important; 6) Dr. Dixon suggested that you don't always have to be right. It is important to avoid mistakes but if somebody in the community accuses you of being wrong, it is important not to become defensive;

TRANSCRIPT  
REFERENCE

7) It is necessary to learn how to use the media without letting them abuse you; 8) It is important to be aware of the hierarchy within which the Centre is operating; 9) In order to maintain autonomy, it is important not to accept funding from any source which may directly benefit or be harmed by the potential results of the research; 10) There is a tradeoff between research effectiveness and community acceptance in terms of the size of the program.

Vol. 171  
26594-26600

c-4 Research Findings

- Dr. Dixon felt that because of the differences between Fairbanks and most of the communities which would be affected by a gas line in Canada and because the proposed plans for a Canadian gas line are significantly different from the Trans-Alaska oil pipeline, it was likely that specific impacts experienced by Fairbanks may not be applicable to the Canadian situation. Three concepts resulting from the research of the Impact Centre which Dr. Dixon thought would be useful to the Canadian gas line are the concept of carrying capacity, defined as the population density at which the demand for any resource exceeds the capacity of that resource at its current level of technological intensity and thus results in disintegration or an inability of that resource to function in its designated role. The second concept is the structure of the community - the ways in which change occurs are dependent upon the structure of the community at the time in which the new force is introduced into the micro environment. This includes the political, social and family structures of the community. The third concept is that the community is not necessarily a passive recipient of change.

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26600-26606

c-5 Pipeline Impact on Fairbanks

- Dr. Dixon felt that the overall effect of the pipeline on the community of Fairbanks could not be adequately assessed until all the data is in and there is some understanding of the long-term implications. This she felt could take a few years. Dr. Dixon welcomed the Inquiry to use the information which the Impact Information Centre prepared in making its decisions but cautioned the Inquiry to be conscious of the values which it applied to this information.
- In cross-examination from the Association of Municipalities, Dr. Dixon stated that, in general, the positive aspects of the pipeline were the increased employment opportunities and very rapid upward mobility in terms of jobs and employment and income for local people. The negative aspects included high inflation, increased crime rates and intangible effects such as a feeling that the community had changed for the worse. The intangible effects are the most difficult to measure, she said.

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26606-26607

MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 178)

Effects of Changing the Duration of Pipeline  
Construction on Selected Variables

August 26, 1976  
Yellowknife, N.W.T.

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TOPIC: Effects of Changing the Duration of Pipeline  
Construction on Selected Variables

DATE: August 26, 1976 in Yellowknife

WITNESSES: J.S. Merrett, President, M.P.S. Associates Ltd.  
R.W. Pritchard, Vice-President, M.P.S. Associates Ltd.  
(Witnesses for Commission Counsel)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

- Using data from the Canadian Arctic Gas Pipeline proposal, Mr. Merrett, in-chief, described the effects of lengthening or shortening the period of pipeline construction on five selected variables. Those variables were: 1) the labour force; 2) machinery and equipment required on the right-of-way; 3) the number and size of camps; 4) logistics support vehicles; 5) material and supplies. The four pipeline construction alternatives considered were: (1) the present CAGPL construction plan, with pipeline construction spread over three winters; (2) pipeline construction spread over four winters; (3) pipeline construction increased to five winters; and (4) pipeline construction reduced to two winters. Vol 178 27579-27604
- Mr. Pritchard in-chief, using data on Fort Good Hope, presented subjective comments on what some of the effects might be if the duration of pipeline construction were changed. The results he said could be applied to other Mackenzie Valley communities. Vol. 178 27604

c-1 Population

- A stretch in the pipeline construction program could reduce the communities' population through increased mobility resulting from longer exposure to wage economy together with a longer period to upgrade skills through on-the-job training. Vol. 178 27605

c-2 Labour Force

- A sufficient stretch in pipeline construction will lead to a decline in the working age group as members of the labour force migrate out. Vol. 178 27606



TRANSCRIPT  
REFERENCE

c-3 Employment

- The number of persons engaged in wage employment will increase as a result of a three-year pipeline construction program in Fort Good Hope. A stretched out pipeline construction program could result in an even higher level of employment. Vol. 178 27606

c-4 Wage Levels

- A stretched out pipeline construction program could result in wage level increases of five to ten percent over and above those expected from a three-year pipeline construction schedule. Vol. 178 27607

c-5 Traditional Income

- A three-year pipeline construction program will lead to a reduced value of income in kind. A short pipeline construction program is not likely to have a dramatic impact upon consumer habits within the community. However, under a longer construction program a more pronounced shift from traditional to wage economy could well take place resulting in income in kind to be reduced by some 50% substituting "store bought" goods. Vol. 178 27607

c-6 Housing

- The demand for housing as a result of a longer construction program will be for replacement housing and not for additional units. Vol. 178 27608

c-7 Social Assistance

- Social assistance can be expected to decrease 20 to 40 percent over a three-year construction program. A longer construction program could result in increased social assistance on a per capita basis. Vol. 178 27609

c-8 Local Business

- A stretched out construction program will give local businesses more time to expand their markets and perhaps to include some aspects of goods distribution and service supply to the pipeline program. Vol. 178 27609

c-9 Government Services

- A stretched out construction program will likely require government services over and above those required during a shorter construction program. Vol. 178 27610
- In response to a question from the Judge Mr. Merrett felt that the longer a construction period was stretched out the greater the cost is going to be to both the developer and the consumer. Vol. 178 27617

MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NOS. 178 & 179)

Impacts on Housing

August 26 and 27, 1976  
Yellowknife, N.W.T.

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TOPIC: The Impact of the Mackenzie Valley Pipeline on  
Housing on the Mackenzie Valley and Great Slave Region

DATE: August 26 and 27, 1976 in Yellowknife, N.W.T.

WITNESSES: Mr. Dennis Lowing, N.W.T. Housing Corporation  
Mr. Dallard Runge, N.W.T. Housing Corporation  
(For the Mackenzie Valley Pipeline Inquiry)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 Introduction

- The objective of the report presented by Mr. Runge in-chief was to measure the impact of the proposed Mackenzie Valley Pipeline or pipelines on housing in the communities of the Lower, Central, Upper Mackenzie and Great Slave Region. Vol. 178  
27669
- In the report, Mr. Runge described the existing housing stock and stock utilization; housing needs based on population, age distribution and family formation data and forecast housing needs to 1981. Vol. 178  
27685-27724
- In addition, Mr. Runge gave a brief description of existing housing programs relating to staff housing; ownership and rental programs; Northern Territorial Rental Housing Programs; public housing and special subsidy agreements. Vol. 179  
27726-27745
- Pipeline impacts on housing needs, servicing, housing costs and labour supply were also discussed by Mr. Runge in-chief. Vol. 179  
27745-27758

c-2 Summary

- Mr. Runge in-chief cited a number of factors which he felt would have an impact on the housing situation in the Mackenzie Valley. These factors included the rapid population increase in the territories, the poor condition of existing housing, the extremely crowded conditions in the territories, the social housing requirements in the territories, the lack of adequate funds to redress the housing situation, and the lack of future planning which restricts the supply of land to meet even present allocations of housing. Vol. 178  
27674-27679
- "While the major impact is likely to be felt in Inuvik, Fort Simpson, Norman Wells, Hay River and Yellowknife, the impact of inflation and the drain on labour for house construction is likely to be even more critical in the small settlements where limited resources existing to respond to change," according to Mr. Runge in-chief.

c-3 Recommendations

- Mr. Runge in-chief presented the following recommendations to the Inquiry:

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27680-27685

- 1) that a planning and development authority be created to coordinate and control the timing and development of the pipeline in the Mackenzie Valley and Great Slave regions;
- 2) that a land use and site development plan be prepared for each settlement to at least 1981 to ensure the delivery of suitable service land for housing development;
- 3) that the additional funds required to meet the rapid growth condition created by the pipeline be appropriated by Treasury Board as a condition of pipeline approach;
- 4) that housing units not be relocated from other parts of the territories to meet the housing need in the study region thus worsening the condition elsewhere. It is however recommended that 50% of the housing need be funded and constructed in the pipeline area prior to pipeline construction, the remainder to be completely constructed from materials used in the pipeline construction camps based on recommendation #5;
- 5) that all structures used throughout the construction period should be of modular design with as few basic components as possible in order that they may be dismantled and reconstructed in the settlements for housing purposes. It is recommended that the N.W.T. Housing Corporation be consulted and the design of such units to ensure future utilization;
- 6) that permanent employees of the pipeline, located in the study region be provided accommodation by the proponents;
- 7) that for permanent employees any assistance for housing should favour home ownership to encourage stability;
- 8) that northerners should receive the same housing subsidies and privileges as other workers employed on all aspects of the pipeline;
- 9) that the maximum rents charged in staff housing be put on the same basis as those in the rent to income of public housing by charging 25% of income or economic rent whichever is less, but in the interim maximums be set on social housing that are parallel to those in staff housing;
- 10) that an incentive program be established to encourage the development of local construction companies and pre-fabrication plants;
- 11) that input from southern supplies and the construction of housing should be restrained to the volume that cannot be covered by local entrepreneurs;
- 12) that because of the heavy load on northern transportation systems due to pipeline construction, safeguards be enacted to provide shipping facilities for housing material and general supplies; and
- 13) that the Federal Government through the most appropriate mechanisms make available funds for rehabilitation of existing housing immediately in order to maintain at least the present supply of housing.

MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 180)

Submission by the  
Canadian Pipeline Advisory Council

September 7, 1976  
Yellowknife, N.W.T.

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TOPIC: Submission by the Canadian Pipeline Advisory Council.

DATE: September 7, 1976 in Yellowknife, N.W.T.

WITNESSES: -Mr. Gordon Hodson, Executive Secretary of the Pipeline Contractors Association of Canada  
-Mr. J. Russ St. Eloi, Vice-President and Director of the Canadian Affairs for the United Association  
-Mr. Jack Dyck, Business Manager of Local 92 of the Labourers International Union  
-Mr. Bob Marriott, President of McDace Limited and President of the Pipeline Contractors Association of Canada.  
-Mr. Irv Nessel, International representative of the International Union of Operatoring Engineers  
-Mr. Joe Whiteford, Director of Construction and General Organizer for the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers. (for the Mackenzie Valley Pipeline Inquiry)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 Training Programs

- Mr. Hodson in-chief stated that the Council monitors the training needs of the pipeline construction industry and promotes joint labour management training programs. The Council is desirous of continuing these programs, but industry's joint labour management funds will not sustain these programs over long periods of time. "If northern natives are to be given the opportunity to participate in industry training programs then additional funding will have to be found", according to Mr. Hodson. He stated that while pre-employment training of residents of the territories is desirable, "it does not and cannot qualify trainees for the most critical occupational classifications in pipeline construction. Safety, efficiency and productivity are essential and can be acquired only by exposure to the work and on-the-job training. Vol. 180  
27843-27845
- Mr. Hodson in cross-examination by the Mental Health Association of the Northwest Territories stated that a one-year lead time was sufficient time to formulate training programs to upgrade skills of people within the industry at large and to provide sufficient training to those who may not have been involved in pipeline construction in the past, particularly northern residents. This he said would keep the importation of people from the U.S.A. to a minimum. Vol. 180  
27871

TRANSCRIPT  
REFERENCE

- Nortran according to Mr. St. Eloi in-chief has no input from labour unions, and predicted that such programs will not be as successful as the participants and particularly the trainees desire. Surveys conducted by his union indicate that training programs administered separately by either groups have been far less successful than joint programs. The reason he stated this was according to Mr. St. Eloi because he felt that much of the information the Commissioner has received with respect to construction training may lead to recommendations that would not benefit the project. Vol. 180  
27858-27859
- Mr. Nessel felt that a 10% ratio of trainees to full-time journeymen on a pipeline spread is a realistic ratio for the skilled operator categories, but it could be higher for other categories. Training positions within the operating engineers trade and the labourers' trade could be developed for this project according to Messrs. Nessel and Dyck. However, they do not fit in very well with the nature of the work done by the pipeline welders and teamsters. Vol. 180  
28026-28028

c-2 Preferential Hire

- "The Council accepts the principle of preference of employment for territorial residents from the locality where the work is being executed," according to Mr. Hodson in-chief. The Council could not however, accept the principle of a quota system or priority placement being accorded to northern native people. Although the Council believes that a territorial resident with similar skills must be placed in a job before a southern person, in the interest of safety, productivity and efficiency territorial residents must not have priority placement "at all occupational levels". "They must be selected for employment at occupational levels which afford them the greatest opportunity for advancement based upon exposure to the work and demonstrated performance". Vol. 180  
27850-27852
- The Council according to Mr. Hodson felt that territorial residents must be treated the same as all other employees. "To display partisanship to territorial residents would be tantamount to discrimination against other employees and would completely destroy initiative and morale. Vol. 180  
27851

c-3 Manpower Delivery System

- Mr. Hodson felt that there should be a single government agency with which the successful applicant, the contractors, the unions and the native groups would be able to deal in all employment matters. All other government departments and agencies must coordinate their activities and requirements through this single agency he said. It would not be feasible or practical to deal with a multiplicity of government agencies. A manpower delivery system should include representatives of the owner client, the contractors, the builders trades' unions and the native groups in order that all parties be involved in evaluating the skills of workers and determining the suitability of occupation in pipeline construction, industrial construction or in the supporting service activities related to both types of construction. Vol. 180  
27849

c-4 Northern Manpower Inventory

- There should be an inventory compiled by the appropriate government agencies and native groups of available northern residents with a genuine interest in pipeline occupation together with their education and employment histories according to Mr. Hodson in-chief. This list should then be made available to the applicants, contractors, and unions. "It is imperative that all parties involved be made aware of the actual numbers of northern residents who are interested in training and employment in pipeline occupations".

Vol. 180  
27847

c-5 Union Membership

- Mr. Hodson in-chief felt that the project agreement for any pipeline project in northern Canada will stipulate conditions under which territorial residents will be admitted to union membership.

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27852

c-6 Hiring Halls

- Despatching for northern parts of the provinces is done without difficulty through hiring halls located in the southern part of the provinces according to Mr. Whitford. It is not necessary for people in remote areas to report to the hiring halls, they are despatched either by phone or telegram. This would be extended to include telex and radio phones for the N.W.T. and if necessary the unions would open up a hiring hall in the North.

Vol. 180  
27989

- Non-northern residents will only be hired through hiring halls in Edmonton according to Mr. Nessel in response to questions from Commission Counsel.

Vol. 180  
28019

c-7 Definition of a Northern Resident

- A northern resident according to Mr. St. Eloi in-chief is "a person who was born in the northern areas where the pipeline is being built, that is the Northwest Territories and the Yukon Territory or a northern family, originally from the North, whose sons and daughters were born in the south and have returned to their native habitat."
- In cross-examination from COPE, Messrs. Dyck and Nessel defined a resident as one who has been living in the area for 6 months prior to job start. Mr. Whitford stated that residents requirements for determining job priority or placement in past collective agreements have varied from between 60 days and 6 months.

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27856

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27918

c-8 Type of Project Agreement

- Mr. St. Eloi in-chief felt that if the project goes ahead, it will be done under one collective agreement covering both the pipeline and plant facilities binding all construction trades. He felt that such an agreement would include: a no-strike or walk-out provision; provision for rotating workmen every 30 days with an assentive arrangement to encourage employees to remain on the job for longer periods of time; provisions for such things as safety on the job and reasonable medical facilities; a union security provision; a hiring hall provision acceptable to the communication problems of northern communities with more flexibility in the reporting time to the jobs for northern residents; employment and training

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27855-27858



preferences for northern residents with each union involved accepting their appropriate ratio of the pre-determined total number of available northern residents; a definition of a northern resident; acceptable work camp accommodation and food; provisions for proper banking, regular postal service, fire insurance on personal belongings and recreational facilities in the work camps; and classroom accommodations at plant site for training purposes.

c-9 Camp Restrictions

- If the chief of a community or the native people themselves did not want construction workers, going into their village, then the unions would see that their wishes were accommodated according to Mr. Whitford in response to questions from COPE. However, he did not feel that as a union representative he had the authority to tell anyone where he could or could not go. Mr. St. Eloi stated that if such rules were set up by the client and the contractor he would encourage unions members to abide by them. He did not think it was right though to place any undue restrictions on the construction workers. Vol. 180  
27973-27974
- Mr. Whitford would agree with restrictions being placed on drugs on the camp but not on alcohol. Mr. Nessel stated that dry camps do not work, so "you might as well have control of the situation". "Liquor should be available in a camp if anyone wants it," according to Mr. St. Eloi. Searches for guns, drugs or anything else should be carried out by the R.C.M.P., and not by camp security personnel according to Mr. Dyck. Searches if necessary would have to go through the same procedure at a camp as they would if a man's home was being searched. Vol. 180  
27980-27988

c-10 Medical Facilities

- Mr. St. Eloi felt that if the medical facilities along the construction route were not adequate they should be upgraded prior to the start of pipeline construction. The overall agreement should set out minimum requirements of medical services available at the camp including first aid and ambulance service. Vol. 180  
28002-28004

c-11 Northern Information Programs

- The Canadian Pipeline Advisory Council according to Mr. Hodson in-chiefs feels that there is some emergency in developing a northern information program on pipeline construction so that northern residents may be informed well in advance of construction of the type of jobs available and the necessary education, experience and special training requirements. Vol. 180  
27847

c-12 Lead Times

- In response to questions from COPE Mr. Nessel recommended that there be at least a one-year lead time between the decision to build the pipeline and the start of right-of-way clearing in order to get training programs in place and to get a manpower inventory. Vol. 180  
27942

TRANSCRIPT  
REFERENCE

c-13 Land Claims

- According to Mr. St. Eloi in-chief, "the membership of the United Association in Canada sincerely believe that a fair and equitable settlement of land claims should occur at the earliest possible date. It is hoped that a resolution of this issue would happen prior to the commencement of construction. However, we feel the building of the pipeline should commence as early as possible for the economic benefit of the Canadian public and the pipeline should not be put into operation prior to native land claims being consummated.

Vol. 180  
27862

Policy and Planning (ACND)  
Division,  
October 1, 1976.

MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 181)

Submission by the  
Alberta and District of Mackenzie Building and  
Construction Trades Council

Advisory Board for the  
Building Trades Unions in Canada

September 6, 1976  
Yellowknife, N.W.T.

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TOPIC: Submission by the Alberta and District of Mackenzie Building and Construction Trades Council and the Advisory Board for the Building Trades Unions in Canada.

DATE: September 8, 1976 in Yellowknife, N.W.T.

WITNESSES: -Mr. James McCambly, Executive Secretary of the Advisory Board for the Building Trades in Canada  
-Mr. Lawrence LeClair, President, Alberta and N.W.T. Building and Construction Trade Council (for the Mackenzie Valley Pipeline Inquiry)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 Training Programs

- Bona fide Canadian territorial residents have a preferential right to undertake work in the North as do residents of any area have preference for work that is available in their area according to Mr. McCambly in-chief. There is, however, no point in training someone who has no aptitude or ability to do the work he is being trained for.

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28044

- The Building Trades Council will, according to Mr. McCambly, undertake to train as many Bona fide Canadian territorial residents as practical and possible and advance them into the most meaningful and difficult jobs as quickly as their skills will allow.

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28045

- Mr. McCambly stated that it would be necessary to have a thorough and costly screening of anyone desiring to learn a trade and to try to ensure that the applicant will be able to learn the trade he has chosen. "Emphasis should be placed on training northern Canadians in skills that will be required on a relatively continuing basis." Mr. McCambly felt that it may well be more beneficial for northern residents to concentrate on training to operate the permanent facilities related to the pipeline and to have continuous employment rather than learning the pipeline construction jobs.

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TRANSCRIPT  
REFERENCE

- The unions do not have the money to operate the kind of training program which would be required to train large numbers of people, according to Mr. McCambly in response to questions from COPE. Vol. 181  
28067
- The factors limiting the number of training positions on any one spread or project are efficiency, safety and the training capacity according to Mr. McCambly in re-examination by Commission Counsel. Vol. 181  
28092

c-2 Procedures for Screening & Training Native People

- Mr. McCambly outlined sixteen procedures for screening and training native people that might be feasible if a pipeline construction program were to be approved. These procedures dealt with: skill assessment at an early stage; pre-job training; pre-training and pre-job counselling for natives; native counsellors; despatching natives to jobs; on-the-job training programs; quota or goals for ensuring native employment; native foods; on-the-job safety; winter work; rest, recreation and rotation leave; hours of work; banking facilities; integrated work crews; controlled use of alcohol; and non-union employees. Vol. 181  
28047-28052

c-3 Work Schedules and Rotation

- Mr. LeClair saw no reason why native people working on the gas plants could not go off and hunt for two or three weeks and then come back and get a job again. This would not work for the pipeline construction, where the absence of a few people could stop the assembly line type of construction. He did not feel that different work schedules between white and native workers working on the gas plants would cause any problems. Vol. 181  
28068

c-4 Definition of a Northern Resident

- In response to questions from the Commissioner and COPE, Mr. McCambly felt that an appropriate definition of a northern resident would be anyone who was a resident of the territory as of the date when a Certificate of Public Convenience was issued. Vol. 181  
28066
- Mr. LeClair thought he would like to talk to the people living in the N.W.T. such as members of COPE, the Eskimos, the Indian Brotherhood, and the Métis to find out what their definition of a northern resident was. Vol. 181  
28067

c-5 Project Agreement

- Messrs. McCambly and LeClair in response to questions from Commission Counsel felt that it would be desirable to have single project agreement covering basic factors, with attachments for each of the various trades. Vol. 181  
28084

c-6 Benefits from a Pipeline

- Mr. McCambly in-chief urged that the Arctic Gas proposal be approved quickly. The major benefit of such a move he felt would be the "revenues derived from transporting U.S. gas across Canadian territory, which could more than cover the interest, dividends and debts repayment on the portion of the cost which had to be raised abroad". Other advantages he said would be the increased expenditure on Canadian goods and services, Vol. 181  
28041

TRANSCRIPT  
REFERENCE

taxes from the pipeline right-of-way and royalties, and new exploration which otherwise might not be feasible.

- The advantages of building a large diameter pipeline according to Mr. McCambly, are that it would have a large storage capacity to equalize varying surge demand and would avoid the necessity of looping the pipeline later on, causing unnecessary disturbances to the surface of the tundra. In cross-examination by COPE Mr. McCambly stated that if looping were necessary he would recommend that it take place in the less fragile and more southerly portions of the line.

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28042  
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Policy and Planning (ACND)  
Division,  
October 1, 1976.

MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 181)

Submission by the Canadian Labour Congress

September 8, 1976  
Yellowknife, N.W.T.

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TOPIC: Submission by the Canadian Labour Congress

DATE: September 8, 1976 in Yellowknife, N.W.T.

WITNESSES: Mr. Jene Mitchell, Executive Secretary, Alberta  
Federation of Labour  
Mr. Neil Reimer, Chairman, Canadian Labour Congress  
Energy Committee  
Mr. Seppo Nousiainen, Assistant Director, Research  
Department, Canadian Labour Congress  
(appearing for the Mackenzie Valley Pipeline Inquiry)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

- Mr. Reimer in-chief stated that "the Canadian Labour Congress has for many years advocated the necessity of adopting strict environmental impact studies and subsequent management standards in any natural resource undertaking, and we trust that in this particular case, given the especially fragile environment of the North, no short-cuts will be taken."

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28124

C. Socio-Economic

c-1 Need for a Pipeline

- Mr. Reimer in-chief questioned whether there was a need for the pipeline, "the evidence for or against a pipeline is far from being conclusive". The answer he said would require the development of an integrated overall energy policy for Canada, taking into account the conventional sources of gas as well as the advances which could reasonably be made in the development of synthetic forms of gases and the development of a non-depleting resources or sources of energy.

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28117

c-2 Benefits from a Pipeline

- Mr. Reimer questioned whether the benefits to be gained through gross output, employment incomes and so on, could not be better provided through other types of activities for example, manufacturing. The evidence he said is far from clear, signalling the need for more comprehensive information.

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28118



TRANSCRIPT  
REFERENCE

c-3 Land Claims

- "The native people of the North view development from a perspective which differs significantly from what we ordinarily attribute to this work", according to Mr. Reimer in-chief. Development must be controlled by the people most directly affected by it, and it must be balanced. Mr. Reimer went on to say at "if the vision proposed by native organizations is to have any chance of succeeding it must be proceeded by a just and equitable settlement of land claims". Vol. 181  
28122-28124
- The CLC is in complete agreement with the native groups' position on land claims and believe that to proceed with a pipeline prior to a land claims settlement is "unthinkable". Vol. 181  
28124
- Mr. Reimer recommended that "before a pipeline goes through, machinery be established which would enable the people of the North to begin to put together a strategy for northern development". This would mean a change in the way we think about development, the adoption of a political framework representative of the northern population, and the provision of adequate financial resources on a long-term basis to enable northern residents to identify opportunities and needs which may serve their special interests. Vol. 181  
28131

c-4 Economic Planning

- Mr. Reimer felt that one of the most crucial elements in reducing instabilities will be the role the Federal Government takes in terms of overall economic planning. The question of timing is also of major importance, both in terms of start-up where there may be several other major resource projects underway and in terms of project completion date which could result in a serious economic decline in the North. Mr. Reimer feared that "once the panic of the pipeline is over (and the "national interest" has been served), the people of the region are going to be left with very little to do but clean up the chaos. We (the CLC) trust your recommendations will deal with this problem". Vol. 181  
28125-28128

c-5 Energy Policy

- Mr. Reimer felt that before a project gets started it is imperative that Canada develop a comprehensive policy which would include planning at all levels of government. "We must have a better idea about what this energy crisis is all about". In the interim, Mr. Reimer suggested that greater emphasis should be placed on devising policies which would help to conserve energy. Vol. 181  
28132-28133

c-6 Labour Relations

- "Whatever may ultimately take place in the North, serious consideration must be given to devising an equitable and workable system of legislation relating to rights and obligations of both employers and employees", according to Mr. Reimer in-chief. Vol. 181  
28138

TRANSCRIPT  
REFERENCE

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28139-28143

- Mr. Reimer felt that because of the operation and structure of multi-national corporations such as the petroleum corporations, they present a great potential danger to the institutions and way of life of the northerners unless protection of a special kind is provided. A first step would be the adoption of a carefully thoughtout set of laws governing the relationship between employers and employees. One way this could be done would be by giving the people of the North a a-priori-right to legitimate trade union representation without they're having to demonstrate that they want unionization through the normal process of certification.

c-7 Native Outreach Program

- The Native Outreach Program according to Mr. Mitchell in re-examination from Commission Counsel is sponsored by the Native Development Corporation and funded by Canada Manpower. Under the program, job counsellors in the field work in conjunction with Canada Manpower in placing natives in meaningful jobs in Alberta. Mr. Mitchell thought the program was working very well in the province of Alberta.

Policy and Planning (ACND)  
Division,  
October 4, 1976.

MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 181)

Submission by the Northwest Territories  
Labour Coordinating Committee

September 8, 1976  
Yellowknife, N.W.T.

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TOPIC: Submission by the Northwest Territories Labour  
Coordinating Committee

DATE: September 8, 1976 in Yellowknife, N.W.T.

WITNESSES: Mr. Edward McRae, Director, N.W.T. Labour Coordinating  
Committee  
Mr. James Breckenridge, Director, N.W.T. Labour  
Coordinating Committee  
(appearing for the Mackenzie Valley Pipeline Inquiry)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 Opposition to the Pipeline

- The Northwest Territories Labour Council opposed the pipeline according to Mr. Breckenridge in-chief because 1) not required at the present time, 2) there is insufficient evidence that it can be constructed without severe environmental damage, 3) it will put unreasonable strain on the labour markets and social services of the N.W.T., 4) we see little or no benefit to the residents of the N.W.T.

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28184

c-2 Recommended Terms and Conditions

- Mr. Breckenridge outlined four areas of concern which he felt warranted consideration.

c-2-1 Impact on the Labour Market and Cost of Living

- "In order to maintain a stable workforce in present industrial establishments and/or government agencies, Mr. Breckenridge in-chief believed that incentives must be created to make such employment as attractive as the pipeline employment offers. These incentives could take the form of increased tax exemptions for residents of the N.W.T. and tax credits or tax exemption for northern companies which provide subsidies to their employees.

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28185-28189

c-2-2 Social Services

- Mr. Breckenridge felt that any additional social services or facilities and all costs which may or will be incurred must be absorbed by the pipeline consortium to ensure that the burden of such costs does not fall upon the residents of the N.W.T. or the rest of Canada.

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28185  
28189-28192

TRANSCRIPT  
REFERENCE

- Mr. McRae in cross-examination by the N.W.T. Association of Municipalities felt that if additional municipal services are required as a result of resource companies moving into the municipality, that tax payers in those communities should not have to pay a higher tax to cover the cost of those extra services. The resource companies should be required to pick up those extra costs.

Vol. 181  
28208

c-2-3 Transportation

- "The development of a pipeline should be used as a vehicle to establish and further expand present transportation systems in the N.W.T.," according to Mr. Breckenridge in-chief.

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28185  
28192

c-2-4 Labour Legislation

- Mr. Breckenridge felt that it was imperative that the appropriate authorities pass legislation so that the problems associated with the present legislation of both the territorial and federal governments in dealing with labour relations and industrial disputes can be dealt with in a fair and expedient manner.
- One of the problems according to Mr. McRae is the jurisdictional confusion between the federal and territorial governments in the area of labour legislation. In some areas workers in the territories do not seem to fall under federal labour legislation and there is not any territorial legislation to fill the void. This makes union certification in the N.W.T. a very difficult and lengthy process.
- In cross-examination by Arctic Gas, Mr. Breckenridge said he would like to see provincial status for the territories. This would allow the N.W.T. Labour Coordinating Committee to have more influence on the kind of labour legislation that should be put in place.

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28193-28197

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28192

c-3 Special Working Schedules for Native People

- Mr. McRae in cross-examination by COPE outlined the special work schedules developed for native people working in the nickel mine in Thompson. Manitoba and in Sherritt Gordon Mines Ltd., Manitoba. In Thompson, the native people worked one 21-day shift with seven days off but after two shifts very few people returned. The reason they did not return he said was the accommodation provided by the company. After the housing problem was solved, the program worked fairly well. The TOWOW program at Shared Gordon Mines worked on the same 21 days on-7 days off cycle. Native people were allowed to miss whole cycles to go hunting, fishing and trapping, and were allowed to miss up to three whole cycles a year without impairing their seniority. This system seems to work quite well according to Mr. McRae.

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28213-28318

MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 186)

Trade Unions in Canada and the Northern Resident

September 16, 1976  
Yellowknife, N.W.T.

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TOPIC: Trade Unions in Canada and the Northern Resident

DATE: September 16, 1976 in Yellowknife, N.W.T.

WITNESSES: Mr. Frank Basham, Vice-President, Gemini North  
Mr. George Braden, Consultant, Gemini North

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 Introduction

- Messrs. Basham and Braden were called before the Inquiry to answer questions regarding a report tabled by Commission Counsel entitled "Trade Unions in Canada and the Northern Resident", prepared by Gemini North for the Department of Indian and Northern Affairs. Mr. Scott for Commission Counsel, reviewed briefly the objectives of the report and some of its conclusions and recommendations.

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28817-28826

c-2 Miscellaneous

- In cross-examination from COPE, Mr. Braden stated that union membership was not sufficient to guarantee preferential hire for northern workers but that special legislation was needed. Mr. Basham stated that his recommendation for special legislation included legislation to ensure that there was territorial government input into the questions of length of apprenticeships, rates to be paid etc. Vol. 186  
28832-28863
- Mr. Basham in response to questions from COPE stated that the unions will lay the ground rules with respect to the delivery of manpower to the job and that government agencies will have to work with the unions rather than the unions working with government. Mr. Braden stated that this was a manifestation of a point that there was a certain reluctance of unions to let government become involved in certain aspects of dispatch. Messrs. Basham and Braden suggested that the government should find out what the unions lay down as a set of minimum conditions before anybody starts doing extensive planning with respect to a manpower delivery system. Vol. 186  
28838

TRANSCRIPT  
REFERENCE

- Mr. Basham agreed with the point that pipeline construction experience could only be gained from working on the pipeline. Mr. Braden felt that northern residents interested in pursuing a career in pipeline-specific jobs, for example, as a sky boom operator, might be able to get experience from a special training force which could operate in the summer and utilize idle equipment.

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28853

- Mr. Basham recommended that the manpower delivery system be separate from the contractors, the unions and existing government agencies. The system would have substantial power and would draw upon the resources of existing agencies. He felt that there would have to be a substantial inter-relationship between a Mackenzie Valley pipeline authority and the manpower delivery system and that this relationship would depend in part on the powers that the authority is given in regard to ensuring local workforce participation.

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28863-28867



MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 191)

Transportation Systems for  
Mackenzie Valley Pipeline Construction

September 24, 1976  
Yellowknife, N.W.T.

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TOPIC: Transportation Systems for Mackenzie Valley Pipeline Construction

DATE: September 24, 1976 in Yellowknife, N.W.T.

WITNESSES: Mr. Mel G. Hagglund, Director, Arctic Transportation Agency, Department of Transport  
Mr. Julian Hawryszko, Policy Advisor, Arctic Transportation Agency, Department of Transport  
Mr. Edouard Prefontaine, Transportation Analysis, Northern Program Planning Division, Department of Indian Affairs and Northern Development  
Mrs. Lucille LeBlanc, Chief, Inland Shipping Division, Merchant Shipping Branch, Water Transport Committee, Canadian Transport Commission  
Mr. Derek E. Evans, Policy Advisor, Arctic Transportation Agency, Department of Transport  
(appearing on behalf of the Mackenzie Valley Pipeline Inquiry)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 Overview

- Mr. Hagglund, in-chief, presented a brief of a document prepared by the Federal Departments of Transport and Indian Affairs and Northern Development. That document constituted a statement of the transportation facilities now serving the Mackenzie River Valley which could be utilized for the construction logistics of a large diameter natural gas pipeline, the related gas processing plants and further gas field exploration and development work. The brief presented by Mr. Hagglund described the routes, the terminals, the operators and the traffic flow covering the railways, the roads, air services and marine services.

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29739-29800

c-2 Conclusions

- The main conclusions of the study are as follows:

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29800

- 1) for the railway, pipeline traffic could create a demand for additional rolling stock and trained crews. The former might be in short supply if pipeline construction were to coincide with the general economic upturn. The latter might only be induced to accept postings to northern Alberta by special incentives acceptable to the Railway Unions.

TRANSCRIPT  
REFERENCE

- 2) In the air mode, the prospect of more lucrative business could attract existing operators from community to pipeline service. However, the capacity of the air system is relatively flexible in that additional aircraft may be readily introduced to meet rising demand. Also, the terms of the Canadian Transport Commission license requiring that an operator provide a specific service with a specific class of aircraft, would tend to prevent this migration.
- 3) Arctic Gas' plans to construct two new airstrips located away from the communities of Fort Good Hope, Fort Norman and Wrigley may reduce the impact of the pipeline construction on these communities. However, it must be recognized that it would be inefficient use of overall resources to provide separate airports to the communities and the pipeline. Vol. 191  
29802
- 4) With respect to the marine service, the study concluded that upon pipeline completion an excess capacity would exist on the river. The excess equipment largely or fully depreciated could be used in indirect competition against and to the detriment of the existing carriers. There is not now any regulatory means to prevent this situation occurring. According to the study the existing capacity of the marine mode is adequate to handle the expected resupply traffic component during pipeline construction but certainly not the total demand. The proposed trans-shipment terminal at Axe Point would provide cost savings and perhaps greater transportation reliability for the proponent, but could deprive the existing communities of Hay River and Fort Simpson of additional possible benefit, according to Mr. Hagglund. The study recognized that a major river dredging program could reduce both the numbers of additional tows required and the transportation cost for the pipeline construction. It would also provide more efficient use of the existing fleet for long-term traffic. However, no firm decision has been taken as yet whether or not the necessary dredging program will take place. Vol. 191  
29802-29806
- 5) The final conclusion of the study dealt with the concern that pipeline construction would attract labour from the transportation industry, reducing the available supply and driving up wages and salaries to be ultimately reflected in increased transportation costs. The study recognized the possibility of this and stated that while there are statutory provisions for rate regulation, it was impossible to impose rate ceilings that do not permit the carrier to recover actual costs incurred. The study went on to state that it was important to realize that any escalation of wages and salaries will not be unique to the transportation industry and the solution of the problem will need to encompass virtually all economic activities in the North. Vol. 191  
29806

c-3 Community Resupply

- Mr. Hagglund in cross-examination from the Association of Municipalities stated that although Arctic Gas would be letting out large contracts to the marine carriers he had no reason to believe that the pipeline traffic would be given priority. If it is in fact given priority, the CTC has the regulatory authority to enforce the non-discriminatory provision against the carrier. However, the CTC would only be able to intervene after the fact. If it did become a serious problem, however, Mr. Hagglund felt that legislation might have to be considered to establish some sort of priority, for example, to community resupply.

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29834-29836

Policy and Planning (ACND)  
Division,  
November 26, 1976.

MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 192)

Social Impact of the Trans-Alaska Pipeline  
Construction in Valdez, Alaska 1974-1975

October 4, 1976  
Yellowknife, N.W.T.

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TOPIC: Social Impact of the Trans-Alaska Pipeline Construction  
in Valdez, Alaska 1974-75

DATE: October 4, 1976 in Yellowknife, N.W.T.

WITNESSES: Dr. Michael D. Baring-Gould, Professor,  
University of Alaska  
Miss Marsha Bennett, Doctoral Candidate, University  
of California  
(appearing on behalf of the Mackenzie Valley  
Pipeline Inquiry)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

- Dr. Baring-Gould in-chief suggests caution should be exercised when applying Valdez impacts to other communities due to the distinct nature of the Valdez community, but some similarities do exist and lessons can be learned from them. Valdez is a white, middle-class, predominately bureaucratic town with a very small native community and a long history of booms and busts. Vol. 192 29880-29883

c-1 Facilities and Services

- Dr. Baring-Gould in-chief stated that rapid population growth caused by pipeline construction resulted in serious short-term dislocations in the area of public utilities (ie. water, sewers, electricity, telephone, etc.). Communities should not underestimate the facilities and resources which industry could provide to meet new community needs. Vol. 192 29929-29936

c-2 Institutions

- Dr. Baring-Gould in-chief considered that institutions in Valdez were able to accommodate rapid population increases without the occurrence of unmanageable social problems due to unique circumstances existing in Valdez: Vol. 192 29929-29931
- 1. an elaborate infrastructure with high levels of sophistication and technical expertise, particularly among community leaders, existed prior to population influx.

TRANSCRIPT  
REFERENCE

2. the community maintained a positive attitude towards pipeline construction (no organized opposition)
  3. no major changes occurred in traditional life-styles or institutional operations.
  4. impact funds were made available by the state to develop key services during the impact period.
- During cross-examination by COPE, Miss Bennett stated that anticipated school overloads did not occur, since there were fewer children than expected among families employed in pipeline activities.

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29959

c-3 Social Structure

- Dr. Baring-Gould in-chief stated that over the short-term, construction activities tended to reinforce the values and lifestyles of older Valdez residents rather than destroy the traditional lifestyles.
- Two distinct sub-communities arose; that of the older Valdez residents and that of the new families employed by the pipeline companies. The physical constraints of limited housing isolated these two sub-communities to some extent.
- Miss Bennett, in cross-examination by COPE, indicated that the localization and segregation of workers from the community reduced the occurrence of violent incidents between workers and Valdez residents. Because of the total mismatch of social services to alcohol and other related social problems, many social problems were not dealt with at all.

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29901-29905

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29950-29952

c-4 Financial Matters

- Dr. Baring-Gould in-chief suggested that services, such as water, sewers etc., should have received anticipatory funding based on projected demand for needed services. Federal and state funding policies should "absorb a large ratio of expenses for infrastructure during the pre or early stages of impact, with the community absorbing an increasing ratio during the later stages when local assessments and revenues have risen".
- In cross-examination by COPE, Miss Bennett suggested that advance monies for lead time planning would be ideal because the infrastructure was already in place and it was only a lack of funds which caused the overloads of services and facilities. The community of Valdez has not incurred a large debt load because the assessed valuation of the terminal site is within the city limits. This allowed for the discontinuation of the city sales tax and water and sewer taxes. The increased competition resulting from the opening of new stores caused the cost of food items to decrease.

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29932-29935

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29939  
29956-29958  
29962

c-5 Planning

- Dr. Baring-Gould in-chief stated that "population projections offered in impact statements in the case of Valdez were erroneous and shouldn't be trusted" for advance planning purposes. Community planning must be facilitated in advance of impact occurrence by governmental agencies. Regulations should be streamlined to accommodate extreme impacts not anticipated in planning. Impacted communities should develop short-term plans, for the impact period, which should be clearly distinguished from long-term plans for the community. Environmental impact assessments are only of minimal use as information sources for community planning. Impacted communities should develop alternative proposals and sites for industrial developments when doing advance planning. Impacting industries should supply impacted communities with detailed information regarding services they will require so that reliable planning can be initiated before impact occurs. Vol. 192  
29931-29934
- In cross-examination by COPE Miss Bennett suggested that an efficient planning process required that: 1) the community have access to all company and government information dealing with numbers to be expected in the communities, 2) a lead time, perhaps 2 years is required to allow planning and construction of new facilities, 3) impact funds must be loaned or granted to the community to carry out advance planning, and 4) firm control of the land use (such as enlarging the city limits as in the case of Valdez) is essential to minimize deleterious impacts. Valdez had no pre-impact knowledge of anticipated facilities and services that would be required during the rapid population growth period and therefore could not plan for it. Vol. 192  
29958-29961
- In cross-examination by the Association of Municipalities, Dr. Baring-Gould and Miss Bennett state there has been some promotion of tourism for the Valdez area, but generally speaking, no planning has been done to deal with the inevitable post-construction slump (older residents have obtained part time high paying pipeline jobs to obtain funds to maintain them through the slump period). Vol. 192  
29937-29939

c-6 Housing

- Dr. Baring-Gould in-chief held that probably the greatest impact problem in Valdez during 1974 and 1975 was a major lack of housing. Most of the transient population in Valdez was housed outside of the town in self-confined construction camps, greatly reducing the strain on institutions and services. The self-contained location of housing for professional and management families in Valdez separated them from the older Valdez community, reducing animosities between the two sub-communities, but still placing an additional demand on services and facilities. Vol. 192  
29915  
29924-29953



MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 192)

Native Languages

October 4, 1976  
Yellowknife, N.W.T.

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TOPIC: Native Languages: A Program for Their Survival

Prospects for Native Languages Maintenance

DATE: October 4, 1976 in Yellowknife, N.W.T.

WITNESSES: Dr. M.E.Krauss, Professor, University of Alaska  
Dr. J.T. Ritter

(appearing on behalf of the Mackenzie Valley  
Pipeline Inquiry)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 Nature and Viability

- Dr. Krauss stated in-chief that "in many ways the language is the culture, and that the culture can bear almost any change or development and still remain viable as long as the language remains alive". Linguistic survival is synonymous with cultural survival and survival of an individual's identity. "It is not the case that native languages are intrinsically inferior to any other language or capable of development or meeting the needs of the 20th century...no language is, linguistically speaking, intrinsically better equipped to deal with the modern world," than any other language. Native languages lack only the jargon of technological concepts and the appropriate terminology can be developed, as is being done by CBC broadcasts utilizing various native languages. Vol. 192 29969-29971
- The steps necessary for developing a native language capable of coping with 20th century's technological requirements are 1) the development of a writing system, 2) the implementation of the writing system and 3) the continued development of the writing system to accommodate new technological vocabulary. Vol. 192 29971-29976
- Dr. Ritter in-chief stated that "language and culture are inseparable entities and the loss of one entails the loss of the other." "Many Delta communities have young native children speaking English as their first language primarily due to the effects of road construction and initial stages of large scale development in these communities." Vol. 192 29997-3000

c-2 Loss or Retention

- Dr. Krauss in-chief noted that in Alaska, erosion of native languages has been directly related to their proximity to trade and transportation corridors and thus to increased white influence. The school system in Alaska has been the major force behind the loss of native languages over the last 70 years. If the natives are taught English, it should be with the attitude that "English is never meant to replace the native language, which is irreplaceable and priceless". This attitude would allow the development of a truly bicultural society and avoid cultural imperialism and colonialism ("whites expect to communicate with natives, not in the native language, but in English").  
Vol. 192  
29976-29981
- Dr. Ritter in-chief stated that both the school systems and the media, (especially radio and television), have had a major eroding effect on native languages. "The forces which are now contributing to the decline of native languages will surely grow in intensity in the event that massive industrial development occurs in the North".  
Vol. 192  
30003  
Vol. 192  
30007
- Dr. Krauss in cross-examination stated that "its the penetration of whites into the community which has a more profound effect than temporary employment of native people in some distant project".  
Vol. 192  
30014
- Native language education necessitates placing control of the educational system with those native people who speak the language that is to be taught.  
Vol. 192  
30039

c-3 Language Rights

- Dr. Krauss in-chief stated that "no development such as the proposed pipeline should take place until ...the natives languages have been fully guaranteed survival".  
Vol. 192  
29982
- Survival would be guaranteed by 1) the establishment of a writing system and appropriate literature for each native language, this has already occurred with most native languages in the Mackenzie), 2) general literacy of the natives being attained through the use of the various writing systems in schools, the media and economic and cultural activities (this could take from 5 to 15 years), and 3) the native languages becoming and remaining the dominant language of the area concerned.  
Vol. 192  
29982
- A term and condition of pipeline approval should be that the native language be used in all working documents and by supervisory personnel.  
Vol. 192  
29983-29984
- There should be a clear legal declaration of language rights for indigenous (native) languages which should include the following statements; 1) the native language shall be the dominant language in those areas where native people live and 2) that any institution or service affecting native people must use the native language when communicating with the natives.  
Vol. 192  
29984-29988
- An attitude that "the language of this place is the native language and that all people coming to this place clearly understand that", must be adopted by whites to ensure the survival of native languages.  
Vol. 192  
29994

TRANSCRIPT  
REFERENCE

- Dr. Ritter in-chief contended that "if the Mackenzie Valley Pipeline proposal is approved and construction begins while the educational and media institutions continue to operate as they presently do, the inevitable result will be a continued fatal weakening of the native languages of the corridor". To prevent this, the Official Languages Act of 1969 could be applied to the northern native languages.  
Vol. 192  
30009-30012
- Dr. Krauss in cross-examination mentioned that it is too early to determine the effectiveness of the Bilingual Education Act of 1972 in guaranteeing the survival of several greatly eroded native languages found only in Alaska.  
Vol. 192  
30015
- The major issue is "that the natives should have the privilege or the right to develop their own language and their own culture".  
Vol. 192  
30042

Policy and Planning (ACND)  
Division,  
October 19, 1976.

MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 197)

Development and the Department of  
Economic Development & Tourism

October 13, 1976  
Yellowknife, N.W.T.

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TOPIC: Development and the Department of Economic Development  
and Tourism

DATE: October 13, 1976 in Yellowknife, N.W.T.

WITNESS: Mr. J.A. Bergasse, Director, Department of Economic  
Development and Tourism, Government of the N.W.T.

(Witness for Commission Counsel)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 General

- Mr. Bergasse in-chief described the role and the programs of the Department of Economic Development and Tourism. The department provides services to foster private and cooperative business development similar to those provided in the provinces; it acts as an entrepreneur to develop new businesses to the point where they can be run privately or to provide essential services and it focusses training and liaison resources to provide opportunities for the labour force in the N.W.T. With respect to entrepreneurial opportunities the department has initiated a review and study of five potential businesses. These are concrete weights for sinking the pipeline; greenhouse/hydroponic growing of fresh vegetables; prefabricated housing; pipeline operation and maintenance services; and sawmill/pole yards. Another major opportunity, according to Mr. Bergasse would be to utilize the Hire North concept on a contractual basis for right-of-way clearing.

Vol. 197  
30982-30989

c-2 Hire North

- Mr. Bergasse reviewed the history of Hire North and explained his responsibilities to it. He felt that it had been a success because it provided employment for large numbers of native people, some of whom had very little experience in wage employment. In addition, it is producing trained native people who are successfully finding work in the wage economy. One of the main problems with Hire North has been the loss of personnel at turnaround. Another problem he said was the placement of trained personnel with other contractors. The problem here was that initially contractors were reluctant to employ Hire North trained native people because of the fear that their expensive machinery would be damaged. However, in general, the contractor after hiring native northerners has usually found that his fears were unfounded.

Vol. 197  
30992-30994

c-3 Pipeline Impact on Business and Employment

- Mr. Bergasse in-chief felt that the pipeline would stimulate sales in a wide variety of businesses. However, businesses could be adversely affected by higher pipeline wages and could have difficulty retaining labour. This would be particularly so in those sectors such as the fishing industry where it is difficult to pass increased costs to the consumer. There could also be an inflationary affect on local prices in the short-run. Vol. 197 30997
- The economic implications of no resource development according to Mr. Bergasse are a general decline in the level of business activity and employment; the closing of a number of businesses; the shrinking of municipal tax bases and new employment opportunities may fail to appear. He felt that in order to provide an alternative to welfare dependency or life on the land considerable amounts of government funding will be required to provide subsidized employment on a continuing basis for permanent residents of the N.W.T. Vol. 197 30998
- In cross-examination by COPE, Mr. Bergasse stated that the department would need at least a one-year lead time to acquire funding necessary for such pipeline-related projects as concrete weights. He felt that there would be some difficulty in obtaining the necessary funding if the proposed pipeline were to proceed as is currently scheduled. Vol. 197 31012

c-4 Renewable Resources

- Renewable resources are managed by the federal government but, according to Mr. Bergasse, his department is responsible for developing capacity to utilize those resources. Currently there are three areas of involvement, 1) forestry with two sawmill operations and a furniture plant; 2) fisheries- work is underway to develop more efficient harvesting and resource handling techniques in addition to supporting the price of fish; and 3) agriculture. Vol. 197 31005-31008

c-5 Northern Development

- Northern development according to Mr. Bergasse, has come to mean two things, 1) the extension of Canadian social and political systems north of the sixtieth parallel and, 2) large scale expansion of southern industry to tap the immense natural resources of the North. If northern development includes both economic growth and the proper extension of social and political institutions then northern development means opportunities for northerners. Vol. 197 31008-31009

MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 198)

Manpower Training

October 14, 1976  
Yellowknife, N.W.T.

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TOPIC: Manpower Training

DATE: October 14, 1976 in Yellowknife, N.W.T.

WITNESSES: Mr. T.G. Forth, Director, Northern Careers,  
Public Service Commission  
Mr. R.G. Gates, Director of Manpower of Alberta,  
Department of Manpower and Immigration  
Mr. F.I. Carnew, Chief, Continuing and Special  
Education, Department of Education, Government of N.W.T.  
Mr. J.R. Witty, Chief, Employment Division,  
Department of Economic Development, Government of N.W.T.  
Mr. R.P. Sterling, Chief, Training and Employment  
Liaison Division, Dept. of Indian & Northern Affairs  
(appearing on behalf of the Mackenzie Valley  
Pipeline Inquiry)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 General

- Mr. Gates in-chief described the Manpower and Immigration Department's organization, programs and objectives in the north including such programs and services as placement and employment counselling; services to employers; mobility centres; the Canada Manpower Training program; institutional training in the N.W.T.; industrial training in the N.W.T.; and special services which include employment programs for the youth and native groups and job creation projects, such as Local Initiatives Program and Local Employment Assistance Program. Vol. 198 31156-31169
- Mr. Sterling in-chief described the responsibilities of DIAND in matters relating to training and employment of northerners. He described the activities of the Employment Liaison and Vocational Training Section of the Training and Employment Liaison Division of DIAND. The activities of the department, with the exception of the on-the-job training program and the summer job creation program are largely of a policy nature, according to Mr. Sterling in-chief. The object of the various programs and activities, based on the government's policy for the development of the north, for the decade 1971-1981 is to implement social guidelines which call for the creation of opportunities both for training and employment for the native people of the north. Vol. 198 31178-31192

TRANSCRIPT  
REFERENCE

- Mr. Witty in-chief described the responsibility and the background of the Employment Division of the G.N.W.T. relative to employment and manpower in the N.W.T. Vol. 198  
31201-31220
- Mr. Carnew in-chief described the background and programs of the Continuing and Special Education Division of the Education Department. Programs conducted by the Division include general education programs, health and social programs, technical and business programs, adult vocational training centres, student counselling services and research and planning. Vol. 198  
31262-31275

c-2 Employment Opportunities in the N.W.T.

- Mr. Witty in-chief felt that equality of opportunities for employment in the N.W.T. did not exist because employment does not exist. Only 9 of 67 communities in the N.W.T. could be considered to have a substantial economic base outside government support. Mr. Witty estimated the labour force as 17,000 with an estimated surplus of 5,000 people in excess of jobs available. Vol. 198  
31223-31228
- Training for pipeline-related jobs will not be undertaken until the Department of Education is sufficiently advised that the pipeline will be built, according to Mr. Carnew in-chief. If a decision is taken to have training for pipeline specific jobs done under the auspices of continuing education, a lead time of at least 2 years will be required to obtain necessary funding for the new programs, to develop the training programs and to obtain instructors, equipment and materials to do the training. He felt that people will go to other areas of the N.W.T. to receive training provided that they know the time span of training. Vol. 198  
31275-31280
- Mr. Witty in response to questions from the Judge stated that his department has tended to emphasize training and employment skills that are highly transferable, not just hydrocarbon specific. He and his staff hope to exploit the hydrocarbon industry in terms of extracting training and work opportunities that have some long-term possibilities. What was needed was jobs, not necessarily hydrocarbon jobs or jobs with any particular company but jobs. Vol. 198  
31255  
31256-31258

c-3 Manpower Delivery System

- According to Mr. Sterling in-chief, most of the questions concerning a manpower delivery system have not yet been answered in satisfactory detail and it is too soon to think that they could be. He felt that it would be necessary to have more information on how the project itself will be administered and how the communities could participate in the system when it is finally developed. Vol. 198  
31197

TRANSCRIPT  
REFERENCE

c-4 Manpower Planning

- "Any strategies developed, based on the proposed Mackenzie Valley pipeline, are clearly subject to substantial change depending on the staging areas, transportation and logistics finally chosen as well as on the time of year that construction might take place," according to Mr. Gates in-chief. Mr. Gates stated that he has reviewed the information on anticipated labour demands and is now attempting to get a clear picture of the supply side so that the types of training which northerners will require can be more accurately defined. In the meantime, about 40% of the institutional training being offered this year is oriented to skills which are applicable to pipeline development.

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31173-31178

c-5 Community Employment Strategy

- The community employment strategy is a new approach to assisting those persons who experience particular and continuing difficulty in finding and keeping satisfactory employment and who therefore tend to rely on some form of transfer payment, according to Mr. Gates in-chief. In each chosen area an inventory is made of the chronic unemployment problems and the resources available from all sources. The objective is then to establish in the communities involved the means to rationalize and coordinate all the different services available through governments and the private sector in a way that will really meet the needs of the chronically unemployed. An essential element of the strategy is the active participation of community groups and of members of the target group.

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31170-31173

c-6 Northern Careers

- The main objectives of Northern Careers is to try and achieve a more realistic representation of native people in the federal public service north of 60, particularly at responsible levels, according to Mr. Forth in-chief. He felt that it was important that the Inquiry be made aware of alternate careers opportunities currently being proposed to northerners besides the pipeline. All too often occupational choices have been limited to one occupational area or nothing at all in the wage economy. Northern Careers is an affirmative action program, the results of which should hopefully be to move one step closer to the day when the range of occupational choices for native people from the north will be much broader and perhaps more typical of the choices available to southern Canadians. Although most northern Inuit, Indians or Métis people are eligible for entry into northern careers, three target groups are given priority. First, those already employed within northern federal departments; secondly, those lacking education and/or job skills and thirdly, those in the northern school about to enter the labour force. Priority is given to those native people who were born in either of the territories and who have resided in the north all of their lives. Participants

Vol. 198  
31304-31309

TRANSCRIPT  
REFERENCE

graduate from the program when they have acquired sufficient skills, knowledge and experience to compete successfully and win a job competition compatible with their career objective, according to Mr. Forth in-chief.

c-7 Definition of a Northern Resident

- According to Mr. Sterling in-chief, there are two approaches to defining a northern resident, one, which specifies the length of residency required and the other specifying residency as of a certain date. The former would seem to be more flexible in relation to a project lasting a number of years, as it would progressively give preferred treatment to more recent residents. "All this suggests is that it might be desirable to give first priority to the native northerners, and the second priority to northern residents however defined".

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31200

- Mr. Witty in-chief felt that a rigid definition of a northern resident would be detrimental to some of the population regardless of how the definition was worded. Therefore, his division has adopted a set of priorities under which the G.N.W.T. will help individuals in job placement. One, persons born in the N.W.T. and who have resided there all their lives. Two, persons born in the N.W.T. and who have lived there the majority of their lives. Three, persons raised in the N.W.T. and who have lived there a substantial portion of their lives. And, four, persons who have lived a substantial number of years in the N.W.T.

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31244

c-8 Moratorium

- Mr. Witty felt that a moratorium of ten years would only aggravate an already intolerable rate of unemployment. He felt that unless job opportunities increase in the N.W.T. the increasing number of graduates of the school system will have to relocate to southern Canada or live on welfare. Based on the experience of Coppermine, Pond Inlet and the mining operations at Nanisivik, Mr. Witty felt that given reasonable conditions native people prefer positive employment to other forms of support.

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31231-31236

MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 198a)

Manpower Training in Alaska

October 14, 1976  
Yellowknife, N.W.T.

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TOPIC: Manpower Training in Alaska

DATE: October 14, 1976 in Yellowknife, N.W.T.

WITNESSES: Mrs. Donna Mae Christie, Former Manpower Director,  
Alaska Federation of Natives  
Mr. E.G. Nicholson, Director of Training,  
Alaska Labour Training School  
Mr. E.W. Schulz, Pipeline Coordinator of the  
Training Program for the Alaska Pipeline Service  
Company and the operating engineers, Local 302  
(appearing on behalf of the Mackenzie Valley  
Pipeline Inquiry)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 General

- Mrs. Christie in-chief identified a number of problem areas encountered by the Alaska Federation of Natives in placing Alaskan natives in pipeline jobs and gave a number of recommendations which she thought would help to overcome these problems.
  1. Mrs. Christie in-chief stated that special training and employment programs during the construction and operation of the pipeline should include training in administration areas in order that natives be trained to be oil industry administrators.
  2. She recommended that a monthly projection of all jobs be put out at least 3 if not 6 months in advance and on a continual basis for the construction and operations phase. This would enable an inventory to be taken of the native labour force and would allow the company to know in advance of construction, the nature and intensity of native training requirements. In addition, advance information on all jobs should be provided in a manner which ensures that it reaches potential workers.
  3. Upgrading and skilled training should be provided by each of the unions involved, according to Mrs. Christie. This training should be done in every craft that does not have the required number of minorities in advance of when the particular skill is needed for the construction of the pipeline.
  4. Mrs. Christie stated that one of the operational procedural problems faced by her office in carrying out its work was that the file system was inadequate for the first year and a half of operation and before a working system could be developed, it was difficult to locate applicant files on many occasions.

TRANSCRIPT  
REFERENCE

She recommended that a person be hired on a consultant basis to work up an adequate applicant file system as soon as recruiting efforts are undertaken. 5. Mrs. Christie thought an appropriate work training program for native people would be 8 weeks and 2 weeks off. She thought this would help to reduce the attrition rate of native people working in pipeline jobs.

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31407-31423

c-2 Priority Placement

- Two important characteristics of priority placement in jobs for native people, according to Mrs. Christie are: 1) data should be collected in advance of construction to define what skills the native workforce have and in what areas training is necessary and 2) it helps to have a native person taking applications from natives because traditionally a rural native is afraid to talk to caucasians and a screening process is inadequate when good communication cannot be made.

Vol. 198a  
31412

- The placement of Alaska natives in employment and training positions encountered logistic and communication problems, according to Mrs. Christie in-chief. These problems included, a lack of telephones in some areas; difficult radio communications; problems of mail delivery; and the fact that plane schedules vary from season to season and are few and far between in desolate areas in Alaska. She felt that although there were no solutions to these problems, everyone placing natives into pipeline jobs must be made aware of these problems and give them consideration during hiring procedures.

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31423

- Many rural Alaskans have difficulties in getting to the hiring halls and being dispatched to jobs and were ill-equipped to deal with urban situations, according to Mrs. Christie. The Alyeska Pipeline Service Company established a holding area in Anchorage and Fairbanks to help native people overcome these problems. Mrs. Christie felt that without this service the number of rural Alaskan natives who worked on the TAPS project would likely have been reduced by half.

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31425

c-3 Counselling

- Mrs. Christie in-chief stated that counselling was a vital part of the pipeline. She recommended that prior to a northern resident commencing work, counselling and orientation should be given regarding hiring hall procedures and camp life, and that there should be cross-cultural courses for natives and caucasians describing each others lifestyles. Counsellors should be native and need to be on the job site to assist camp management. The two problems encountered by counsellors working on the Alyeska project were that they were not provided with transportation to the job site and that they did not have the proper authority to carry out their jobs.

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31409  
31421-31423

TRANSCRIPT  
REFERENCE

c-4 Union Training Programs

- The primary objective of the Alyeska-Local 302 On-the-Job Training Program, according to Mr. Schulz in-chief was to provide on-the-job training to native people culminating in the trainee becoming a bonafide member of the Operating Engineers and have the knowledge and experience to compete on an equal basis for available work after the Trans-Alaska pipeline is completed. Mr. Schulz went on to describe the administration of the training program, the selection process for trainees and the trainees' relationship with the union. He felt that pre-job institutional training would be essential to natives with little or no exposure to industrial jobs and it would serve to lessen the impact of having completely unskilled people in the workforce. The institutional training should be geared to the craft in which the trainee is to participate and could well serve to indoctrinate the native worker into camp style living and working conditions. Vol. 198a  
31433-31445
- Mr. Nicholson in-chief described the Alaska Labourers Training Program which has been operating and upgrading Entry Vocational Training Schools since the spring of 1971. Some of the problem areas experienced by the program are: absenteeism due to hunting or other reasons; language problems; the difficulty of the Alaska native to adjust to a wage economy; problems with liquor; a lack of adequate education; differences in native diets; and in many cases, once the trainee has completed his training there are no on-the-job training slots to refer the trainee to and he ends up going back to his old way of life or seeks other employment. Mr. Nicholson felt that it was mandatory that equivalency boards be set up by the unions to screen and direct those with skills that could be adapted to construction or related to apprenticeable trades into that type of work. Vol. 198a  
31427-31433



MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 172)

Development and Political Realities  
Social and Economic Impacts

August 18, 1976  
Yellowknife, N.W.T.

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TOPIC: Development and Political Realities Social and Economic Impacts

DATE: August 18, 1976 in Yellowknife

WITNESS: Mr. Howard C. McDiarmid, Head, Training Section,  
Research and Development Division, Department of  
Local Government, Government of the N.W.T.

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 The Current Political Climate

- Mr. McDiarmid in-chief, described the political climate at the present time as one of considerable tension and conflict. It is based on a struggle over values, status and resources. Mr. McDiarmid felt the indigenous people in the Territories did not consider themselves to be deprived in an economic sense, rather they feel deprived in a political sense. "There is terrible need for them to have legitimate control of their political institutions through which they can regain control of their social, economic and cultural realities and participate as equal partners in resource development."

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26767

c-2 Dominant Attitudes

- Using a model he developed, Mr. McDiarmid in-chief traced the dominant attitudes and actions between the period 1968 and 1976. He characterized the decade preceding 1968 as one of dealing with the indigenous people as wards of the state. The period 1968 to 1970 was described as a period of transition while the 1971 to 1973 period was one of organization. The 1974 to 1976 period was characterized as a period of conflict.

Vol. 172  
26767-26786

c-3 Political Future of the People in the N.W.T.

- The most critical action of the next tri-annual, 1977-1979, is to find a resolution to this conflict, according to Mr. McDiarmid in-chief.

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REFERENCE

- "Whether or not one is for or against the pipeline in the Mackenzie Valley, surely the settlement of the political future of the people of the Northwest Territories within Confederation should be a higher priority than any one particular economic project. Is there not some truth that the question of the pipeline, a question of the economic and technological desirability and feasibility of the pipeline, ought not to supercede the question of the democratic, constitutional development of the N.W.T. establishing for the people of the N.W.T. a participatory democracy. The manner in which this issue is resolved will determine the level of participation of the indigenous people in the social and economic development of the Territories". Vol. 172  
26788

c-4 Predictions

- Mr. McDiarmid predicted that the people of the N.W.T. "intend for native communities to survive and that they will be allowed the political means of survival which will enable them to control the development of their own community and to perpetuate the qualities of their own culture and to participate in northern development and to be the benefactors of social and economic returns from major resource development". However, before this could happen there must be the resolution of the political and constitutional questions raised by land claims. A further criteria is that the political future of the people of the Mackenzie Delta and Mackenzie River Valley must not be subordinated to the economic interests of the rest of Canada. Vol. 172  
26791

D. Miscellaneous

- Mr. Bayly, counsel for COPE, stated at the outset that although he was assisting Mr. McDiarmid in bringing his evidence to the Commission, Mr. McDiarmid prepared his evidence independent of the Committee for Original Peoples Entitlement and the Inuit Tapirisat. Mr. McDiarmid in cross-examination by the Association of Municipalities stated that the views expressed in his evidence were his personal views. Vol. 172  
26756  
Vol. 172  
26794

Policy and Planning (ACND)  
Division,  
September 2, 1976.

MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 188)

Statement of Evidence of the  
Legislative Assembly of N.W.T.

September 21, 1976  
Yellowknife, N.W.T.

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TOPIC: A Statement of Evidence of the Legislative Assembly of N.W.T.

DATE: September 21, 1976 in Yellowknife, N.W.T.

WITNESS: The Honourable David H. Searle, Q.C., Speaker of  
the Legislative Assembly of the N.W.T.  
(on behalf of the Legislative Assembly of N.W.T.)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 Resolutions of the Legislative Assembly

- Mr. Searle on behalf of the Legislative Assembly of the N.W.T. urged the Inquiry to consider the following resolutions concerning the proposed Mackenzie Valley pipeline. One, the assembly favoured construction provided that: a) there is optimum employment of northerners during planning, construction and operation, b) there is just and equitable compensation to any person or persons adversely affected by the construction, and, c) that there is adequate provision for the protection of the environment with minimum disturbance to the wildlife and persons living off the land. Two, that the Legislative Assembly be involved in the decision about whether to proceed or not. Three, that if the decision is to proceed the Assembly be involved in the decisions regarding terms and conditions upon which any pipeline will be built through the N.W.T., as well as the form of authority to be established to carry out this project. Four, regardless of what type of authority is established to monitor the project that the Legislative Assembly be represented on this board, agency and authority. Five, in order for the Assembly to be able to participate effectively and equitably in this major economic development of the N.W.T. the Assembly requests that further steps be taken to enable its government to evolve to the full status of a provincial government as regards to the proprietary right, legislative jurisdiction and the responsibility of the executive to the Assembly. Six, in order for point one to five to be realized quickly and justly, the Assembly urges an early and equitable settlement by the Government of Canada of the legitimate claims of the native residents of the N.W.T.

Vol. 188  
29121-29123

c-2 The Mackenzie Valley Pipeline Authority

- The Legislative Assembly would prefer that the Mackenzie Valley pipeline authority be set up by N.W.T. ordinance rather than by an act of parliament according to Mr. Searle in re-examination by Commission Counsel. "If the people are to have a maximum possibility for input into the authority and what it is doing, then ideally it should be set up by ordinance because of the tremendous flexibility in changing the legislation speedily in reacting to the changing terms and conditions".

Vol. 188  
29146-29147

D. Miscellaneous

- Mr. Searle had as an appendix to his submission a paper by Anthony Jordan entitled "The N.W.T. Council: Constitutional Status and Jurisdiction - A Review of Council's Historical Background, its Place in Confederation, its Relation to the Provinces and Present Powers".

Policy and Planning (ACND)  
Division,  
October 15, 1976.

MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 193)

Implementation Panel

October 5 and 6, 1976  
Yellowknife, N.W.T.

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TOPIC: The need for specific environmental terms and conditions of the project.  
Site specific terms and conditions in an Atlas  
Recommendations for a single agency  
Recommendations for a land use plan for the Western Arctic

DATE: October 5 and 6, 1976 in Yellowknife, N.W.T.

WITNESSES: C.H. Templeton, Templeton Engineering Services Ltd. (formerly Chairman of the Environment Protection Board)  
D.H. Doyle, environmental consultant  
H. Hernandez, environmental consultant

Note: While Messrs. Templeton, Doyle and Hernandez presented testimony on their own behalf, their evidence relates to that of the Environment Protection Board\* given at the Inquiry on June 2-4, September 24-25 and October 15, 1975 and January 12-14, 1976. Readers are referred to Volume 2 of this series, pp. 2-37.

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

b-1 Terms and Conditions

- Mr. Templeton, in-chief, stated that specific terms and conditions regarding environmental protection are required by the pipeline contractor to attain the desired environmental protection. Since construction firms only understand clear, concise, written orders, the terms and conditions must be specific. It is much easier to modify a specific recommendation than it is to create one once the wheels have been set in motion. Specific terms and conditions must be available at the outset of a project. "It is to the permittee's advantage to know precisely what he has to do, what is acceptable and what is not acceptable and what the penalties are if he does not do it".  
Vol. 193  
30068-30073
- Since "the pipeline industry is familiar with construction codes, the introduction of an environmental code is a practical way of including the new environmental dimension needed in a project such as this". This code should set out criteria and standards for environmental protection.  
Vol. 193  
30076-30077

\*The EPB was funded by CAGPL to reasearch and present evidence to the Inquiry in Phases II and III of the hearings. It ceased its function and operations in January 1976.



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REFERENCE

- Mr. Templeton, in cross-examination by Council for Yukon Indians, stated that the reason for setting down the terms and conditions of the Agency earlier on is to allow these terms and conditions "to be put in at the outset, before those contracts are given to the suppliers, contractors and subcontractors, so that they have a stipulation that they know about and its in the contract".  
Vol. 193  
30236

b-2 Site Specific Atlas

- Mr. Templeton, in-chief, suggested that "if environmental protection measures are to be most effective, they should fit in with the convention (construction contract) as closely as possible". This could best be facilitated by accumulating all available knowledge in a regional and site-specific atlas. The atlas (exhibit #834 and #835) has undergone significant updating since it was first published in 1974. It was suggested that "the Inquiry adopt as part of their terms and conditions" the site specific recommendations of the atlas. The atlas will be a useful tool for the regulatory agency to check the detailed designs against the reasons for its recommendations.  
Vol. 193  
30075-30080
- Mr. Hernandez in-chief reviewed five separate map sheets, pointing out the additions and modifications which had been recently included. Each map sheet consisted of 1) an unchanged base map, 2) an overlay containing relevant environmental information, flags indicating potential impacts and the proposed location of the pipeline and facilities, and 3) a facing page with a descriptive text and legend of symbols and recommendations keyed to the flags on the map sheet.  
Vol. 193  
30080-30107

b-3 Single Regulatory Agency

- Mr. Doyle, in-chief, read into the record a report entitled, "Assessment of Environmental Protection Activities on the Mackenzie Valley Gas Pipeline Project - Policy and Planning Report EPS-2-NW-76-1.", to provide an understanding of what is involved in the establishment of a single government regulatory agency to control, from an environmental perspective, a Mackenzie Valley gas pipeline project. To be effective the agency must: 1) prepare regulatory documentation well in advance of the pipeline company's submission, allowing the company to comply with the agency's regulations; 2) conduct preliminary and final design reviews to ensure company designs and plans are environmentally sound; and 3) place a team of trained inspectors into the field to inspect pre-construction and construction activities.  
Vol. 193  
30110-30159
- Mr. Templeton, in-chief, recommended that the establishment of a single regulatory agency should be a term and condition in approving any pipeline project.  
Vol. 193  
30160

TRANSCRIPT  
REFERENCE

- Mr. Doyle, in cross-examination by COPE, stated that his initial statement started with the assumption that a single agency would be constituted. He proceeded from that point to show that a single agency was feasible. This agency would only function during the project, with subsequent operational and maintenance responsibilities reverting to existing federal and territorial government departments. Vol. 193  
30229-30234
- Mr. Templeton, in cross-examination by the Council for Yukon Indians, asserted that the agency would not replace the Environmental Auditor Group (formed under the environmental code) but would work with it. Vol. 193  
30245-30247
- Mr. Doyle, in cross-examination by CAGPL, indicated that the terms of reference under which the single agency feasibility study was carried out, was exclusively from an environmental perspective, therefore this study is an indicator of the requirements for establishing a single regulatory agency. Vol. 193  
30249-30255
- Mr. Doyle, in cross-examination by Foothills, indicated that lead time would be required to establish the agency, but this management strategy has no fixed date since updating of activities in the report has not occurred since it was published. Vol. 193  
30299-30315
- Mr. Doyle, in cross-examination by Commission Counsel suggested that "the objectives of ecological monitoring are different from the objectives of the agency". Vol. 193  
30337
- Mr. Templeton, in cross-examination by Commission Counsel, suggested there be a separation of living quarters and ensured logistic mobility for the agency's inspectors. Vol. 193  
30342

b-4 Land Use Planning

- Mr. Templeton, in-chief, suggested a number of recommendations that the Commissioner should include in his terms and conditions. These recommendations included the following: 1) a land use plan for the Western Arctic should be prepared regardless of whether or not a pipeline will be built; 2) native land claims should be settled before pipeline routing and construction is approved; 3) it would be completely unacceptable to build a pipeline without satisfactory option for a land claims settlement being maintained during a preliminary land use plan and a definite time commitment to complete land use plans and settle land claims; 4) permission to build a gas pipeline should be given in two stages:  
Stage 1 - Approval-in-Principle which should involve: the incorporation of communities along route; zoning of hunting and trapping areas; establishment of a land use zoning authority (created by the Federal and Territorial governments, consisting of resident northerners, including natives. This authority must give residents of the northern communities the opportunity to express themselves as they wish); establishment of a Mackenzie Valley transportation corridor; the establishment of a land freeze zone for the balance of the Mackenzie Valley and northern Yukon until the installation of a land use plan and authority; and establishment of a special category designated the Mackenzie Delta Zone, with each development type activity proposed for this zone being restricted until it is established that there are no reasonable alternatives to it, therefore, Vol. 193  
30186-30205

1) the CAGPL proposed Cross Delta route should not be approved, 2) the Foothills proposed line within the Delta should be constructed from snow or ice roads, 3) an all weather road in the Delta should not be approved, 4) no fuel depots should be allowed in the Delta alongside flowing streams and rivers, 5) wharves containing bulk fuel unloading facilities should be located in such a manner that oil containment booms can be installed downstream of all unloading facilities so as to completely contain oil spills within an hour, and 6) the CAGPL proposed interior route alternative be used, following the Dempster Highway through the Richardson Mountains, if the CAGPL application is accepted.

Stage 2 - Project approval should follow no sooner than 18 months after stage 1 commences. During this time the pipeline company could produce plans and designs with a good degree of certainty as to construction details, schedules and equipment to be used, to obtain project approval. Formation of the land use zoning authority, land claims settlements, staffing and organizing of the regulatory agency etc. could be carried out during this period.

- In cross-examination by COPE, Mr. Templeton restated Vol. 193  
that "there should be a land use freeze except 30207-30234  
for the actual corridor, and the right-of-way  
within that corridor in the Mackenzie Valley."  
The Government of Canada should formulate a land  
use plan and the zoning authority would administer  
it and make decisions. "You cannot separate land  
claims settlement from land use, they're part  
and parcel of the same thing...". He recommended  
that there not be a corridor developed across the  
northern Yukon.
- Mr. Templeton, in cross-examination by the Council Vol. 193  
for Yukon Indians, stated that the CAGPL interior 30241-30243  
route should only follow the Dempster Highway  
through the Richardson Mountains rather than use  
another pass. "As far as is practical" land claims Vol. 193  
should be settled before the zoning authority becomes 30247  
active. The land use freeze would stop opportunists  
from using up resources before zoning changes occur.
- Mr. Templeton, in cross-examination by CAGPL, Vol. 193  
stated that every opinion (including his own) 30261  
that's been given at the hearings regarding  
environmental matters is lacking in scientific proof,  
since not enough data and information have been  
collected, and is therefore subjective.
- Mr. Templeton, in cross-examination by Foothills, Vol. 193  
stated that he had "come to the conclusion" that 30286  
Foothills could construct their northern most  
50 miles from snow roads. He wouldn't like to  
see gravel used to construct a work pad unless it is  
"absolutely necessary".

MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 196)

Implementation of Stipulations for a  
Right-of-Way for a Mackenzie Valley Gas Pipeline

October 12, 1976  
Yellowknife, N.W.T.

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TOPIC: Implementation of Stipulations for a Right-of-Way  
for a Mackenzie Valley Gas Pipeline

DATE: October 12, 1976 in Yellowknife, N.W.T.

WITNESSES: Dr. Andrew R. Thompson, Faculty of Law,  
University of British Columbia  
Mr. Einer Skinnarland, President, Terminus Ltd.  
Mr. W.G. MacLeod, Former Researcher with the  
Canadian Arctic Resources Committee  
(appearing on behalf of the Canadian Arctic  
Resources Committee)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 The Alaska Experience

c-1-1 General

- Mr. Skinnarland in-chief stated that the split jurisdiction over lands and renewable resources between the U.S. Department of the Interior and the State of Alaska was one of the major difficulties affecting efficient implementation of the Alaska oil pipeline stipulations. He felt that implementation of environmental stipulations would have been easier if all relations between the regulatory bodies and the permittees had been handled by a single authority. The lead times provided for monitoring the construction of the Alaska oil pipeline were too short to avert some of the undesirable impacts, according to Mr. Skinnarland. He felt it was necessary for the regulating authorities to have input into the ordering and manufacturing and transport of materials and equipment in order to minimize undesirable impacts and adverse social and economic effects on the communities.

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30771-30779

c-1-2 Third Party Contractor

- In Alaska the authorized officer directed the implementation of the stipulations and was supported by the third party contractor. The third party contractor provided all the administrative, scientific and technical personnel required to carry out design review, process applications for notice to proceed and furnished scientific and technical field personnel to assist the authorized officers' field representatives.

Vol. 196  
30777

c-1-3 Conclusions

- Based on the Alaska experience, Mr. Skinnarland felt that the following conclusions could be drawn regarding implementation of stipulations in the Mackenzie Valley: 1) responsibility for implementation of applicable regulations and stipulations should be mandated to a single authority; 2) the most effective means of implementing stipulations will be through a joint design review by the developer and the single authority immediately upon granting a permit to construct; 3) the single authority should obtain the necessary administrative support and scientific and technical expertise through a third party contractor; 4) environmental criteria and stipulations should form an integral part of the project design criteria; 5) interjection of environmental considerations in the design stage through a joint design review can ensure environmental compliance without causing delays in the project; 6) an early cooperative approach between the developer and the regulatory bodies and a positive approach to minimizing impact by re-design or change in methods during the design stages can achieve environmental impact abatement objectives without increasing costs or delaying the project.

Vol. 196  
30781-30783

c-2 Institutional Problems

- The institutional problems, according to Dr. Thompson in-chief, can be summarized "as one where the federal government has legislative, political and legal authority with respect to land affected by the pipeline, the Commissioner and the Territorial Government have political and administrative authority over some of the lands to be affected by the pipeline, and the native communities will have ownership rights with respect to substantial portions of the lands required for right-of-way or other operations connected with the pipeline. Individual residents in the towns and villages, whether native or non-natives, have obvious interests in the pipeline but in general they have no legal or administrative rights with respect to the affected lands other than in a few isolated cases where operations may infringe upon privately owned lands."

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30855

c-3 Alternative Institutional Arrangements

- Environmental stipulations can be imposed upon a pipeline applicant by legislation through regulations, by binding requirements through administrative processes or by incorporating them as terms and conditions in a right-of-way agreement, according to Dr. Thompson in-chief. These methods are not mutually exclusive and it is not unusual for there to be considerable overlapping of requirements with all three methods being used at the same time. In addition, he said that there was a plethora of federal and territorial agencies whose interests will be affected by the pipeline operation and who will expect to have some say in the implementation of pipeline stipulations.

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30856-30858

TRANSCRIPT  
REFERENCE

- Mr. Skinnarland in-chief described the responsibilities of existing agencies which might be used to implement stipulations for building a Mackenzie Valley natural gas pipeline. He felt that there was a considerable overlap of responsibilities between DIAND and the NEB and considered that the key to successful implementation of stipulations is through design reviews and the inclusion of environmental and socio-economic implementation conditions in the supply and construction contract, the responsibility for implementation of stipulations to be assigned to a single authority. He recommended that this authority be given a mandate based on the NEB Gas Pipeline Regulations expanded to include stipulations by DINA for granting right-of-way based on recommendations from the Mackenzie Valley Gas Pipeline Inquiry.  
Vol. 196  
30783-30789
- In cross-examination from Arctic Gas, Dr. Thompson stated that the main reason for not having the single authority totally deposited within the framework of the NEB was that it was not just functions associated with a pipeline right-of-way nor pipeline safety and engineering which were at issue but the impacts of a transportation system, contractors who supply gravel or organized camps and many other operations which would represent an enlargement of the responsibility of the NEB and would take it into areas which are of vital concern to regional government and to the structure of government in the North. He did feel however, that since the NEB has the mandate to regulate pipelines, the NEB engineering staff must be integrated with the implementation authority to deal with pipeline engineering, safety and efficiency. He recommended that an implementation authority be established independent of the NEB but with a structure that ensures integration of the Board's supervisory functions with the work of the authority.  
Vol. 196  
30916-30920  
20856-30859

c-4 The Authority

- Messrs. Skinnarland and Thompson recommended that a single authority should be responsible for implementation of environmental and socio-economic stipulations forming part of the grant of the right-of-way and the certificate of public convenience for a Mackenzie gas pipeline. (Appendix A contains a copy of the organization chart for the proposed authority).  
Vol. 196  
30790-30858
- Messrs. Skinnarland and Thompson recommended:  
1) the authority have full jurisdiction over the entire construction process on and off the pipeline right-of-way to ensure compliance with all environmental stipulations; 2) the authority be structured to represent the three parties who will be most affected: the federal government, the territorial government and the native communities; 3) the authority to appoint an authorizing officer whose function in the model is equivalent to the architect or supervising engineer. His relationship to the authority would be akin to that of a chief executive officer to a Board of Directors; 4) the authority engage a third party contractor as the administrative arm of the authorizing officer; 5) the discharge by the NEB staff of their supervisory functions over pipeline engineering, safety and efficiency be coordinated with the staff work of the third party contractor by

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REFERENCE

establishing linkages from the very top; 6) the authorizing officer and the third party contractor must establish effective liaison with the federal government, the territorial government and the native communities; 7) that there be an ombudsman to deal with complaints and to assist individuals, both natives and non-natives, in obtaining remedies for injuries or damage caused by the construction, operation or the related activities. The ombudsman should be answerable directly to the Parliament of Canada and should be fully empowered to obtain information and to report to the public. His role would likely continue well beyond the construction period and after the authorizing officer and the third party contractor had been discharged because some injuries and damage will not surface immediately; 8) the ombudsman could be assisted by an advisory committee representing many different interests such as native organization and environmental groups who would contribute advice; 9) the services of the implementation authority and the ombudsman should be paid by a levy on a successful pipeline applicant.

Vol. 196  
30862-30867

- Dr. Thompson in cross-examination by Commission Counsel, stated that there were between 100 and 150 acts which a construction company building a pipeline would have to submit to even if stipulations of the NEB and the Berger Inquiry did not exist. Messrs. Thompson and MacLeod suggested that the authority assume control of those areas where speed is required and where there is a long lead time now. In addition the authority would have responsibility with respect to all types of authorizations that the applicant must obtain and with all types of standards to which there must be conformity.

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3093130940

c-5 Implementation of the Authority

- Mr. Skinnarland in-chief stated that "in order to set up the authority and its mandate the government by Order-in-Council needs to establish a Mackenzie Gas Pipeline Authority with an expanded NEB-type mandate and/or to modify the Gas Pipeline Regulations applicable to a Mackenzie gas pipeline only to provide the powers required for the authorized officer to implement the stipulations arising from the Berger Commission and the NEB hearings". Mr. Skinnarland went on to describe the staffing of the authority, the role of the third party contractor in assisting the authorized officer in carrying his responsibilities and funding of the authority.
- In order to properly implement the stipulations for building a Mackenzie Valley natural gas pipeline, Mr. Skinnarland recommended the following procedures: 1) design review - the intent of the joint review is to ensure compliance with applicable statutes and regulations and the stipulations without causing undue delay to the company during final design and construction of the pipeline system; 2) project control schedule - a review and approval by the authorized officer of a project control schedule governing all facets of the project; 3) construction plans and specifications - approval of technical specifications, special conditions, plans and schedules for delivery and/or construction documents must be approved prior to the company inviting tenders

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30791-30798



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REFERENCE

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30798-30806

from major supply and construction contracts;  
4) notices to proceed - prior to the initiation of construction in the field, a written permission by an authorized officer must be obtained. Mr. Skinnarland also outlined procedures for field surveillance, review and amendment of stipulations if necessitated by changing conditions and an appeals process. He also recommended that an advisory board be established with representation from interested parties, such as, DINA, NEB, DOE, EMR, GNWT, GYT, COPE, N.W.T. Indian Brotherhood, Council for Yukon Indians, the Company, Canadian Arctic Resources Committee, Canadian Wildlife Federation and the Canadian Nature Federation. The function of the Board is to assist the authorized officer in the implementation process and is to be funded by the authority.

c-6 Enforcement of Environmental Stipulations

Vol. 196  
30851-30852

- Mr. Skinnarland in-chief felt that it was not "enough merely to write environmental stipulation into the terms of the right-of-way agreements, land use permits, water licences and regulations. If government assumes that its responsibilities stop at this point of prescribing environmental "do's and don'ts", it will be relying totally on contractors to determine the degree to which they will bend their efforts to ensure full compliance with the requirements. The extent to which contractors imposed these restraints on their sub-contractors, and the extent to which operating crews are trained and mandated to carry out environmental protection procedures will go virtually unsupervised. Effective implementation of environmental stipulations will be attained only if these requirements are viewed from the beginning as an integral part of the construction scheduling and operations rather than something imposed from outside. These environmental stipulations can become an integral part of the construction process only if they are consolidated and incorporated under supervision and into all the advanced planning and are written into all contract documents so that each contractor, sub-contractor and operator in the field will know in advance what is required of him and will have had the opportunity to plan to meet the stipulations and to cover their costs."

- Mr. MacLeod stated in-chief, that the chief means used by government under the Northern Inland Waters Act of ensuring compliance are prosecutions resulting in fines, the power to shut operations down, the requirement of security deposits, and a system of ongoing approvals. He felt that the use of these administrative and legal devices would go a long way towards successful environmental protection.

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30840-30843

c-7 Water Management

- Mr. MacLeod in-chief described the workings of the Northern Inland Waters Act with respect to its relationship with other northern water and environmental legislation, the structures and arrangements created by the Act, the differences between a water licence and authorization to use water without a licence, the procedures of granting a licence and how authorizations are granted.

TRANSCRIPT  
REFERENCE

In addition, he outlined pipeline construction water usages which would require a water licence and some of the legal difficulties associated with issuing water use authorizations.

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30816-30840

- Mr. MacLeod in-chief stated that certain powers of the Water Boards could not be rearranged for better regulation of the pipeline construction without an Act of Parliament. However, he thought that effective coordination between the authority and the Water Board could be achieved by Order-in-Council. Coordination of the ongoing water administration under the Northern Inland Waters Act could be achieved by the appointment of a member of the agency to act as an authorized officer's field representative. This would enable the authorizations to be issued by the pipeline agency authority under the guidelines set by the Water Boards.

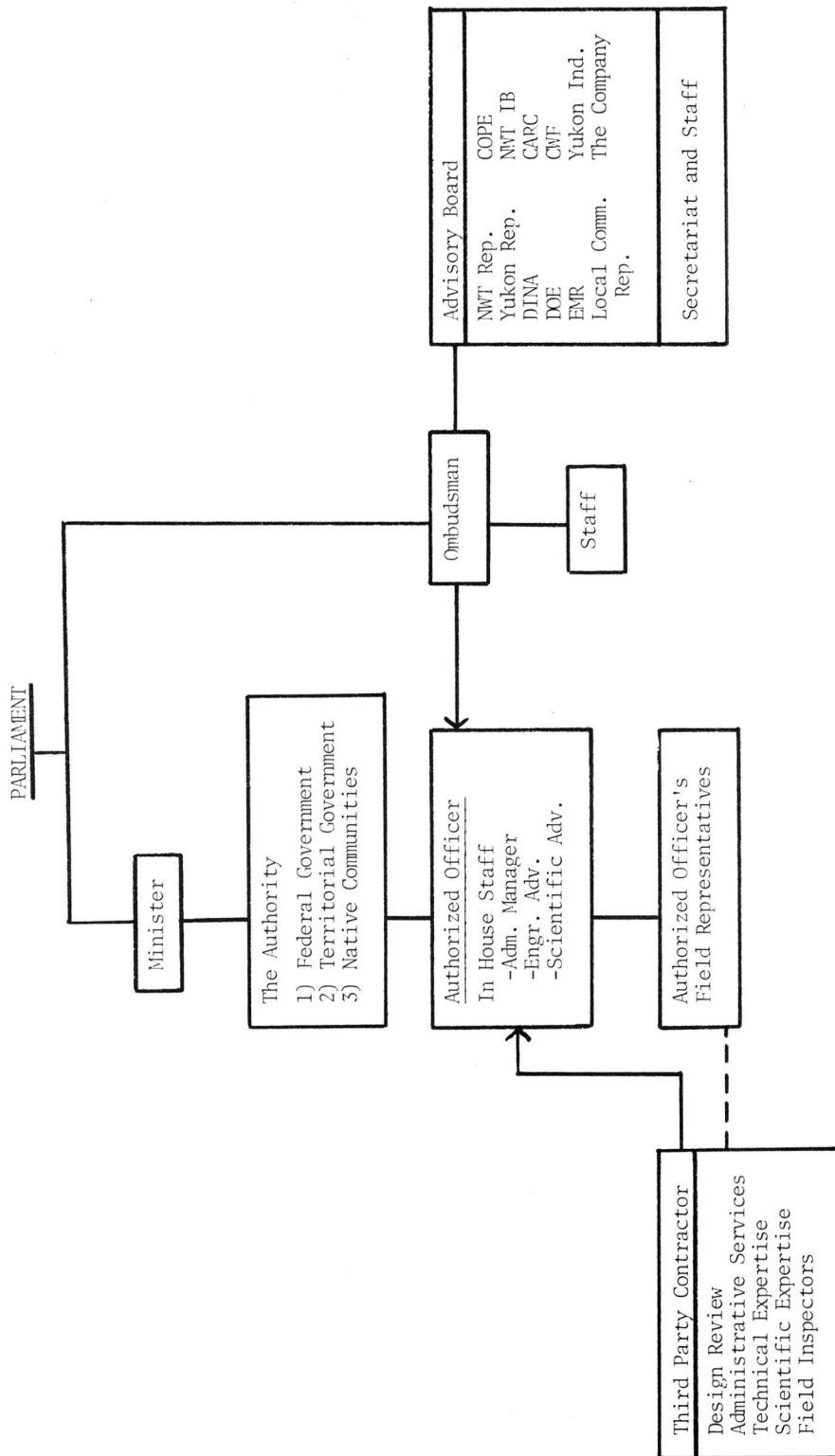
Vol. 196  
30843-30844

- Improved water management could be achieved, according to Mr. MacLeod, by taking steps to separate more clearly within the government bureaucracy the powers to protect the environment from the powers promoting resource and economic development. He recommended that the powers under the Northern Inland Waters Act, the Territorial Land Use Regulations and the Arctic Waters Pollution Prevention Act be transferred by Act of Parliament to the Department of the Environment. Failing this, he recommended that the powers outlined above be transferred to a pipeline authority during the construction of the pipeline.

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30845

- In cross-examination by COPE Mr. MacLeod recommended that steps be taken to make information about water licence applications more readily available to the public. This could be done by making information additional to that contained in the water registrar available and that this information be made available in areas other than the capitals of the two territories either upon request or as a matter of course.

Vol. 196  
30886-30888



MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 197)

Public Participation in Regulatory Activities

October 13, 1976  
Yellowknife, N.W.T.

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TOPIC: Public Participation in Regulatory Activities

DATE: October 13, 1976 in Yellowknife, N.W.T.

WITNESS: Mr. Martin H. Rogol, Director of Public Interest  
Research Group, with Ralph Nader  
(appearing for the Mackenzie Valley Pipeline Inquiry)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 General

- Mr. Rogol in-chief review the history of American public interventions in U.S. regulatory proceedings. Traditionally, consumer or environmental representation has met with antagonism from business and industry; however, a number of far-sighted business leaders have endorsed various aspects of citizen and consumer advocacy, namely the Agency for Consumer Advocacy. This agency would be a government body structured as an advocate for consumer interests and would have no regulatory authority at all. The question in the U.S. is no longer one of whether public interest groups should intervene in regulatory proceedings but how such interventions could be encouraged and funding. Vol. 197  
31080-31087
- Mr. Rogol cited a number of ways that have been offered to increase citizen participation in the U.S. regulatory proceedings. They are: Vol. 197  
31089-31097
  - 1) re-evaluation of the standing requirement for public interest litigants to intervene in and seek judicial review of agency adjudications;
  - 2) intervention of state attorneys general on behalf of consumers in state proceedings;
  - 3) creation of offices of consumer council on the state and federal levels, coupled with efforts to create an agency for consumer advocacy;
  - 4) funds within agencies for intervenors expenses;
  - and 5) the creation of the residential utility consumer action groups.

- Mr. Rogol in cross-examination from COPE, felt that it was necessary for citizens to have the kind of funding which would allow them to be around agencies making and enforcing regulations on a daily basis, not just for intervening in specific proceedings. A lot of decisions are made and a lot of problems with regulations occur because regulators get input from just one side. Daily citizen participation would help to alleviate this problem. Vol. 197  
31103
- Mr. Rogol stated that he would like to see an internal and external advocate to represent public interest groups. There would be a public council or public advocate within an agency but also there would be a provision whereby citizens can become organized and have the kind of funding necessary to act as the counter-balance. There have been some problems with a straight public advocate office according to Mr. Rogol. A public advocate must have money, be independent of industry and the regulatory agency, and be accountable. The public advocate must be accountable to the citizens themselves or there is an opportunity for either an improper definition of the public interest or no input as to what is the proper definition of the public interest. Vol. 197  
31104-31106
- Mr. Rogol encouraged the Inquiry to recommend that anybody who demonstrates an interest in participating in regulatory proceedings be allowed to participate. Vol. 197  
31091

c-2 Benefits from Public Participation

- Benefits from public participation in the regulatory process according to Mr. Rogol in-chief, include: Vol. 197  
31084-31085
  - 1) well balanced administrative decisions;
  - 2) strong advocacy of currently unrepresented interests;
  - 3) greater public acceptance and confidence in administrative decisions;
  - 4) agency personnel become more vigorous in their work;
  - and 5) greater articulation of administrative standards and reasonings.
- Mr. Rogol felt that the entire agency decision-making process could also benefit from suits for judicial review of agency action. The most significant benefits of such litigation are: Vol. 197  
31086
  - 1) agency accountability;
  - 2) citizen redress of grievances caused by agencies;
  - 3) greater articulation of administrative standards and reasoning;
  - and 4) a check of government illegalities.

c-3 Impacts on the Courts and Administrative Bodies

- Opponents to increased citizen participation always suggest that it will result in a flood of new litigation that will overburden the courts, according to Mr. Rogol in-chief. However, he said, there is no evidence that increased citizen participation has overburdened the courts. Even if there is additional litigation, Mr. Rogol felt that it has been to the benefit of the system. Vol. 197  
31099

MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 199)

Environmental Compliance and Control

October 15, 1976  
Yellowknife, N.W.T.

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TOPIC: Environmental Compliance and Control

DATE: October 15, 1976 in Yellowknife, N.W.T.

WITNESSES: Mr. Grahame Beakhust, Professor, Department  
of Environmental Studies, York University  
Mr. Gilbert M. Zemansky, Ph.D. Candidate,  
Oregon State University  
(appearing on behalf of COPE)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 The Regulatory System in the North

- There are two systems of regulation in the north according to Mr. Beakhust in-chief. One is a conventional regulation of industry and the other a system of environmental regulation. He felt that "in both cases there was confusion about goals and scope in addition to weaknesses in administration and enforcement that in the end not only fail to achieve declared but limited goals, but also cast doubt upon the social utility of any form of government regulation as presently conceived and implemented in the north". The regulation of the Mackenzie River by the Water Transportation Committee of the Canadian Transport Committee is an example of conventional regulation in the north which does not work. The Territorial Land Use regulations as an example of the system of environmental regulation also had severe problems. Mr. Beakhust felt there were shortcomings with the regulatory process in general, the behaviour of the regulators and the regulated, and the question of administrative justice of that regulatory performance. Vol. 199  
31505  
31526
- Mr. Beakhust in-chief stated that in order for a system of regulation to be effective, at least three criteria must be met: "one is that at the outset there be a clearly established policy, preferably laid out in the statute under which the regulations are to be made, that gives guidance and direction to those charged with administering the regulatory system and enforcing its stipulations. The second requirement is that the regulations themselves be clear, unambiguous directions both to regulators and regulated on how the policy is to be implemented in practice to realize the goals laid out in the governing statute.



TRANSCRIPT  
REFERENCE

The third requirement is that there be adequate enforcement in the field, supported by vigorous prosecution of violaters."

Vol. 199  
31526-31527

c-2 Criteria for Regulation of Land Use

- Mr. Beakhust felt that there was only one way to proceed if one was serious about protecting the future of the flora, fauna and people of the Mackenzie, and that is to withdraw certain lands entirely from industrial development. "Some should be set aside as ecological preserves and some as lands clearly assigned to native people for their use without the possibility of expropriation for industrial purposes. In the final analysis government regulation, even environmentally and socially sympathetic regulation applying some kind of multiple-use concept, cannot offer the protection that the environment and the people of the north must have. That can only be achieved if the power to decide is in their hands, and that in turn will only happen when the lands identified as crucial to their survival have been withdrawn entirely from industrial initiative."

Vol. 199  
31544-31545

- Northerners should have a much greater say than they do today in the administration and enforcement of the land use regulations, according to Mr. Beakhust in-chief. They should have statutory rights to participate in the drafting, administration and enforcement of any land use regulations; in certain cases a right of veto sufficient independent funding to give substance to their role; and overall a statute that provides for enforcement which goes beyond normal fines to the incarceration of those who break the law or are legally responsible for its infringement.

Vol. 199  
31545

c-3 Environmental Non-Compliance in Alaska

- Mr. Zemansky in-chief described a number of examples of environmental non-compliance associated with the construction of the Trans-Alaska oil pipeline. He felt there was wide-spread non-compliance with environmental laws and stipulations to-date during pipeline construction. The long-term non-compliance was made possible by the lack of enforcement on the part of government. He felt that the non-compliance and lack of enforcement must, by definition, mean that the public interest has not been properly protected. "It has been degraded as the environment has. In an apparent effort to prevent public knowledge of the facts, some of the key government agencies involved have disregarded provisions of the "Freedom of Information Laws" that apply". He felt that if you couldn't depend on government to protect the public interest alone, that it becomes essential for groups of citizens to band together to oversee the public interest.

Vol. 199  
3155-31580

TRANSCRIPT  
REFERENCE

- In cross-examination by the Mental Health Association of the N.W.T., Mr. Zemansky stated that the apparent lack of public concern in Alaska to the oil spills was due to the fact that information on the spills was slow in being made public knowledge. In many cases it was only made public inadvertently by the Alyeska or state officials. Mr. Zemansky recommended that there be an ongoing citizen surveillance effort with complete access to the project and all related information. This could help serve government, serve the public interest by making information public and by requesting the government to take action.

Vol. 199  
31591-31594

c-4 Recommendations for Environmental Compliance

- Mr. Zemansky felt that environmental damage could be reduced by the establishment of appropriate stipulations, regulations or other laws if compliance is assured through enforcement. The degree to which the reduction of environmental damage is achievable depends upon the following variables: 1) the availability of baseline data; 2) the adequacy of the stipulations, regulations or other laws; 3) the availability of control and construction technology to achieve the standards prescribed; 4) the adequacy of construction management to maintain control of the application of technology; and 5) the adequacy of monitoring and enforcement mechanisms and the willingness of government to use them to assure compliance with standards.
- Mr. Zemansky recommended 'against construction of any pipeline until a data base which is adequate to characterize the natural resources and the potential impact of construction has been established through long-term research by unbiased professionals and until the state of technology is adequate to provide the necessary degree of environmental protection for those resources'.
- Should construction be authorized Mr. Zemansky in-chief recommended that 1) baseline data and controlled technology be considered to develop detailed and specific stipulations designed for environmental protection; 2) the administrative discretion of government agencies to waive stipulations or give variances to them be severely limited; 3) government monitoring efforts be integrated sufficiently to assure full coverage by personnel with engineering, biological, and environmental expertise without dependence on the assurance/quality control program of the pipeline constructors; 4) the burden of proof of the ability to comply with stipulations and to protect the environment be placed on the pipeline constructors, and that such proof be presented prior to construction with a provision for correction of any deficiencies as necessary by reconstruction; 5) full public disclosure of all information concerning planning, construction, and monitoring be made in time for citizen participation in the decision-making

Vol. 199  
31580-31581

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31583

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REFERENCE

process; 6) mechanism for citizens surveillance of all construction activities be provided for; and 7) government place a priority on environmental protection and quality of construction as opposed to speed of construction.

policy and Planning (ACND)  
Division,  
November 5, 1976.

MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 194)

Corridor Concept for Parallel Transportation  
and Communication Modes

October 6, 1976  
Yellowknife, N.W.T.

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TOPIC: Corridor Concept for Parallel Transportation and Communication Modes

DATE: October 6, 1976 in Yellowknife, N.W.T.

WITNESS: R.A. Hemstock, Director, Environment Studies  
(appearing on behalf of CAGPL)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

a-1 Terrain and Geotechnical

- Mr. Hemstock, in-chief, stated that the major feature of the Mackenzie corridor is the presence of permafrost. Permafrost is sensitive to disturbances which modify the "thermal regime". Very little sloping ground will be traversed by the Mackenzie Valley gas pipeline, therefore an oil line and highway would be quite compatible. Borrow requirements and drainage are important considerations in pipeline construction in the Mackenzie Valley corridor. Those features of the Mackenzie Valley corridor "would apply basically to the Yukon corridor".  
Vol. 194  
30356-30357
- Mr. Hemstock, in-chief, noted the engineering differences between transportation modes in the Mackenzie Valley and Yukon corridors. The high cost of pipeline construction gives preference to following the most direct route. In a corridor, savings accrue with multiple use of facilities.  
Vol. 194  
30363

a-2 Engineering

- Mr. Hemstock, in-chief, noted the engineering differences between transportation modes in the Mackenzie Valley and Yukon corridors. The high cost of pipeline construction gives preference to following the most direct route. In a corridor, savings accrue with multiple use of facilities.  
Vol. 194  
30358-30363

B. Environmental

- Mr. Hemstock, in-chief, stated that "there is little likelihood of synergistic impact as a result of the construction of the gas line or of the oil line after the gas line" in the Mackenzie Valley corridor. In cross-examination by COPE, Mr. Hemstock suggested that the reduction of docks, airstrips, roads, etc., through using a corridor would be environmentally preferable.  
Vol. 194  
30375

b-1 Vegetation

- Mr. Hemstock, in-chief, anticipated no major difficulties in stabilizing and revegetating the right-of-way in the Mackenzie Valley corridor. The North Slope area of the Yukon corridor right-of-way will be more difficult to revegetate than the right-of-way in the Mackenzie Valley corridor, but "potential impacts should be additive".  
Vol. 194  
30359  
Vol. 194  
30363-30364

b-2 Fish

- Mr. Hemstock, in-chief, foresees minimal impacts on fish populations, assuming Mackenzie Valley pipeline construction across streams etc., is completed during the winter. The impact of two pipelines in the Mackenzie Valley corridor "would be small and would be additive". Vol. 194 30359-30360
- Impacts in the Yukon corridor of pipeline construction would be minimal provided removal of gravel from streams bed is prohibited and critical overwintering areas are avoided. Vol. 194 30364
- Mr. Hemstock, in cross-examination by COPE, said that if stream crossings of a gas and then an oil pipeline were carried out at least 1 year apart, the stream would be able to restabalize and fish would only be minimally affected. Vol. 194 30375

b-3 Birds

- Mr. Hemstock, in-chief, believes that the major potential impacts of pipeline construction along the Mackenzie Valley corridor will be the disturbance of birds. Pipeline construction in the Yukon corridor would impact birds due to increased access and disturbance of the area. Vol. 193 30360-30361  
Vol. 194 30364-30365

b-4 Mammals

- Mr. Hemstock, in-chief, expected pipeline construction in the Mackenzie Valley corridor would have minimal impact on mammals. Increased access would be the most potentially significant impact of pipeline construction. Vol. 194 30361
- Increased access and disturbance of the Porcupine Caribou herd would be the major concern regarding pipeline construction in the Yukon corridor. Vol. 194 30365

C. Socio-Economic

c-1 Socio-Economic

- Mr. Hemstock, in-chief, stated that "the joint use of facilities and of certain towns as operating headquarters will provide a greater opportunity for coordinating planning with governments and people in the Mackenzie Valley corridor". Vol. 194 30361
- Since no settlements are situated in the Yukon corridor, the socio-economic impact of pipeline construction would be minimal. Vol. 194 30366

c-2 Aesthetics

- Mr. Hemstock, in-chief, considered that there would be little additive aesthetic impacts of pipeline construction in the already disturbed Mackenzie Valley corridor. Construction of an oil pipeline would have greater aesthetic impacts in the Yukon corridor than construction of a gas pipeline. Vol. 194 30362  
Vol. 194 30367

c-3 Archaeology

- Mr. Hemstock, in-chief, believed that proper archaeological supervision and salvage will reduce the impact of pipeline construction in the Mackenzie Valley corridor to a minimum. Potential impacts of pipeline construction in the Yukon corridor would probably be additive. Vol. 194 30362  
Vol. 194 30367

D. Miscellaneous

d-1 Corridor Concept

- Mr. Hemstock, in-chief, stated the corridor concept was introduced to improve land utilization, to lessen environmental impact, to reduce costs and to improve efficiency of land use planning in urban areas. All transportation and communication facilities would thereby be located in a narrow strip of land. Therefore the first facility built in the corridor would influence all subsequent development in that corridor. Any application to build a pipeline in the Mackenzie Valley and/or Yukon corridor should include: 1) an assessment of the suitability of the applicants route for nearby routing of another pipeline, 2) an assessment of the environmental and social impact of the pipeline(s) on nearby settlements and facilities and 3) a comparison of the applicants' proposed route with alternative pipeline routes. The Mackenzie corridor is presently used by natives, barges, airplanes, motor vehicles on winter roads and communication systems and is proposed to be used for a highway, gas pipeline, oil pipeline and railway. Vol. 194  
30348-30355
- The Yukon corridor is presently used by natives, barges and ships and airplanes and is proposed to be used for a gas pipeline. Vol. 194  
30362-30363
- The impact of an oil and gas line in the Mackenzie Valley corridor will be small and will be additive. Vol. 194  
30361
- The installation of any future facilities will benefit from the installation of a gas pipeline because its construction will provide a greater data base, greater field experience, the use of common facilities during construction, operation and maintenance and backup in terms of operating procedures. Vol. 194  
30367
- Mr. Hemstock, responding to questions by Justice Berger, said that the interior route corridor was not dealt with due to the narrowness of the mountainous terrain. Vol. 194  
30369-30371
- In cross-examination by COPE, Mr. Hemstock conceded that there may be conflicting demands for gravel occurring "if the corridor becomes quite narrow", especially when one considers the gravel requirements for a railroad and a highway. Vol. 194  
30373-30374
- In cross-examination by CYI, Mr. Hemstock restated that the interior route was considered unsuitable as a transportation corridor because of the narrowness of the mountainous terrain, the river valley and permanent wildlife. Vol. 194  
30387
- In cross-examination by Foothills counsel, Mr. Hemstock conceded that disregarding other factors the existence of a corridor through the State of Alaska makes it a worthwhile area for a gas pipeline to be constructed. Vol. 194  
30407-30408

TRANSCRIPT  
REFERENCE

d-2 Highway

- Mr. Hemstock, in-chief, stated that highway construction in the Yukon corridor would have potentially much greater impacts on fish, birds and mammals than would pipeline construction. Vol. 194 30365
- Highway construction would cause significant socio-economic impact in the Yukon corridor. Vol. 194 30366
- Highway construction would cause much greater impacts than pipeline construction in the Yukon corridor on fish due to the greater gravel requirements, drainage alterations and increased access provided by a highway. Vol. 194 30364
- A highway would have a much greater impact on aesthetics of the Yukon corridor than either pipeline. Vol. 194 30367
- The highway will have the largest potential impact in the Mackenzie Valley corridor and the Yukon corridor. Vol. 194 30368
- Mr. Hemstock, in cross-examination by COPE, personally recommended that "there not be a highway across" the North Slope and that there be a "lot more detailed study before an oil line were laid across" the North Slope. Vol. 194 30378

d-3 Contingency Planning

- Mr. Hemstock, in cross-examination by CYI, stated that "there are no contingency plans with respect to the caribou on the Dempster Highway" while inferring that the Dempster Highway is not being looked at as a contingency route but as an alternate route to barging up the Mackenzie River. Vol. 194 30391

Policy and Planning (ACND)  
Division,  
November 22, 1976.



MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 195)

Arctic Gas Panel on Northern Winter Construction

October 7, 1976  
Yellowknife, N.W.T.

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TOPIC: North Slope Construction Productivity

DATE: October 7, 1976 in Yellowknife, N.W.T.

WITNESSES: O. Johanson, President, Banister Pipelines  
O.W. Fowler, Construction Manager, Brown and  
Root Incorporated  
J.E. Rymes, President, J.E. Rymes Engineering Ltd.  
R.D. Walker, Vice-President, TransCanada Pipelines Ltd.  
W.L. Daniels, Senior Construction Manager,  
CAG Study Limited  
P.H. Dau, President, Northern Engineering Services  
Limited  
(appearing on behalf of CAGPL)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

a-1 Winter Construction

- Mr. Fowler, in-chief, illustrated with photographs, successful pipelining operations in Prudhoe Bay from a snow work pad in the periods November 3rd to May 28, 1975-76. Vol. 195  
30593-30598
- Mr. Daniels, in-chief, suggested that "Alyeska... never planned for (winter construction)...because they didn't think that they could put the work forces together to work in winter conditions;... and they didn't need to work in the winter" because of the gravel pad along the entire length of the pipeline. Vol. 195  
30628-30632
- Mr. Dau, in cross-examination by Foothills, summarized by stating that "the latest information... demonstrates that the construction season is a long season on the Arctic coast...relying on the evidence of people that have worked on the Arctic coast". This season would be long enough to allow snow road construction, pipelaying operations, etc., to be completed in the time allotted, even allowing for a generous amount of time lost owing to bad weather conditions such as blowing snow or very low temperatures. Vol. 195  
30759

a-2 Climatic Factors

- Mr. Dau, in-chief, pointed out that there would be additional days available in Arctic construction scheduling to allow for shutdowns due to temperature extremes. 330 freezing degree days are required before snow road construction can commence, 550 freezing degree days before heavy utilization can occur and only 10 fine degree days are required to cease use. It is possible for pipeline workers to effectively work at temperatures from -35° to -55° equivalent wind chill factor. Vol. 195  
30606-30618

TRANSCRIPT  
REFERENCE

- Mr. Fowler, in-chief, stated that productive pipeline work has been achieved at temperatures well below -35° equivalent wind chill factor in Prudhoe Bay. More days were lost in Alaska due to blowing snow than due to cold temperatures. Vol. 195  
30636-30640
- Mr. Johanson, in cross-examination by the Council for Yukon Indians, reaffirmed that visibility and consequently work, is impaired by blowing snow more than by ice fog. Most downdays at Prudhoe Bay were due to this blowing snow. Vol. 195  
30647-30648

a-3 Work Shelters

- Mr. Johanson, in-chief, described the function of work shelters at the Prudhoe Bay gathering system, resulting in only one day of work being lost during the winter of 1975-76. Vol. 195  
30591
- Mr. Daniels, in-chief, outlined the use of work shelters in Prudhoe Bay and the design of shelters for use by CAGPL. "There is nothing in any of this design that is new. It is simply a matter of pulling together in a configuration to suit CAGPL's purposes". Vol. 195  
30601-30603
- Mr. Fowler, in-chief, mentioned the effective use of simple plastic shelters in pipeline operations at Prudhoe Bay. Men working outside these shelters had warm-up shelters, working 15 to 20 minutes outside and warming up for 5 to 10 minutes inside. Vol. 195  
30607-30639

a-4 Equipment

- Mr. Rymes, in-chief, outlined the development of an Arctic ditcher (Banister 812) to be used by CAGPL. "In terms of engineering there is really no limit in terms of what equipment can operate at. Minus 60° Fahrenheit would be the point that you would begin to consider stopping the equipment...". Vol. 195  
30599-30600  
Vol. 195  
30641-30642
- Mr. Johanson, in-chief, discussed the progress in developing a ditcher with a larger size and capacity than the Banister 710 (which has proven effective in operations on 48" and 42" pipeline ditching). Vol. 195  
30620
- Mr. Dau, in cross-examination by Council for Yukon Indians, indicated that the Banister 710 is presently capable of excavating a 10 foot trench while the 812 is intended to be capable of excavating a 12 foot trench. Vol. 195  
30674
- Mr. Rymes, in cross-examination by Council for Yukon Indians, concluded that it was possible to build big machinery, such as the Banister 812, but the real problem lay in the development of suitable teeth for use in Arctic conditions. A program is presently underway, testing various newly designed teeth in permafrost conditions. Vol. 195  
30704-30706
- Mr. Daniels, in cross-examination by Council for Yukon Indians, suggested that pickup trucks will have more deleterious effects on snow roads than larger equipment, due to the greater impact pressure of tires. The Banister 812 is "essentially an enlargement of the 710...strengthening and perhaps beefing up the horsepower". Vol. 195  
30677  
Vol. 195  
30708

a-5 Frost Heave Testing Malfunction

- CAGPL counsel indicated that the recent discovery of a malfunction in the apparatus used to determine frost heave effects was presently under investigation, thus invalidating CAGPL's data and evidence on frost heave to date. Vol. 195 30584-30585
- Mr. Dau, in response to a request by the Commissioner, explained that the problem with the frost heave experiments was caused by a membrane in the test cells which allowed a minute amount of air to permeate through the membrane, altering the readings for determination of the shutoff pressure in the test. Vol. 195 30761-30763

MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 195)

Foothills' Panel on Northern Fall Construction

October 7, 1976  
Yellowknife, N.W.T.

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B. ENVIRONMENTAL	
b-1 Fall Construction	392

TOPIC: Supplemental Evidence on Phase 1 - Construction Plan

DATE: October 7, 1976 in Yellowknife, N.W.T.

WITNESSES: E.A. Mirosh, Vice-President, Engineering and Construction, Foothills  
W.G. Kosten, Manager, Construction, Foothills  
R.E. Byers, Coordinator, Environment Affairs, Foothills  
(appearing on behalf of Foothills Pipelines Ltd.)

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

a-1 Fall Construction

- Mr. Mirosh, in-chief, stated that "the use of a gravel work pad as a construction surface on the northern-most fifty miles of Foothills' pipeline" is required for fall construction of this section. This fall construction timing is preferred due to the severe weather conditions in winter and the construction delays these conditions might cause. Wind chill factors are much less severe at Inuvik (MP75) than on the coast (MPO) thereby necessitating fall construction of only the northern-most 50 miles. This construction would occur in the fall directly preceding the first winter of the main pipeline construction. Vol. 195 30452
- In cross-examination by COPE, Mr. Mirosh mentioned that the gravel work pad will be left in place after pipeline construction but will not be used for regular access to the pipeline since culverts will be pulled out to allow natural drainage. The gravel pad would consist of a 12" layer of gravel, placed directly over the existing soil, followed by a 1½" layer of styrofoam, and a 24" layer of pit run gravel. Vol. 195 30463-30468
- In cross-examination by CAGPL, Mr. Mirosh stated that "the gravel pad will be allowed to return to a natural state", after completion of pipeline construction. Vol. 195 30472
- Mr. Kosten stated that construction of the gravel pad would be carried out during the winter preceding the fall pipeline construction. Winter temperature extremes which would affect pipelining operations would not affect gravel pad construction operations. Vol. 195 30497-30511
- The numbers of down days due to temperature extremes were calculated, using a cutoff point at 35° below wind chill, to be 41 days out of 89 days at Tuktoyaktuk, February, March and April 1975. Vol. 195 30514
- Mr. Mirosh made reference to an article which indicated that major portions of the winter of 1975-76 were non-productive for Alyeska pipeline construction. Vol. 195 30517

TRANSCRIPT  
REFERENCE

- In cross-examination by Commission Counsel, Mr. Mirosh and Mr. Kosten indicated that Foothills' particular gravel pad construction technique has not been used previously and no field testing has been carried out to substantiate the theoretical viability of such an operation. Vol. 195  
30575-30577

a-2 Construction Camp Relocation

- Mr. Mirosh, in-chief, stated that "Foothills' pipeline construction camps" have been relocated "from compressor station sites to wharf and stockpile sites". Vol. 195  
30452
- This relocation was primarily due to the fact that barged-in camps could be set up immediately upon arrival at the wharve or stockpile site, eliminating the necessity of building snow roads for the transportation of camps to compressor station sites. Vol. 195  
30458
- Mr. Kosten, in cross-examination by Commission Counsel, indicated that it was preferable to keep mainline crews separate from compressor station crews, due to their attendant trades, by moving construction camps to points from which they would be operating i.e. established warehouse storage areas. "The basic reason" for relocating construction camps "was to be able to get at the erection of the camps" as materials are delivered to wharve sites. Vol. 195  
30579-30582

a-3 Hydrostatic Test Medium

- Mr. Mirosh, in-chief, stated warm water would be used as the primary hydrostatic test medium instead of a water-methanol solution. There is a cost advantage to warm water testing provided suitable water is available within 3 miles of the pipeline test section. Vol. 195  
30452-30453  
Vol. 195  
30455

a-4 Advance Construction

- Mr. Mirosh, in-chief, stated that Foothills would construct a single pipeline spread, working one year in advance of commencing mainline construction. Vol. 195  
30453
- Mr. Mirosh, in cross-examination by Commission Counsel, stated that "the single spread will be pushed ahead a year, rather than the others going back a year". This advance construction is primarily concerned with "the environmental construction interface problems...before getting into the major expenditures of putting many more spreads on the field". This spread would consist of competent staff rather than being filled with a number of trainees. Vol. 195  
30582-30583

a-5 Logistics Plan

- Mr. Mirosh, in-chief, stated that the logistics plan had been restructured based on the more efficient allocation of and a reduction in the number of primary and secondary staging sites. Only Enterprise, Axe Point and Hay River remain as primary staging sites. Vol. 195  
30453  
Vol. 195  
30454

B. Environmental

b-1 Fall Construction

- Mr. Mirosh, in cross-examination by CAGPL, indicated Vol. 195  
that Foothills prime environmental concerns are 30475-30497  
the effects of the gravel work pads construction  
on drainage and the timing of construction  
pertaining to waterfowl migrations. Mr. Byers  
suggested that "perhaps it would be more damaging...  
to try to pick up this gravel...than it would  
be to leave it there and allow nature to take its  
course". The actual consequences which could be  
caused by construction of a gravel work pad are  
not known but it was determined that major  
environmental concerns could be obviated.
- Mr. Byers, in cross-examination by Commission Vol. 195  
Counsel, indicated that increased access to the 30578-30579  
Delta area by all-terrain vehicles using the  
remains of the gravel pad is another major  
environmental concern which must be reconciled  
when considering the construction of a gravel work  
pad.



MACKENZIE VALLEY PIPELINE INQUIRY

SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 174)

Statement of  
Mr. R. Blair, President,  
Foothills Pipe Lines Ltd.

August 20, 1976  
Yellowknife, N.W.T.

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TOPIC: Statement of Mr. Bob Blair, President, Foothills Pipe Lines Ltd.

DATE: August 20, 1976 in Yellowknife.

WITNESS: Mr. R. Blair, President, Foothills Pipe Lines Ltd.

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

Nil

B. Environmental

Nil

C. Socio-Economic

c-1 Corrections of Recent Distortions

- Mr. Blair in-chief outlined three factors which he felt needed clearing up. The first was that Foothills' highest priority is and remains the Mackenzie Valley Pipeline. The reason for this he said is that only the Mackenzie Valley Pipeline will do anything in terms of supplying gas to consumers in Canada since it deals with Canadian gas in the first place. Vol. 174  
27138
- The second point requiring correction according to Mr. Blair in-chief was the current suggestion that construction of a Mackenzie Valley pipeline would be delayed if it lost the chance to carry Alaska gas. Mr. Blair believed that, on the contrary, the Mackenzie Valley pipeline would be built sooner. Vol. 174  
27138
- Thirdly, Mr. Blair wanted to comment on suggestions that the Polar Gas pipeline proposal would supplant the Mackenzie Valley pipeline proposal as the main Canadian gas transmission project. Mr. Blair disagreed, saying that Polar Gas pipeline plans were well back and indefinite compared to plans for a Mackenzie Valley pipeline. Vol. 174  
27139

c-2 Factual Case for the Mackenzie Valley Pipeline

- Mr. Blair felt that there should be a Mackenzie Valley pipeline for the following reasons: 1) in the 1980's eastern Canada will become relatively more dependent on natural gas for its energy supplies as domestic crude oil production declines, 2) except for Alberta, the next available source of gas for eastern Canadian markets will clearly be the Mackenzie Delta. Connection of the Delta supply will be important for two reasons: first, as, initially, a small ten to twenty percent source of Canadian supply and later as a growing source of Canadian supply; and second to demonstrate that Alberta's responsibilities to satisfy the demand of the eastern Canadian provinces are neither endless nor total. Vol. 174  
27139

c-3 Forces Behind a Pipeline

- Mr. Blair stated that there are three main pressures being applied to see this Mackenzie Valley gas pipeline installed: 1) the normal and predictable commercial pressure of commitments entered into between the gas companies as sellers and the utilities as buyers to sell about thirty tcf of Alaskan gas and twenty-six tcf of Mackenzie Delta gas to the buying utility companies, of which, in total, all but four tcf have been committed to United States markets; 2) the less urgent but still anxious interest of the Ontario utility companies to secure some access to the new Mackenzie Delta gas supply for requirements into the 1980's; 3) a growing sense of a Canadian national purpose to get all available hydrocarbon fuel reserves into readiness as an alternative to crude oil imports. Vol. 174 27141

c-4 Pipeline Timing

- The delivery of natural gas from the Mackenzie Delta is possible by the end of 1982 providing final decisions on the sponsorship, routes, tariffs, exports, relationships of residents and all other factors are resolved by 1978 or 1979.
- Meeting this schedule appears to be both tough and desirable for the following reasons according to Mr. Blair: 1) time will be needed to clarify and resolve the differences among the populations of the Northwest Territories with respect to this huge civil engineering project; 2) there are sufficient legal grounds, apparently, for a contention about land rights in the NWT to afford the runners-up in any main pipeline decision a second chance for review; 3) the Delta gas supply is not yet so huge that it clearly deserves national priority to the point of over-riding other responsibilities; and 4) gas requirements of eastern Canadian markets over and above the predominant supply capacity of Alberta are not sufficient to warrant an over-riding of delaying influences by any national command. Vol. 174 27143

c-5 Interrelationships between the Mackenzie Valley Pipeline, the Alcan or Alaska Project

- Mr. Blair felt that a start on the Alaska Highway gas transmission line would remove several of the worst problems of the Mackenzie Valley pipeline connection, such as cross-delta and environmental problems, the provincial problem, the opposition of governments in western Canada, and the element of United States ownership and control.
- An Alaskan Highway line before a Mackenzie Valley pipeline would provide, strictly as a backup, a shorter and different route to connect the Delta gas by way of the Dempster Highway.
- Commencement of an Alaskan Highway pipeline before a Mackenzie Valley pipeline would mesh with the Mackenzie Valley pipeline by taking up overheads and by showing early financial results. The two projects are mutually supportive. The converse would be that if both were built at exactly the same time (to move Alaskan and Delta gas simultaneously) there could be mutual interference. Vol. 174 27144-27145

TRANSCRIPT  
REFERENCE

- Mr. Blair in cross-examination from Arctic Gas stated "that while Foothills' highest priority in terms of company responsibility as a Canadian pipeline company is to connect the Canadian gas in the Mackenzie Delta, that Foothills believed it is also true that, chronologically, the Alaskan highway project is likely to be proceeded with before the Mackenzie Valley project".

Vol. 174  
27158

Policy and Planning (ACND)  
Division  
September 3, 1976.

MACKENZIE VALLEY PIPELINE INQUIRY  
SUMMARY OF PROCEEDINGS

(TRANSCRIPT VOLUME NO. 194)

Beaufort-Delta Oil Project Limited

October 6, 1976  
Yellowknife, N.W.T.

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a-2 Differences and Compatability of Oil and Gas Pipelines	398
a-3 Route Selection	398
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TOPIC: The Beaufort-Delta Oil Project

DATE: October 6, 1976 in Yellowknife, N.W.T.

WITNESSES: H.D. Wylie, President, BDOPL  
G.B. Lipsett, Director of Engineering, BDOPL  
(appearing on behalf of the Mackenzie Valley  
Pipeline Inquiry)

Note: At the end of September, it had been decided that, due to the lack of oil reserves discovered in the Delta region, BDOPL should phase out all operations by the end of 1976.

HIGHLIGHTS:

TRANSCRIPT  
REFERENCE

A. Technical/Engineering

- BDOPL had only reached the early stages of planning and therefore had very little specific information regarding oil pipeline construction. Vol. 194  
30444

a-1 Project Overview

- Mr. Wylie, in-chief, stated that BDOPL was incorporated to carry out all the necessary work for preparation of an application to construct and operate an oil pipeline from Beaufort Sea - Mackenzie Delta oil fields to southern Canada. This application would have been presented some time in 1979. It was assumed that oil pipeline construction would have been preceded by gas pipeline construction. The BDOPL was formed from the Mackenzie Valley Pipeline Research Limited, which ceased operation when the Alyeska system received approval. Vol. 194  
30415-30418

a-2 Differences and Compatibility of Oil and Gas  
Pipelines

- Mr. Lipsett, in-chief, stated that oil pipelines run hot and gas pipelines run cold. This difference is of prime importance when laying pipe in permafrost regions. Vol. 194  
30419
- Mr. Wylie, in-chief, stated that an oil pipeline would be compatible with a gas pipeline in the Mackenzie Valley corridor. Vol. 194  
30423

a-3 Route Selection

- Mr. Wylie, in-chief, outlined the major factors determining a pipeline routing as follows:  
1) location of reserves; 2) location of connecting carriers; 3) Government of Canada guidelines; 4) findings of the Berger Inquiry; 5) type of soil and terrain; 6) rivers and water crossings; 7) logistics of supply, equipment and personnel movement; 8) animal habitats and migration routes; 9) environment; 10) economics and 11) the ability to build, operate and maintain a sound and Vol. 194  
30420-30422

TRANSCRIPT  
REFERENCE

efficient pipeline. Mr. Lipsett, in-chief, stated that following a multidisciplinary approach a 28 kilometer wide "route study area" was selected along which minimum impacts would be expected.

- Mr. Wylie, in cross-examination by COPE, conceded that the availability of fuel, from a gas line, to operate the oil pipeline could be the twelfth factor in route selection. Vol. 194  
30431-30432

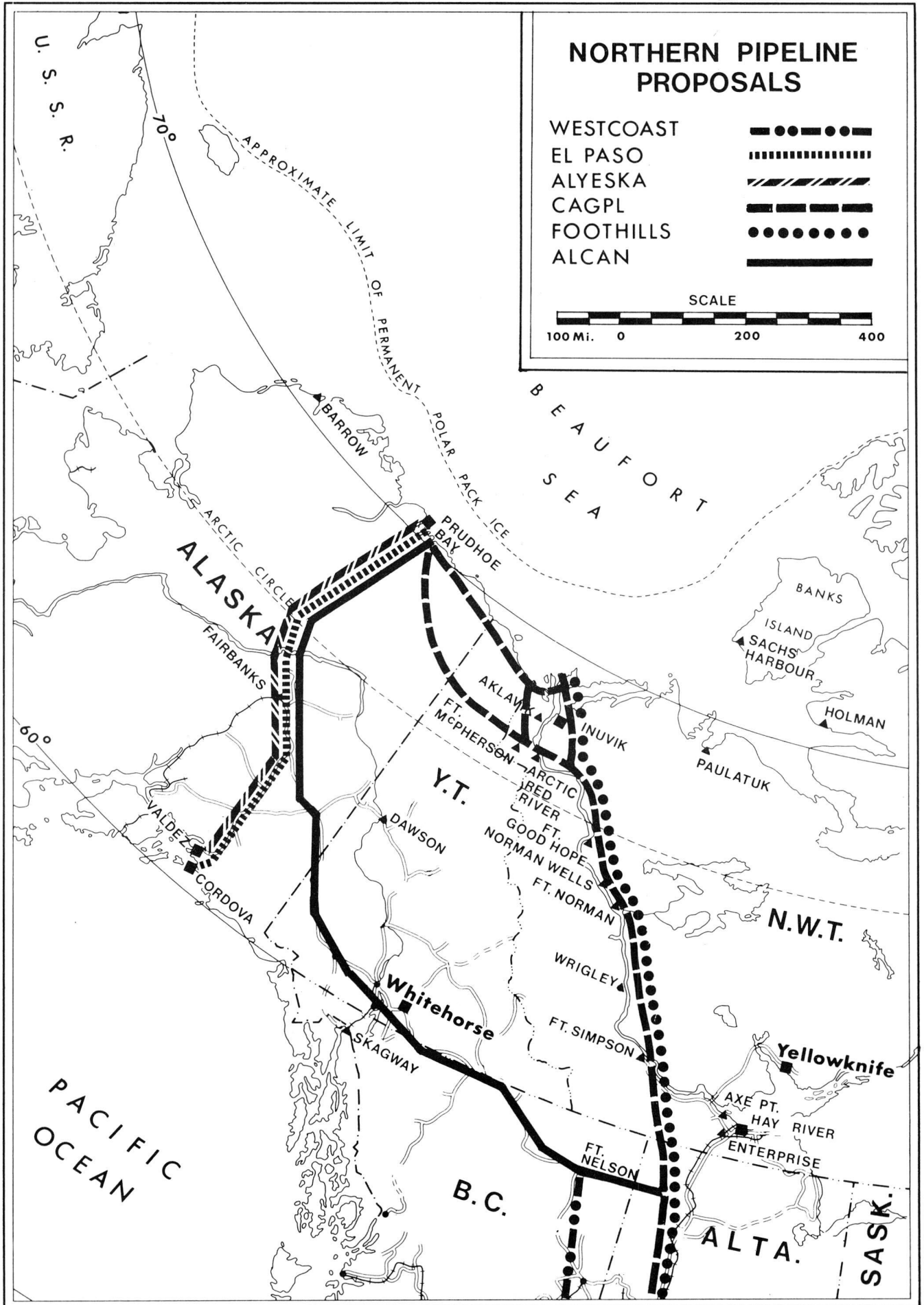
a-4 Operations

- Mr. Wylie, in-chief, stated that BDOPL had intended to make maximum use of Canadian goods, existing information, facilities and infrastructures in northern Canada. Vol. 194  
30419-30420
- Mr. Wylie, in cross-examination by Commission Counsel, stated that an oil pipeline would have been built from a snow road. Construction of an elevated line is more labour-intensive than burying the pipe. Vol. 194  
30442

a-5 Studies

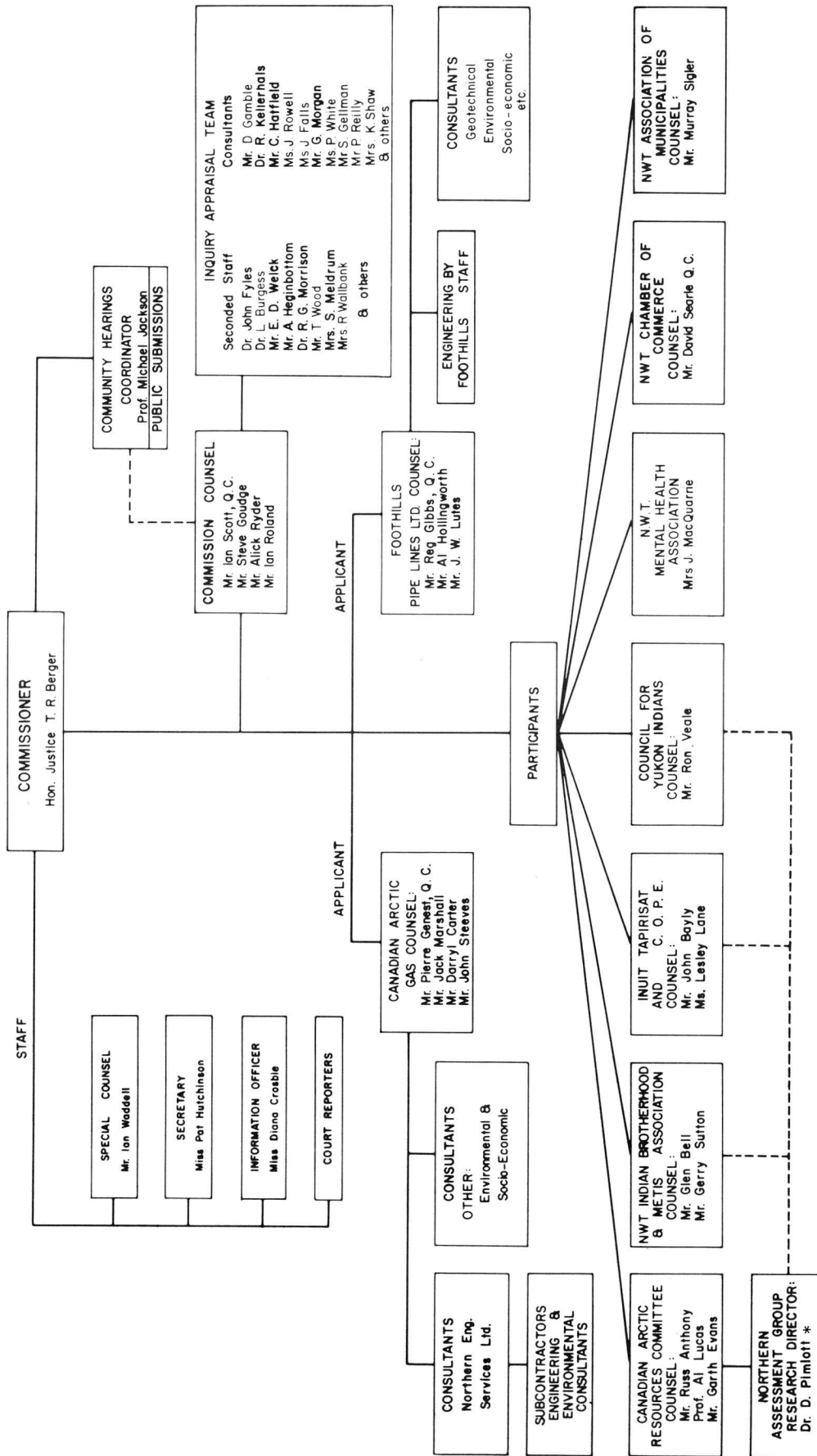
- Mr. Wylie, in-chief, stated that preliminary studies had been carried out by BDOPL into preferred pipeline diameters (36" diameter pipe was selected) and plans were made for the assessment of gas pipeline construction. Vol. 194  
30422

Policy and Planning (ACND)  
Division,  
November 22, 1976.





## MACKENZIE VALLEY PIPELINE INQUIRY



\* Replaced Dr. J. Spence Jan. 1976

NOTE: The Environment Protection Board terminated at end of Phase III.  
Supplementary evidence was presented by Mr. Carson Templeton,  
formerly Chairman of the Board.

POLICY AND PLANNING  
(ACND) DIVISION  
November 21, 1976

MACKENZIE VALLEY PIPELINE INQUIRY

INDEX TO SUMMARIES

<u>PLACE</u>	<u>SUBJECT</u>	<u>DATE</u>	<u>TRANS. NO.</u>	<u>SUMMARY NO.</u>	<u>VOLUME NO.</u>
Yellowknife	Overview Hearings	Mar 3-8	9-14	1	1
Yellowknife	Facilities Location and Connecting Pipeline Facilities (CAGPL)	Mar 11-14	15-18	2	1
Aklavik	Community hearing	Apr. 2-4	1-3	3	4
Aklavik	Community hearing	Feb. 23	40	3A	4
Yellowknife	Geotechnical Aspects of Engineering Design & Ancillary Facilities (CAGPL)	Mar 17-21 Apr. 7-14	19-29	4	1
Yellowknife	System Configuration & Design of Facilities (CAGPL)	Apr 14-18	29-32	5	1
Yellowknife	Construction Plan(CAGPL)	Apr 21-23 May 12-15 Sept 24	33-39 68	6 6A	1 1
Yellowknife	Operation & Maintenance (CAGPL)	May 16-21	40-42	7	1
Hay River	Community hearing	May 28-29	4-5	8A	4
Hay River Indian Village	Community hearing	May 30-31	6	8B	4
Yellowknife	Environment Protection Board Supplement Supplement Supplement	June 2-4 Sept 24-25 Oct 15 Jan 12-14	46-48 68-69 72 107-9	9 9A 9B 9C	2 2 2 2
Yellowknife	Policy (CAGPL)	May 21-24 June 5-6 Aug 18	42-45 49-50 56	10	1
Fort Franklin	Community hearing	June 24-26	7-9	11	4
Willow Lake & Fort Norman	Community hearings	June 26-27	10	12	4
Fort McPherson	Community hearing	July 8-10	11-13	13	4
Old Crow	Community hearing	July 11-13	14-16	14	4
Fort Liard	Community hearing	July 16-17	17	15	4
Fort Good Hope	Community hearing	Aug 5-7	18-20	16	4
Norman Wells	Community hearing	Aug 9	21	17	4

Individual summaries available upon request.

Policy and Planning  
ACND Division

PLACE	SUBJECT	DATE	TRANS. NO.	SUMMARY NO.	VOLUME NO.
Whitehorse	Alternative Routes	Aug 11-15	51-55	18 )	
Yellowknife	Supplement - CAGPL	Sept 24	68	18A )	
Yellowknife	Supplement - CARC	Oct 20-21	75-76	18B )	1
Yellowknife	Supplement - CARC	Oct. 21	76	18C )	
Yellowknife	Supplement - CAGPL	Nov. 20	91	18D )	
Whitehorse	Community hearing	Aug 11-14	22-23	19	4
Yellowknife	Policy (Foothills)	Aug 18-21	56-59	20	1
Yellowknife	Location (Foothills)	Aug 21-22	59-60	21	1
Trout Lake	Community hearing	Aug 23	24	22	4
Nahanni Butte	Community hearing	Aug 24	24	23	4
Fort Simpson	Community hearing	Sept 8-10	25-27	24	4
Wrigley	Community hearing	Sept 10-11	28	25	4
Jean Marie River	Community hearing	Sept. 12	29	26	4
Yellowknife	Hydraulics and Connecting Facilities (Foothills)	Sept. 15	61	27	1
Yellowknife	Design (Foothills)	Sept 15-16	61A-62	28	1
Yellowknife	Communications (Foothills)	Sept 16	62	29	1
Yellowknife	Compressor Station Design (Foothills)	Sept 17	63	30	1
Yellowknife	Metallurgy (Foothills)	Sept 17-18	63-64	31	1
Yellowknife	Geotechnical(Foothills)	Sept 18-19	64-65	32	1
Yellowknife	Construction(Foothills)	Sept 19,22, & 23	65-67	33	1
Yellowknife	Operation & Maintenance (Foothills)	Sept. 24	68	34	1
Yellowknife	Geotechnical - Frost Heave (Commission Counsel)	Sept. 25	69	35	1
Yellowknife	Pointed Mountain Pipe- line (Commission Counsel)	Sept 25-26	69-70	36	1

PLACE	SUBJECT	DATE	TRANS. NO.	SUMMARY NO.	VOLUME NO.
Pine Point	Community hearing	Oct. 6	30	37	4
Fort Resolution	Community hearing	Oct 7-8	31-32	38	4
Fort Smith	Community hearing	Oct 9	33	39	4
Fort Smith	Community hearing	Apr.30	48	39B	4
Yellowknife	Land Use Regulations (Commission Counsel)	Sept 26 Oct 14-15	71-72	40	1
Yellowknife	River Environments (Commission Counsel)	Sept 26 Oct. 15	70 72	41	1
Yellowknife	Community hearing	Oct 15-16	34	42A	4
Latham Island	Community hearing	Oct 22	35	42B	4
Yellowknife	Geotechnical Rebuttal (CAGPL)	Oct 16	73	43	1
Yellowknife	Construction Rebuttal (CAGPL)	Oct 17	74	44	1
	Supplement	Nov 13	86	44A	1
Yellowknife	Alternative Routes East of Franklin(CARC)	Oct 22	77	45	1
Yellowknife	Alternative Corridors (CARC)	Oct 22-23	77-78	46	1
Yellowknife	Air, Water & Terrain (CAGPL)	Oct 23 Nov 3-8 Nov 12-13	79-86	47	2
Yellowknife	Air, Water & Terrain (Foothills)	Nov 13-14 17	86-88	48	2
Yellowknife	Living Environment (CAGPL)	Nov 17-21 Dec 1-5 Dec 8-9	88A-99	49	2
Yellowknife	Living Environment (Foothills)	Dec 9-11	99-100	50	2
Yellowknife	Physical Environment (CARC)	Dec 11-12	101-102	51	2
Yellowknife	Rare & Endangered Species (CARC)	Dec. 12	102	52	2
Yellowknife	Fish (CARC)	Dec 15-17	103-105	53	2

PLACE	SUBJECT	DATE	TRANS. NO.	SUMMARY NO.	VOLUME NO.
Yellowknife	Caribou (CARC)	Dec 17-18 Jan 15-16	105-106 110-111	54	2
Inuvik	Delta Producers General Overview	Jan. 20	112	55	3
Inuvik	Delta Ecology Delta Producers	Jan. 20	112	56	3
Inuvik	Socio-Economic Overview Delta Producers	Jan. 21	113	57	3
Inuvik	Taglu Gas Development Project (Delta Producers)	Jan. 22	114	58	3
Inuvik	Niglintgak Gas Development Project (Delta Producers)	Jan 22-23	114 115	59	3
Inuvik	Parsons Lake Gas Development Project (Delta Producers)	Jan 23-24	115 116	60	3
Inuvik	Environmental Impact (Delta Producers)	Jan. 24	116 117	61	3
Inuvik	Socio-Economic Aspects (Delta Producers)	Jan 26-27	117 118	62	3
Inuvik	Policy (Delta Producers)	Jan. 27	118	63	3
Inuvik	Scenario for Future Petroleum Development (COPE)	Jan. 28	119	64	3
Inuvik	Beaufort Sea Environmental Aspects (COPE)	Feb. 13,14 and 18	124,125 and 128	64A	3
Inuvik	Hazardous Oil & Gas Field Materials (COPE)	Jan. 28	119	65	3
Inuvik	Offshore Petroleum Exploration (COPE)	Jan 28-29	119 120	66	3
Inuvik	Historical Review of Mackenzie Delta Wild- life (COPE)	Jan. 29	120	67	3
Inuvik	Impact of Development on Delta-Beaufort Wildlife (COPE)	Feb 10-11	121 122	67A	3

PLACE	SUBJECT	DATE	TRANS. NO.	SUMMARY NO.	VOLUME NO.
Inuvik	Community hearing	Jan 28-29	36	68A	4
Inuvik	Community hearing	Feb 10,12 15,18	37-39	68B	4
Inuvik	Regional Planning in Mackenzie Delta (Commission Counsel)	Feb. 12	123	69A	3
Inuvik	Oil Spill Contingency Planning & Environmental Considerations (COPE)	Feb 14-15	125 126	69B	3
Inuvik	Historical Review of Hydrocarbon Exploration in Delta, Impact of Seismic Operation on Wildlife  (COPE)	Feb. 17	127-128	69C	3
Inuvik	Demand & Supply of Granular Materials in Delta Accumulative Impacts on Wildlife (Commission Counsel)	Feb 18-19	128-129	69D	3
Holman Island	Community hearing	Mar 2-3	41	70	4
Sachs Harbour	Community hearing	Mar 4-5	42	71	4
North Star Harbour	Community hearing	Mar. 7	43	72	4
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Tuktoyaktuk	Community hearing	Mar. 10	45	73B	4
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Yellowknife	Cross-Delta Routing, Technical/Engineering (CAGPL)	Mar 16-18	130-132	76	3
Yellowknife	Cross-Delta Routing, Environmental Impact (CAGPL)	Mar 23-26	133-136	77	3
Yellowknife	Water Quality Criteria (Commission Counsel)	Mar 25-26	135-136	78	2

PLACE	SUBJECT	DATE	TRANS. NO.	SUMMARY NO.	VOLUME NO.
Yellowknife	Impact on Domestic Fisheries (Commission Counsel)	Mar. 26	136	79	2
Yellowknife	Environmental Impact and Route Selection Methodology (Commission Counsel)	Jan 16 & Apr 5	111& 137	80	2
Yellowknife	Pipeline Impact on Management of Fish, Wildlife and Birds (Commission Counsel)	Apr 5-7	137, 138 & 139	81	2
Yellowknife	Aircraft Regulation (Commission Counsel)	Apr. 7	139	82	2
Yellowknife	The Mizushima Oil Spill (COPE)	Apr 7- 8	139-140	83	3
Yellowknife	Past Developments & Consultation in the Delta/Beaufort Region (COPE)	Apr 8-9	140-141	84	3
Yellowknife	NORTRAN (CAGPL and Foothills)	Apr 13-14	142-143	85	5
Yellowknife	Overview of Aboriginal Rights (IB of N.W.T.)	Apr. 14	143	86	5
Yellowknife	Idea of Nation Among Indian People (IBNWT)	Apr. 14	143	87	5
Yellowknife	Aboriginal Rights and Exploitation of Northern Resources 1870-1939 (IBNWT)	Apr. 14	143	88	5
Yellowknife	Aboriginal Rights: A Legal Perspective (IBNWT)	Apr. 15	144	89	5
Yellowknife	Dene Nation and Confederation (IBNWT)	Apr. 14	143-A	90	5
Yellowknife	Nation & Nationalism in the Third World (IBNWT)	Apr. 15	144	91	5
Yellowknife	Colonial Political Institutions (IBNWT)	Apr. 15 May 4	144 150	92A	5
Yellowknife	The Dene Political System (IBNWT)	Apr. 15	144	92B	5

PLACE	SUBJECT	DATE	TRANS. NO.	SUMMARY NO.	VOLUME NO.
Yellowknife	Oxfam Statement (IBNWT)	Apr. 26	145	93	5
Yellowknife	Impact of Large-Scale Projects on Native People (IBNWT)	Apr. 27-28	146-147	94	5
Yellowknife	Bene Lane Use and Occupancy (IBNWT)	Apr. 28-29	147-148	95	5
Yellowknife	Land Use by Slavey and Great Bear Lake Indians (IBNWT)	Apr. 29	148	96-A	5
Yellowknife	Kutchin Place Homes (IBNWT/Métis Assoc.)	May 3	149	96-B	5
Yellowknife	The Third World and the North (IBNWT)	May 3	149-150	97-A	5
Yellowknife	A Global View of Aboriginal Land Rights (IBNWT/Métis Assoc.)	May 3	150	97-B	5
Yellowknife	Archaeology (CYI)	May 5	151	98-A	5
Yellowknife	Recommendations re Pipeline Ownership (CYI)	May 5	151	98-B	5
Yellowknife	Social Impact of Alaska Highway (CYI)	May 5	151-152	98-C	5
Yellowknife	The Alaskan Settlement (CYI)	May 6	152	98-D	5
Yellowknife	Impact of Mining at Ross River, Y.T. (CYI)	May 7	153	98-E	5
Vancouver	Community Hearing	May 10-12	49-51	99	4
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Regina	" "	May 19	56	102	4
Winnipeg	" "	May 20	57	103	4
Toronto	" "	May 25-28	58-61	104	4
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PLACE	SUBJECT	DATE	TRANS. NO.	SUMMARY NO.	VOLUME NO.
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Halifax	Community Hearing	June 8	67	108	4
Yellowknife	Colonialism or Development (IBNWT)	June 29-30	154 155	109-A	5
Yellowknife	Meaning of Under- Development (IBNWT)	June 29-30	154 155	109-B	5
Yellowknife	Distribution of Economic Rents (IBNWT)	June 30	155-A	109-C	5
Yellowknife	Alaska Native Claims Settlement Act (IBNWT)	June 30	155	110	5
Yellowknife	Education	July 1	156	111	5
Yellowknife	Native Claims and Mineral Resources (IBNWT)	July 5	157	112	5
Yellowknife	Socio-economic Overview (Arctic Gas)	July 5-6	157 158	113	5
Yellowknife	Arctic Gas Panel on Alaska	July 7	159 159-A	114	5
Yellowknife	Employment Policies and Plans (Arctic Gas)	July 12	161	115	5
Yellowknife	Sociological Aspects of Construction and Operation (Arctic Gas)	July 13-14	162 163	116	5
Yellowknife	Socio-Economic Overview (Foothills)	July 19-20	165 166	117	5
Yellowknife	Socio-Economic Overview (COPE)	July 20-22	166 167	118	5
Yellowknife	Alcohol (Commission Counsel)	July 22	168	119	5
Fort Providence	Community Hearing	July 16	168	120	4
Kakisa Lake	Community Hearing	July 17	169	121	4
Yellowknife	Alternative Economic Developments (IBNWT)	July 23	169	122	5
Rae/Edzo	Community Hearing	Aug. 9-11	70 72	123	4
Lac La Martre	Community Hearing	Aug. 12	73	124	4
Rae Lakes	Community Hearing	Aug. 13	74	125	4
Yellowknife	Employment (Foothills)	Aug. 16-17	170 171	126	5
Yellowknife	Alaska Information Impact Centres (Commission Counsel)	Aug. 17-18	171 172	127	5
Yellowknife	Development and Political Realities (H. McDiarmid-independent)	Aug. 18	172	128	5
Yellowknife	Northern Life and Leisure (COPE)	Aug. 18-19	172 173	129	5

PLACE	SUBJECT	DATE	TRANS. NO.	SUMMARY NO.	VOLUME NO.
Yellowknife	Population Projections Overview of Impact Costs Northern Energy Supply (NWT Assoc. of Mun.)	Aug. 19	173 177	130	5
Yellowknife	Statement of R. Blair (Foothills)	Aug. 20	174	131	5
Colville Lake	Community Hearing	Aug. 21	75	131-A	4
Yellowknife	Northern Businesses (NWT Chamber of Comm.)	Aug. 23	175	132	5
Yellowknife	Education (COPE)	Aug. 24	176	133	5
Yellowknife	Fire Protection Services Law Enforcement (RCMP) (NWT Assoc. of Mun.)	Aug. 25	177	134	5
Yellowknife	Effects of Construction Schedule Change (Commission Counsel)	Aug. 26	178	135	5
Detah	Community Hearing	Aug. 25-26	75 77	136	4
Yellowknife	Housing (Commission Counsel)	Aug. 26-27	178 179	137	5
Yellowknife	Submission of Canadian Pipeline Advisory Council (Commission Counsel)	Sept. 7	180	138	5
Yellowknife	Submission of Building & Construction Trades Council & Advisory Board for Building Trades Unions in Canada (Commission Counsel)	Sept. 8	181	139	5
Yellowknife	Canadian Labour Congress (Commission Counsel)	Sept. 8	181	140	5
Yellowknife	NWT Labour Coordinating Committee (Commission Counsel)	Sept. 8	181	141	5
Yellowknife	People and the Pipeline (NWT Mental Health Assoc.)	Sept. 9	182	142	5
Yellowknife	Impact on Housing in Inuvik and Fort Simpson (COPE)	Sept. 9-10	183	143	5
Yellowknife	Mental Health (COPE)	Sept. 14	184	144	5
Yellowknife	Health Care and Health Care Delivery (COPE)	Sept. 15	185	145	5
Yellowknife	Trade Unions in Canada and the Northern Resident (Commission Counsel)	Sept. 16	186	146	5
Yellowknife	Alternative Development Possibilities (COPE)	Sept. 16	186	147	5
Yellowknife	Alcohol (COPE)	Sept. 17	187	148	5
Yellowknife	International Law (IB)	Sept. 17	187	149	5

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PLACE	SUBJECT	DATE	TRANS. NO.	SUMMARY NO.	VOLUME NO.	
Yellowknife	Submission of Legislative Assembly of NWT	Sept. 21	188	150	5	
Yellowknife	COPE's Alaska Panel	Sept. 21-22	188	151	5	
Yellowknife	Territorial Fiscal Arrangements (NWT Assoc. of Mun.)	Sept. 21	189	152	5	
Yellowknife	Municipal Financing (NWT Assoc. of Mun.)	Sept. 22	189	153	5	
Yellowknife	Recreation (NWT Assoc. of Mun.)	Sept. 22-23	189 190	154	5	
Yellowknife	Territorial Planning (NWT Assoc. of Mun.)	Sept. 23	190	155	5	
Yellowknife	Municipal Planning (NWT Assoc. of Mun.)	Sept. 23	190	156	5	
Yellowknife	Political Concerns and Impacts (NWT Assoc. of Mun.)	Oct. 6	194	157	5	
Yellowknife	Economic & Political Development (NWT Assoc. of Mun.)	Sept. 22-23	189 190	158	5	
Yellowknife	Transportation Systems (Commission Counsel)	Sept. 24	191	159	5	
Yellowknife	Social Impact of Trans Alaska Pipeline Construction in Valdez (Commission Counsel)	Oct. 4	192	160	5	
Yellowknife	Native Languages (Commission Counsel)	Oct. 4	192	161	5	
Yellowknife	Implementation Panel (Carson Templeton)	Oct. 5-6	193	162	5	
Yellowknife	Corridor Concept for Parallel Transportation and Communications Modes (Arctic Gas)	Oct. 6	194	163	5	
Yellowknife	Beaufort Delta Oil Project	Oct. 6	194	164	5	
Yellowknife	Foothills Panel on Fall Construction	Oct. 7	195	165	5	
Yellowknife	Arctic Gas Panel on Northern Winter Construction	Oct. 7	195	166	5	
		void		167		
Yellowknife	Implementation of Stipulations (CARC)	Oct. 12	196	168	5	
Yellowknife	Department of Economic Development & Tourism (Commission Counsel)	Oct. 13	197	169	5	
Yellowknife	Public Participation on Regulatory Agency (Commission Counsel)	Oct. 13	197	170	5	
Yellowknife	Manpower Training in the NWT (Commission Counsel)	Oct. 14	198	171	5	

<u>PLACE</u>	<u>SUBJECT</u>	<u>DATE</u>	<u>TRANS. NO.</u>	<u>SUMMARY NO.</u>	<u>VOLUME NO.</u>
Yellowknife	Manpower Training in Alaska (Commission Counsel)	Oct. 14	198a	172	5
Yellowknife	Environmental Compliance & Control (COPE)	Oct. 15	199	173	5

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