MACKENZIE VALLEY PIPELINE INQUIRY

IN THE MATTER OF THE APPLICATIONS BY EACH OF

- (a) CANADIAN ARCTIC GAS PIPELINE LIMITED FOR A RIGHT-OF-WAY THAT MIGHT BE GRANTED ACROSS CROWN LANDS WITHIN THE YUKON TERRITORY AND THE NORTHWEST TERRITORIES, and
- (b) FOOTHILLS PIPE LINES LTD. FOR A RIGHT-OF-WAY THAT MIGHT BE GRANTED ACROSS CROWN LANDS WITHIN THE NORTHWEST TERRITORIES FOR THE PURPOSE OF A PROPOSED MACKENZIE VALLEY PIPELINE

and

IN THE MATTER OF THE SOCIAL, ENVIRONMENTAL AND ECONOMIC IMPACT REGIONALLY OF THE CONSTRUCTION, OPERATION AND SUBSEQUENT ABANDONMENT OF THE ABOVE PROPOSED PIPELINE

(Before the Honourable Mr. Justice Berger, Commissioner)

Fort Simpson, N.W.T. September 8, 1975,

PROCEEDINGS AT COMMUNITY HEARING

Volume 25

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Vancouver, B.C. V6B 3A7 Canada
Ph: 604-683-4774 Fax: 604-683-9378

www.allwestbc.com

APPEARANCES

Prof. Michael Jackson for Mackenzie Valley

Pipeline Inquiry;

Mr. Darryl Carter

Mr. A. Workman for Canadian Arctic

Gas

Pipeline Ltd.

Mr. John Ellwood

Mr. R. Rutherford, for Foothills Pipe-

lines;

R. Anthony, Esq., Canadian Arctic Re-

sources Committee;

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Fort Simpson, N.W.T. 1 2 September 8, 1975, (PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT) 3 THE COMMISSIONER: Well, ladies 4 and gentlemen, Ill call our hearing to order this after-5 noon. I am Judge Berger and this is an inquiry to 6 consider what the impact will be of the pipeline that 7 Arctic Gas and Foothills Pipe Lines want to build to bring 8 natural gas from the Arctic to markets in the south. 9 I am holding hearings in every 10 community in the Mackenzie Valley, the Mackenzie Delta, 11 and the Northern Yukon likely to be affected by the 12 pipeline, if it is built. My job is to consider what the 13 social, economic and environmental impact of the pipeline, 14 will be in all its ramifications, and then to recommend to 15 the Government of Canada the terms and conditions that 16 ought to be imposed if the pipeline is built. 17 Canada and the United States 18 have a great appetite for oil and gas. That is why the 19 Government of Canada is considering this gas pipeline. 20 But before they decide what to do, they want to know what 21 you think about it. That is why they have sent me here. 22 23 Now we have been told in this Inquiry that this pipeline project is the greatest project 24 in terms of capital expenditure ever undertaken by private 25 enterprise anywhere. We have been told by Mr. Horte, 26 the president of Arctic Gas, that if the pipeline is 27 built it is likely that it will be looped, that is that 28 the construction of a second gas pipeline will be 29 commenced within five years after completion of the first 30

pipeline. We have been told by Mr. Blair, the president of Foothills Pipe Lines, that if a gas pipeline is built it will result in enhanced oil and gas exploration activity throughout the Mackenzie Valley and the Mackenzie Delta. We have also been told that the companies that have found gas in the Mackenzie Delta have advised representatives of the Government of Canada that they want to build pipeline to bring oil from the Mackenzie Delta up the Mackenzie Valley to Southern Canada by 1983. So it is vital that we take a hard look now at this pipeline and what its consequences will be, for once the first shovelful of earth has been dug, once the first length of pipe has been laid, it will he too late.

After I have heard all the evidence, I will make my report and recommendations to the Government of Canada. It is not for me to decide whether or not there will be a pipeline. That is up to the Government of Canada, the people elected to govern the country. They will have to decide whether they want a pipeline, and if they do it will be for them to decide whether they want Arctic Gas or Foothills to build it.

Now we have some visitors with us here today. Some of the people that you see here are connected with my Inquiry the Secretary of the Inquiry, Miss Hutchinson, and the Court reporters, the official Court reporters who are the young ladies with the masks who take down on tape everything that is said here today, because everything said here is just as important as far as I'm concerned as the testimony that

I hear from the experts at the formal hearings at 1 Yellowknife. This will enable us to have a complete and 2 accurate record of everything said here at this hearing 3 today and tomorrow and the next day, as long as we are 4 here, and the transcript will be sent to the chairman of 5 your Settlement Council and the Chief of the Band here in 6 7 Fort Simpson. The representatives of the media 8 are here -- the C.B.C. which broadcasts in English and the 9 native languages, and the other representatives from the 10 media in the south, and in addition to all of these people 11 I have invited representatives of both Arctic Gas and 12 Foothills to this hearing, so that they will hear what you 13 have to say and so that they can answer any questions you 14 may wish to ask them. 15 16 So I want you, the people who live here, who make the north your home, to tell me what 17 you would say to the Government of Canada if you could 18 tell them what was in your minds. So I am here to listen 19 to you today and tomorrow and Wednesday, and maybe even 20 Thursday. 21 22 Now before you begin, Mr. Black, you and your colleagues, maybe we could have you sworn in 23 in the usual way and then we'll -- you gentlemen go ahead, 24 25 whatever order suits you. DAVE DIXON sworn: GARY BLACK sworn: 26 27 GORDON ERION sworn: MR. ERION: I quess I have 28 been chosen to begin this Inquiry. My name is Gordon 29 l Erion, and I represent the Fort Simpson Chamber of

Commerce. We in opening would like to compliment you, 1 Justice Berger, on your handling of the Inquiry to date. 2 We feel this forum is one of the best opportunities we've 3 ever had to voice our opinion to the Federal officials in 4 Ottawa. We also would like to compliment the applicants 5 on their efforts to communicate to local residents what 6 7 the effects of this project are. Unfortunately, many of us do not 8 have the time nor the money required to follow this 9 Inquiry day to day, so I would like to request that each 10 applicant now take the time to briefly detail what their 11 proposals entail generally, and to specifically tell us 12 what the local effects on Fort Simpson would be, before I 13 go into 14 THE COMMISSIONER: All right, I 15 think that's a good idea, Mr. Carter, you're here on 16 behalf of Arctic Gas with some of your people, and Mr. 17 Ellwood, you're here on behalf of Foothills with some of 18 your people. I think you could just go ahead and if you 19 want to use the map here, fine; if you want to maybe use 20 that table there and move it around a bit so that you're 21 22 facing the people here, then we can do it that way. 23 just take a moment and set that up properly, and then we 24 can -25 MR. CARTER: Mr. Workman, who is the manager of Northern Affairs for Arctic Gas -26 THE COMMISSIONER: Just hold on 27 a bit, let's let the furniture movers finish their work 28 29 before we go ahead. 30 I should say some of you in the

back, if you'd like to take seats here, there's a few seats at the front. I know often people prefer to stay at 2 the back rather than come to the front, that's all right 3 with me, but there are a few seats here if some 4 5 venturesome soul wants to move toward the front. All right, well these gentlemen 6 that you see here facing you sideways are the 7 representatives of the two pipeline companies and they 8 won't be sworn in because they've already been sworn in in 9 the formal hearings and the community hearings, so I want 10 you to know that that's the only reason we're not swearing 11 12 them in today. 13 Mr. Carter, would you like to introduce your colleagues? 14 MR. CARTER: Thank you, sir. 15 Mr. Workman is the manager of Northern Affairs for Arctic 16 17 Gas from Yellowknife, and he'll attempt to outline Arctic Gasp project as requested by Mr. Erion. 18 A. WORKMAN, resumed; MR. WORKMAN: The gas 19 finds that we have in the Arctic are in two areas. 20 There is gas in the delta, the Mackenzie Delta; there is also 21 22 gas in Alaska. To bring this gas to southern markets our proposal is to combine a line that will bring the American 23 gas from Alaska down through Canada into the States and 24 through the same line bring the Canadian delta gas down to 25 Southern Canada. 26 27 Now we feel there is not enough gas in the delta at this time to justify building a line 28 To do this, to move this gas economi-29 only for delta gas.

cally we believe we must piggy-back the delta gas on the

American gas and so be able to move the total gas economically. To do this we are promoting a 48-inch line from the delta down through -- or up the Mackenzie Valley into about central Alberta where the line will split into two parts, one going south-west and the other south-east to supply Canadian and American needs.

The line will be 48-inches in diameter up to the point of bifurcation where it splits. We've made some changes in our original application, particularly in the Fort Simpson area, When we first applied to build this line, we had proposed that it cross the Mackenzie just north of Fort Simpson, then cross the Liard just west of Fort Simpson. Further study by both the government and ourselves indicated an improvement could be made here by crossing the Mackenzie just a few miles south-east of Fort Simpson, In so doing we avoid one river crossing and make it an easier crossing of the Mackenzie River.

This change brings the line closer to Fort Simpson, but on the other side of the Mackenzie River. We realize that there will be quite an impact on the communities of the Northwest Territories when we -- if and when we build such a line, and we hope that we can minimize this impact by taking the advice of the people that we talk to and hear what you people have to say in such hearings. We recognize there will still be an impact. Some of the impact may be bad; a lot of it will be good. There will be impacts on the environment, but we have spent many millions of dollars to determine how we can build a pipeline with minimum

damage to the environment, with minimum damage to all facets of the environment, including animals, vegetation, etc., and the impact on the people in the communities will be both positive and negative. The negative aspects, I guess everybody hates to see change; but the world is forever changing and we can't really hope to live in a world that doesn't change. However, we should try to minimize the adverse changes.

There will be a lot of good come from the changes too, we believe. There will be certainly increased opportunities, a better way of life for a lot of people. A lot of people may not want to change, but we feel that there will be an opportunity for: everybody to make their choice. Those that wish to maintain their old way of life will still have ample opportunity of doing so. Those that want to take advantages of the changes will have that opportunity.

I like to think of the pipeline through the Mackenzie Valley, looking at it say from a great altitude, would be equivalent to looking at a football field from the top of the grandstand, and trying to see a thread running through the length of the football field. That would have very little effect on the football field, especially when that thread is buried!

Now the pipeline will be buried but it will come to the surface about every 50 miles to pass through compressor stations and chilling stations. In the north the ground that the pipeline will traverse will be mostly over permafrost. We do not want to affect that permafrost, first because it will have an adverse

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effect on terrain and we want to be good citizens and not do anything that will affect the topography. We also don't want to do anything that might affect the pipeline itself, so the surest way of accomplishing both of these is to ensure that the permafrost will not be affected. We do this by chilling the gas after every compressor station to be sure that the gas will not melt the permafrost. It will be kept down below freezing wherever it goes through permafrost. I don't know if there is 10 anything further I can add to the pipeline until we get 11 into more details, Maybe I should let Foothills have a 12 word to describe their project. 13 THE COMMISSIONER: Yes, I think 14 it might be a good thing to let Foothills describe their 15 project. Yes, Mr. Ellwood, you might introduce your 16 17 colleague and --MR. ELLWOOD: 18 Right, The gentleman with me is Mr. Ron Rutherford, executive vice-19 president of Foothills. 20 21 Referring to the map on the 22 wall, at the front of the room there, it generally shows the route of the pipeline in the area of Fort Simpson, our 23 pipeline is also proposed for the east side of the 24 Mackenzie River, Both pipelines are general' in the same 25 area as they pass by Fort Simpson. 26 The Foothills project has been 27 28 conceived to move delta Beaufort Basin gas to Canadian 29 It does not incorporate any leg to move Prudhoe markets.

Bay or Alaskan gas through Canada to the States.

We feel that there are now sufficient reserves in the delta area, in the Beaufort Sea area to justify bringing forth an application by the time we are ready to construct there will be sufficient reserves to finance this project. Foothills is sponsored by Alberta Gas Trunk Line and Westcoast Transmission, two of the three major operating pipeline operating companies in Canada.

The project that we have filed is an 817-mile long 42-inch diameter pipeline operating at 1,200 p.s.i.g. with capability to be up to 1,440 p.s.i. if that should prove feasible and necessary in the. future There will be 17 compressor stations located along this pipeline. The one closest to Fort Simpson and be No, 14 in the series, and would be on the south-west bank of the Mackenzie River just where the pipeline crosses some six miles or so upstream from here.

The application that we have filed also incorporates the chilling concept to protect the permafrost. Chilling in our situation would be carried out up to compressor station 13, which is just north of Fort Simpson, From there on the gas would be allowed to warm up as we move into more stable terrain. The current construction schedule as its filed in our application would call for the started construction with the initial pre-construction activity such as borrow pit operations, access roads, wharf site locations, to be developed in the summer of 1976. The following winter would be used to complete those initial projects, to do the mainline clearing; the next two winters to do

the actual pipeline construction. In all it's a threeyear job with two years of pipe-laying. 2 The Foothills plan calls for 3 Fort Simpson to be one of our major operations 4 headquarters. We would have located here in the town a 5 district headquarters employing 57 people on a permanent 6 basis; a technical maintenance centre employing 28 people 7 in a permanent basis; and a warehouse having a permanent 8 staff of six people. A total of 91 permanent jobs created 9 in Fort Simpson as a result of the Foothills project. 10 We have also included as an 11 integral part of our application a plan to supply the 12 Community of Fort Simpson and ten other communities in the 13 valley with natural gas. This would be done by a 14 community service lateral off our pipeline being brought 15 up by ourselves to a point called the town gate somewhere: 16 near the edge of town, where the gas would be turned over 17 to a distribution company or co-operative or whatever --18 there are several ways that the gas could be distributed 19 within the town. But that is included as an integral part 20 of our plan and we are confident that would bring a very 21 substantial saving to the cost of home heating, here in 22 Fort Simpson. 23 I think that basically covers 24 our application. Would you like to add anything, Mr. 25 Rutherford? 26 MR. RUTHERFORD: 27 28 THE COMMISSIONER: Mr. Erion, before you carry on I should say to all of you here 29 today that -- and of course to Mr. Erion -- that if you

want to ask any further questions of these gentlemen from the two pipeline companies, just go right ahead whenever you wish to do that, and if some of the things they said weren't altogether clear to you, if you didn't understand anything they were saying, don't hesitate to bring that up at any time and we'll get them to clarify it. They were talking about p.s.i.g.'s and I think we may have to come back to that a little later. But you carry on, Mr. Erion, I think you --

MR. ERION: First of all what I would like to do is sort of detail the economic history of Fort Simpson.

In 1886 the Hudson's Bay Company established a trading post in Fort Simpson. Ever since that time the local residents have become accustomed to a barter system, whether it be through trading furs for supplies, or working for wages.

The second influx of a major number f southerners occurred when the American Army passed through this area on their way to build the CANSOL line in the early 1930's.

The next major project was the construction of the Dew Line across the Arctic, which saw quite a number of transportation of goods and facilities along the river towards the Arctic. This project temporarily employed many northerners, but the problem created was that it partially skilled people and F accustomed them to the work ethic , and then left them without a permanent livelihood.

Between 1935 and 1960,

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activities in the north ranged from highway construction to resource development, fur-trading, sawmills, barging. In other words during this time frame private enterprise began to manifest itself in the north.

From 1965 to 1975 most major population centres in the north have been experiencing an increased level of activity. For the local entrepreneur some of this activity has only been seasonal, thereby making long-range capital planning a problem. The pipeline thesis has been prominently discussed for several years with no definite indication of the outcome, whether construction will take place next year, whether it will be delayed for five years, or whether there will be no pipeline at all. This air of uncertainty creates a major block in the economic forecast of the north. To the small business man it creates enormous problems in planning.

Fort Simpson economically is a service-based community for the Nahanni and Mackenzie Valleys; with major highway construction and government establishments, business has been quite active over the past five years. Many local firms are not totally dependent upon Simpson's population, and if development of transportation facilities and other forms of government related activities are not maintained, some of these local firms would have to move elsewhere to survive.

In essence, what I am saying is that we feel Fort Simpson needs the pipeline to move into a permanently healthy economy. The Fort Simpson Chamber of 'Commerce has been promoting a concept of

Simpson becoming a major transportation centre for several years. With the construction of the Mackenzie and Liard Highways, and the development of port facilities, logistically Fort Simpson would be the most economical staging point for any type of development along the Mackenzie corridor. This concept is reinforced if the pipeline company were to be purchasing materials for the line from Japan, which since this is where the pipe for the Alyeska line is coming from, seems to be a reasonable assumption.

Barging out of Fort Simpson can begin three to six weeks earlier in the season *than from Providence or Hay River, when the water levels are higher and heavier weight limits can be carried. We also have a natural harbor in the form of the Snye between the mainland and the island. This area could be dredged and developed into a harbor and loading area, completely untouched by climatic elements.

We urge both applicants to consider the possibility of making Simpson a major staging point for the construction. Should either of these applications be approved, we urge you to insist that the corporation give northern businesses preference. Due to the overall magnitude of the project, it is difficult to sub-contract to small business. The prime difficulties arise because of the considerable size of the operation and is most often manifested in areas of scheduling, co-ordination, and contract administration.

One solution to this problem would be to syndicate several small companies to work

together on one contract. This could be administered by a northern liaison group familiar with the small companies and their capabilities and also familiar with the methodologies of large corporations. This could effectively reduce the cost of administering a large project, as well as giving local contractors an opportunity to be involved.

Another area of concern is that the applicants may not be familiar with the proportion of goods and services presently available in the north, The N.W.T. Chamber of Commerce is now preparing an inventory of northern business capacity. This information should prove quite useful to the applicants in their efforts to contract locally.

Obtaining sufficient capital to enable contractors to undertake large ventures has been a problem wide-spread throughout the north. We suggest that a fund be set up, either by the applicant or a joint venture of government and corporation, to provide monies to northern businesses to enable them to obtain working capital, bonding, leasing, and capital expenditures. This fund could be administered and dispersed by a board of northern business men.

The phrase "lead time" has arisen frequently, and is a justifiable concern. Many small business men in the north are not familiar with the formal methods of doing business. Many lack the managerial skills, financial controls, planning, accounting, and the equipment that would enable them to contract work on such a large project. One solution to this

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problem of requiring time to prepare for such a large project would be to lengthen the time of construction to begin one year from now in the winter of '76-'77, and to schedule construction over four years rather than three thereby reducing the demand for imported labor, the escalation of prices for consumer goods, and generally increasing the opportunity for benefit locally,: At this time I would like to call upon David Dixon, an economist, who will explain a formula under which this four-year schedule could work, rather than a three-year. THE COMMISSIONER: Mr. Dixon? MR. DIXON: Thank you very I'm relatively new to this area and so the 16 17 things that I have to say are not so specific to Fort Simpson as they are to several other communities along the route. I think over the course of 21 the hearings, several factors have become salient that 22 affect the local socio-economic impact of the 23 construction. The existence of a large, highly paid imported transient work group imposes several problems. 24 Socially they have the potential to disrupt small 25 integrated local communities and although conditions 26 can be set up so there are constraints on this 27 disruption, it can't be stopped entirely. 28 29 In addition, economically they

live out some of the worst fears of I think all northerners

in that they have a tendency to take the money that they 1 have earned in the north and rush south with it. 2 monetary leakage seriously decreases the positive effects 3 of local spending by decreasing the impact multiplier. 4 I should explain that an impact 5 multiplier is an economic term that means the number of 6 7 times that a dollar is spent in a community, circulates in the community before its effects die out, and it's 8 directly related to the number of jobs and the overall 9 standard of living of the people in the community. 10 Regional impact studies have 11 yielded results in the region of 1.3 to 1.5 in the. 12 Alaska area, while the local Chamber of Commerce people 13 estimate that the current impact multiplier in Fort 14 Simpson is running between 5 and 6. 15 16 THE COMMISSIONER: Excuse me, 17 Mr. Dixon, do you want to just read that last sentence again? You said something about the impact multiplier in 18 Alaska, and theft the -- and then you said something 19 about the impact multiplier in Fort Simpson. 20 like to explain that? If I didn't follow you completely 21 22 maybe others didn't. 23 Sorry, Basically they have Α been studying doing some small economic studies on the 24 communities in Alaska that are being developed very 25 rapidly now, and their figures have been very low --26 1.5 -- which would mean a dollar spent in the community 27 only goes around 11/2 times before it leaves the 28 community. 29 30 Q And just so that I understand

you, the people who maybe employed on the Alyeska Pipeline 1 are not spending the dollar they earn in Alaska. 2 3 the difficulty? Right. That's the problem. 4 Α he way it works, someone earns \$100 working on the 5 pipeline, and instead of coming into the local community 6 7 rid buying food or liquor, clothes or housing in that Community, they buy goods that are from outside that 8 Community, or they take the money and leave with it, 9 spend t in the Southern United States or Southern British 10 Columbia, in this case. 11 The second part of the sentence 12 concerning what is happening now in this community. 13 this community right now for a dollar that is earned in 14 working on the highway or working at the local lumber 15 mill or whatever, is spent very much more on local goods 16 17 and services, and so that it tends to support a much stronger community if it is spent more and --18 You said that it turns over 19 Q five times in Fort Simpson now. 20 Between five and six times, 21 Α 22 that's right. 23 I see. Q So it would be three to 24 Α four times better than the current situation in Alaska, 25 id what I'm inferring from this is that the same kind E 26 problem could occur very much so in this area if a 27 similar large solid transient work group was brought into 28 the community. Sorry that wasn't clear. 29 30 A second area of concern of

having a large group, is that the kind of work that will be offered to local northern people will be intermittent, and short-termed, It will only be over two to three years, and it will only be for small periods of time during that period. The work as outlined in the applications and construction schedules, the majority of it is in three and four-month segments.

There is no question that the pipeline has a very large potential for a positive impact on local employment; but the key question becomes,! "What proportion of the employment opportunities available will be captured by northern residents as opposed to southern transient workers?"

I think this question has particular relevance to the native groups such as the Indian Brotherhood, and I'm sure you're going to hear quite a bit more about that tomorrow, or perhaps later this afternoon.

A third area of concern involving the local impact is the question of very localized inflation. I think everyone knows the kind of price structure that there is in the north, and projects that require very large transient labor pools over very short time periods in isolated locations have to offer very high wages in order to attract enough workers to the community. And since both applicants have guaranteed equal pay for equal work, which I think is morally very acceptable in our society, the salary that you have to pay the last bulldozer operator that you have to buy in Toronto is the salary range that's established for everyone on the

pipeline. I think -- I'm not opposed to anyone making a lot of money, but it does have some problems in the local community because the pipeline construction sets a new wage standard throughout the whole north then, and this means that prices for all goods and services tend to rise very rapidly in the local communities. In other words, if you think they're high now, hang on.

A second follow-up to that is that other local projects such as Community Halls, Recreation Centres, and other small construction on secondary development projects become economic because they can no longer afford to hire workers at this new very high wage rate, which means that the local industry and the local support structure that will be there after the construction period is over does not build up the capability to absorb its own local workers, and there are some national impacts from that style of construction, including the strains that I'm sure you've heard quite a. bit about in the technical hearings, on the capital markets, and for the rates of exchange.

The major element in these disruptive and negative impacts on local communities is not the overall size of the project, but the time frame in which construction is planned, In Canadian Arctic Gas Pipeline Limited's regional socio-economic impact statement they have compiled some statistical reports, One of those reports, table 42, shows the number of men required for construction during peak work periods. In that report the work force fluctuates from 274 men required in the summer of 1975 -- all the dates, I

should add, are now set back a year. 1 2 THE COMMISSIONER: Two years. 3 Two years; but I'll just Α work with the figures that they have. 4 5 Q Yes, go ahead. 6 Up to a high of 4,554 men employed in the winter of 1977-78. What is most relevant 7 here is the size of the peaks and the manpower 8 requirement. According to Arctic Gas' estimates, and I 9 think it's reasonable to assume that Foothills' plans 10 which are based on a similar construction schedule would 11 be very close, but I haven't seen their figures there 12 would be three peak periods of construction activity. 13 The winter of '76-'77 with 3,795 men; '77-'78 winter with 14 4,554; and '78-'79 with 4,214 men required. The average 15 work force over the three peak periods would be 4,191 16 men, According to their table, 4,9 from their preliminary 17 studies here, the maximum possible number of man years 18 available for males between 15 and 29 is 3,743 in '76; 19 3,843 in '77; and 3,946 in '79. Thus even if all of 20 that potential work force could be fully employed on 21 22 pipeline construction, they could not meet the requirements for workers, and that means that there would 23 of necessity have to be a very large transient. work 24 force with all the resulting dislocations that that would 25 26 bring. If, however, the construction 27 peak were to be spread over a fourth winter, the average 28 peak work force required would be reduced by over 1,000 29 men, to 3,146 maximum for each of the winters. This would

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have very positive effects on the socio-economic impact in the small communities along the route. By reducing the peak requirements it can be readily seen that the local proportion of the work force will increase dramatically, and it should be noted that although the applicant has stated -Canadian Arctic Gas in this case -and I quote: "That the skill and experience requirements will necessitate the employment of a significant number of transients." By converting their own results in table 41, we can see that the proportion of skilled workers required increases from 49% in 1975 to 60% in 176, 62% in 177, 61% in 178, up to 72% in '79. What I'm saying is that as their, requirement for skilled workers increases, the number of resident workers with on-site experience and training would also have dramatically increased. they extended the construction time it would mean more employment over a longer period of time for northerners. It would mean the emergence of a skilled and established northern work force, which if the other projects such as the oil line and the twinning of the pipeline comes along, would be viable and viable. It would give more

I'd just like to add one comment and then I'll stop. I recognize that re-scheduling

positive local secondary economic effects because the

multipliers, as I explained before, would be increased,

leakage's out of the community would be reduced.

and it would lower-local wage and price inflation.

construction over an additional winter would not be 1 without cost increases for the applicants; but I think 2 that those increases in cost mainly arise because the 3 throughput of gas would be delayed, and they have a very 4 large front investment, but there would be financial 5 benefits to offset some, if not all, of that increase. 6 7 For example, the cost of transporting housing and acclimatizing the more than a thousand extra transient 8 workers could be foregone completely. The lower wage 9 inflation and cost inflation would be reflected in the 10 contractors' bids and presumably in their supply costs. 11 In addition, the spreading of the capitalization over an 12 additional year would probably help to ease the monetary 13 impacts on the whole country. 14 The question then, as I see it, 15 after what is admittedly a brief consideration, I'd like 16 17 to ask the applicants if they would consider adopting this kind of construction schedule, or some similar kind 18 of model? 19 20 THE COMMISSIONER: Thank you, Mr. Dixon. 21 22 23 24 Mr. Erion, you spoke as 25 president of the Chamber of Commerce, I take it that Chamber of Commerce endorses Mr. Dixon's brief. 26 MR. ERION: 27 I would like to We do. 28 kind of emphasize to the applicants that that was 29 l a question that David ended on, and that we would

like a comment on the possibility of stretching out the 1 2 schedule to four years. 3 THE COMMISSIONER: Yes. Are you in a position, Mr. Carter, Mr. Ellwood, to discuss this? 4 MR. CARTER: I don't really 5 think so, sir, other than to take the points that Mr. 6 7 Dixon has made and refer them to the people in Arctic Gas who deal with this sort of thing. I don't think that Mr. 8 Workman is in a position to say today whether or not this 9 is feasible, but it's certainly something that we should 10 consider and I think some of the points Mr. Dixon has 11 made are important ones that we certainly will pass on. 12 THE COMMISSIONER: Mr. 13 Rutherford? 14 R RUTHERFORD resumed: 15 16 MR. RUTHERFORD: As far as Foothills is concerned, Mr. Dixon's points are well 17 taken. Against the time element he's speaking of, 18 though, there's tremendous pressures from other parts of 19 Canada to get this gas supply for their use, and they are 20 faced now with considerable delay. The regulatory 21 22 hearings are hardly started, and it will be some time before they have concluded that, and I think the three 23 year program that has been outlined was outlined as being 24 a reasonable one for work crews required and splitting up 25 the work into spreads, and also coupled with this 26 pressure to finish the pipeline sometime, so I'm not 27 sure I can see its benefits for what you speak of, 28 benefits to not as much impact, socio-economic impact 29 on the areas because as you say, you would be able 30

to use more local people for a longer time, and it's 1 worth consideration, and you can be sure it will be 2 considered; but I cannot give vu any assurance that we 3 can change our plans in that respect here. 4 THE COMMISSIONER: Well, I think 5 that Mr. Erion and Mr. Dixon, we should leave it at this. 6 7 You've suggested that if the pipeline is built, this stretching out of the construction schedule is one of the 8 conditions that should be imposed if either Foothills or 9 Arctic Gas is allowed to build this pipeline. 10 proposal that has now been made here. 11 suggested before but not in this detail, and at the 12 formal hearings, Mr. Carter and Mr. Ellwood, both Arctic 13 Gas and Foothills should be prepared to respond in detail 14 to this at an appropriate time. Mr. Scott will outline 15 that to counsel. We won't be coming back to tort 16 17 Simpson, but he will certainly be advised when that is going to come up at Yellowknife and the Chamber of 18 Commerce of the Northwest Territories will be represented 19 at the hearings at that time, as I'm sure you know. 20 At any rate, Miss Hutchinson 21 22 would you make sure that's marked in the transcript and 23 Mr. Scott gets a copy of it and that counsel for the 24 Chamber of Commerce, Mr. Sigler, does as well? 25 Is there anything else you gentlemen want to say about the points that came up in 26 27 the statements made by Mr. Erion and Mr. Dixon? 28 MR. CARTER: Sir, Mr. Workman advises me that he has something to say about Mr. Dixon's 29 proposal with respect to balance of payments, I believe.

MR. WORKMAN: Just one small 1 2 point I think maybe we should bring out here. As far as timing of the completion of the project goes, Canada as a 3 country will gain considerably from the Arctic Gas 4 proposal in just the balance of payments. 5 There would be \$500 million at least of American money coming into 6 7 Canada once this pipeline is in operation, and a year's delay could be pretty expensive, not just for Arctic Gas 8 but for Canada in our balance of payments. 9 THE COMMISSIONER: 10 You're saying 500 million a year? 11 MR. WORKMAN: 12 Yes. 13 MR. ERION: On that point, would it be more preferable to have an imbalance in payments or 14 to stretch out the construction period so that you're not 15 drawing upon all the monies available in Canada over such 16 a short period of time? You know, it is difficult to 17 raise financing here and now today in Canada, and if 18 you're going to be drawing seven billion dollars out of 19 the Canadian and the world financial market, would it not 20 be more preferable to draw it out over four years than 21 22 three years in comparison to sort of your balance of 23 payments idea? 24 MR. WORKMAN: I think your 25 figure is a little high. Our total figure is 5.6 billion for the total project. This all has to be balanced out, 26 definitely, and this is what we'll take back and we'll 27 certainly have our principals look at this. 28 29 THE COMMISSIONER: Perhaps I should say that the question of the impact of the 30

investment, be it 5,6 billion or 7.1 billion, on Canada's 1 capital market is beyond the scope of the Inquiry. 2 That's a matter for the National Energy Board and the 3 Government of Canada to consider in due course; but at 4 any rate before Mr. Black proceeds, were there any other 5 points you wish to raise? 6 7 MR. RUTHERFORD: Well, Mr. 8 Justice Berger, could I just point out one other thing, and that is that the production of gas in the delta does 9 bring benefits to the Canadian Government in the form of 10 royalties, and of course to the producers and their 11 activities, and in his studies I think he should keep in 12 mind that the sooner the gas flows, there are those 13 benefits accruing to the people in Canada and the people 14 in the Northwest Territories, So it's a balance, I think, 15 of one against the other that one must consider all the 16 17 time. THE COMMISSIONER: 18 Yes. These 19 gentlemen, though, are saying, Mr. Rutherford, that these regional considerations should be weighed along with the 20 national considerations you referred to. 21 22 MR. RUTHERFORD: Absolutely. 23 MR. ERION: Let me reiterate the opening thesis of that proposal, is that construction 24 begins in the winter of '76-'77 and continues for four 25 years rather than starting in two years or five years, ° 26 that this balance of payments and early delivery of gas 27 is also solved in that proposal. 28 29 To go on with my remarks, in order to further alleviate the problem of a large group

of transient laborers, we suggest that a vehicle such as 1 Hire North be set up in order to co-ordinate manpower 2 pools of local labour. I would further suggest that this 3 hearing visit Hire North Camp in order to get a firsthand 4 look at northerners working and training together. 5 6 Our suggestion of a four-year schedule, if this were to take place, more northerners 7 could be trained into permanent positions, thereby 8 increasing the impact multiplier factor. In order for 9 the businesses now based in Fort Simpson to survive, 10 approximately \$18 million worth of work must take place 11 annually. In 1974 there was only 13 million, and n '75 12 it looks like approximately 15 million will be the 13 maximum figure. In short, the local economy needs a shot 14 in the arm. 15 THE COMMISSIONER: Excuse me, is 16 17 that on the highway that you've mentioned? 18 Α No, that's the total 19 Simpson economy. The total. 20 Q 21 Α I have the figures on the 22 highway for later. In short, the local economy needs a 23 shot in the arm. Pipeline construction is such a large proposal that it would cause not only a shot in the arm 24 but more of a catastrophe if this project was not 25 properly monitored and controlled. It is not enough 26 for the applicants to say that they will hire and 27 The methods and structure for this contract locally. 28 undertaking must be set up now in order to be proven 29 viable before construction begins. The monitoring

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authority must be located in the north, not in Calgary or The token visits of federal officials and experts to the north is one of the most aggravating factors in our attempt to establish economic and political autonomy. According to the applicants, construction of the line will cost several billion dollars. One thing that is being overlooked here is that the gas being transported is one of the major resources of the north. We insist that the ultimate criteria for the granting of this permit be that resource royalties be returned to the north in the form of subsidizing municipal services, reduced personal and corporate income tax, lower power and fuel prices, improved transportation facilities, upgrading education institutions, and most important, the development of permanent secondary industries such as petroleum refining. I have not touched upon the areas of construction technology and environmental concerns, We trust that it is in the best interests of the applicants and the governments approving their application to use the most sophisticated methods of

To date in this Inquiry we have heard many statements from the native organizations. One impression we have gotten is that the word "development" is being used loosely by those who do not understand it. We suggest that the native organizations would

construction and to take all necessary precautions to

preserve the environment.

be further ahead to develop co-operatives and 1 corporations so that they may partake in much more of the 2 economic developments that will take place. 3 The Chamber of Commerce is quite 4 willing to assist such organizations in setting up and 5 managing, since we have more experience in these fields. 6 We feel that some of the statements released by the 7 native organizations do not apply to all natives in the 8 We recognize that the groups have internal growth 9 problems which most new organizations experience. 10 concerned that the opinions now being expressed in the 11 north are often the result of confusion over so many 12 activities changing our life-style. We urge you to 13 consider all the population of the north as one people 14 who are capable of living and working together. 15 16 The Chamber of Commerce is concerned with the effects of such a vast socioeconomic 17 change, but we think that the development in the north is 18 far more important than the controls that are being 19 imposed now. Development in the form of this pipeline is 20 a necessary part of the growth of the north, and we urge 21 22 you approve one of these applications as soon as feasibly 23 possible. I haven't touched on a number of 24 other areas -- municipal services and other social things 25 that we have discussed in our organization. Some of our 26 members will he bringing this up at a later date. 27 you. 28 29 THE COMMISSIONER: Fine, Thank you very much, sir.

THE COMMISSIONER: Mr. Black? 1 2 MR.BLACK: 3 Before I begin, I should mention 4 that I have a tendency to read very quickly, so if I 5 start going too fast don't hesitate to tell me to slow 6 7 down. I should make it clear at the 8 outset that the opinions I am about to express are my 9 views only. The official Village Council statement will 10 be made this evening by one of the members of council, so 11 I'm not speaking from any position of office or 12 authority, professional or political. My comments 13 represent my own thinking based on my experiences in Fort 14 15 Simpson. 16 My submission is largely philosophical because I believe that a sound philosophy 17 must underlie any undertaking, particularly one of the 18 magnitude and having the potential impact of the 19 Mackenzie Valley Pipeline. 20 Being a mixed community, Fort 21 Simpson is a village of dilemmas, of tension, of 22 misunderstanding, of fear, of ignorance, of mistrust, of 23 apprehension, and of frustration. In terms of numbers, 24 the Metis and Non-Status Indian people presently hold the 25 balance of power. Treaty Indian people comprise just 26 below 50% of the total population of 1,200. 27 perhaps a little known fact, the local Chief occasionally 28 does not seem either to know or accept it. 29 entirely certain how relevant or even important numbers 30

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are anyway. It strikes me that many, if not all of the questions, issues, and problems facing us today come down to individual decisions, neither rightly nor logically based on politics, culture, or racial origin. 1975 no one is forced by others to live in a village or to live off the land. One examines all of the available alternatives, and based upon one's experiences, beliefs, value systems, desires, and talents, selects the most desirable alternative or perhaps even creates a new one. I know native people who believe in and want to be involved in the wage economy and who have no desire to return to the land. I also know southern non-native Canadians who would like to live off the land. I can't believe that such a question is decided, except perhaps by stereotype, on racial grounds. This is, not to say that mistakes have never been made, pressures have never been applied, injustices never been committed, Children were once forced to go to school. say merely that today people have the opportunity to make their own choices. Perhaps developments such as gas and oil pipelines will limit the choices. If adequate environmental controls are not applied, perhaps areas for hunting and trapping will become less available. Perhaps, on the other hand, pipelines, highways and the accompanying spin-off development will provide more alternatives in the nature of business and job opportunities. I feel this is an absolute must. It is the job of this Inquiry,

the Fort Simpson Village Council, and the Band Council,

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to ensure that these additional alternatives result not only from a pipeline but from any development. all work together to ensure that the native people do not merely end up on the bottom of a larger pile. must be set, stipulations made, and programs designed an carried out to guarantee that there are realistic choices available to anyone who wishes them. This may mean crash training programs, great increases in such areas as apprenticeship and on-the-job training programs, more technical institutions, more adult education programs, and so on. Great sums of money will have to be made available to conduct such programs, It would be disastrous if the largest construction project in the history of Canada, indeed perhaps of the world, resulted in the destruction of the north and its people. We must consider all possibilities and open all avenues to people well in advance of the commencement of any construction. The ability to make decisions depends on knowing and understanding the alternatives available. One and only one of the sources of such knowledge and understanding is the school system. Granted, the schools have been, and may yet be, though to a lesser extent, I hope, criticized for being institutions imported from the south and relevant to no one but southern children. Granted too, at one time schooling was imposed on children and they were forced to live in culturally foreign hostels away from their parents. These historical mistakes cannot be removed or forgotten nor should they be. Often they were the only options available. We can only attempt to ensure that our

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increased knowledge, understanding, and financial resources are used to avoid the repetition of such situations. Although on paper education in the Northwest Territories is compulsory, there are no means available to enforce the law so it is really a matter of personal and parental choice. Educators now realize that they cannot solve current family or social problems. time I believe they thought they could. Indeed, some of the practices of the past must be cited as contributors to problems of the present, At best, schools can hope to contribute to the development of a positive self-concept, to the formulation of positive attitudes, and to the development of an ability to adapt to change, The schools are open to suggestions and assistance from all facets of the community. The aim of the school system is to enable each individual to choose freely between different courses of action in such a manner that he can live a satisfying personal life while discharging his responsibilities as a participating member of a complex society. By attempting to create a positive self-concept in each student, by individualizing programs, by permitting each student to progress at his or her own rate of speed to the maximum of his or her own potential, and by bringing the multi-cultural nature of the community into the school, educators hope to achieve this aim. I have spent a good deal of time on the topic of education because I feel that it is has to. the entire northern situation in general, and the pipeline specifically. It is only through education in a very general sense, and not the limited school sense

that people are going to come to understand the pipeline and the alternatives, positive and negative, which it would provide.

We hear much these days of loss of culture. We hear how the coming of the pipeline will further destroy the culture of the Dene people, culture to n is what a people are, the totality of their experience. It is comprised of elements such as value systems, religion, language, life-style, recreational pursuits, the arts and many others. Surely it must also be composed of what a people want, what their wishes and hopes are, what their memories good and bad are. I do not see anyone now forcing people to change their culture. There are options available. I am well aware that the reaction to that statement will probably be something like, "But the white man and his development are encroaching more and more on our land Wand killing the plants and animals."

The statement is true, of course, but it in no way approaches the problem in a manner suggestive of a solution. Culture is something which changes over a period of time. From the time that the white man came into contact with the Indian people, the Indian culture began to change. Whether the culture was forced or not is irrelevant. By virtue of their presence alone the white people changed the Indians culture. The white people had tools and appliances and knowledge which, when applied to the Indian way of life, made life and survival easier. For what would appear to be purely human reasons, the Indian people

adopted many of these things. And so it went on, and so the culture changed. It seems now that the cry is to return to these old ways. I wonder whether the emphasis is misplaced? Rather than a return to the land I feel the talk should be of a return to the old value systems, the old religion, the old dignity, the old idea of self-worth and self-importance.

The major problem, whether you view it from a world, national, territorial or local perspective, is one of diminishing resources, fuel in particular.

Historically it has been the case that when a majority, in both number and power, required something badly enough they took it from the minority. Unjust perhaps, depending upon one's philosophical base; but historically and probably futuristically true. So the real problem for the Dene people as I see it, seems to be one of ensuring that a choice of alternatives remains open to them, a real choice as opposed to an assimilate or get-lost choice, and that they receive some form of settlement for the land being taken from what they consider to be rightfully theirs.

We must face facts. Rightly or wrongly, good or bad, there is not one person in or around Fort Simpson who is not involved with the white culture. I don't know of one person who could, even if he wanted to, even if it were possible, return to the old ways without making use of any of the trappings of modern society. What we, all of us, must do is examine both cultures and select the positive elements from each.

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28 29 Surely this must be an individual examination. Each of us creates his own life-style based on the alternatives available. Given the mobility of the modern world, one presently has an almost endless list of alternatives from which to choose.

I don't propose at this time to suggest a solution to the land claims question. That's a little beyond your scope at the present time. Only two thoughts seem relevant to the Inquiry. Firstly and I cannot make this point strongly enough, the land claims must be settled before any permit is granted. the land claims settlement must contain consideration of the many non-Indian, non-Metis, native northerners who tend not to be heard from to any great extent. must also be a massive comprehensive information and education program, aimed at all people in the north. By "non-native northerners" I mean those people who have lived in the north for many years, who have chosen to stay and raise their families, people like the Turners in Fort Simpson, who have been here since 1937. Although they are not members of the group of original people, they must be regarded as having some; stake, some roots They did not come here, as many have, to make their fortunes and run back south. I honestly don't know where to draw the line on the question of what is a northerner, or who is a northerner. To me, being a northerner is very much a state of mind. Some people who have been here ten months are every bit as much northerners, to my way of thinking, as some who have been here ten years. I realize that a line must

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which will follow.

be drawn somewhere but I feel very strongly that we should all be aware that whatever the cut-off point, it is purely arbitrary. To me to be a northerner is to be aware of, concerned with, and sensitive to all people, to especially the native people, the environment, and the preservation of those aspects of life here which make it so much more desirable than life in the south. the non-native backlash to the land claims demand is based on lack of information and understanding. claims are settled in a manner equitable to all who are rightfully concerned, and the terms of reference of a pipeline are based upon the settlement, I cannot foresee any major problems. This seemingly naive statement is based upon the assumptions of the freedom of choice expressed earlier. Within these assumptions I include the thought that as a result of the settlement the native people will probably be in a position to own and control many of the businesses which will benefit from the pipeline development. I assume further that due to a present lack of expertise in such areas they will have to hire a large number of non-native people to operate and manage the companies, as well as train their own people. There will, I further assume, be ample opportunity for local non-native northerners to profit from the development, providing it is adequately planned and controlled. I apologize for having spent so long on an introduction, but I feel it was necessary in order to lay a philosophical foundation for the comments

The following statements are 1 2 based on the assumption that a pipeline will be approved That is not to say that I am assuming that the pipeline 3 will or even should be approved, although philosophically 4 I feel it should be. 5 I feel that socially and 6 culturally the pipeline probably won't add any problems. 7 It would, however, greatly magnify the existing ones. 8 We need, therefore, to look at what must happen if a 9 pipeline is approved and constructed. What sorts of 10 things must precede it, accompany it, and continue 11 12 afterward. It seems to me that there are 13 two areas of major concern for Fort Simpson. We must 14 have sufficient lead time and we must have sufficient 15 funding. Both the time and the money are related to all 16 the problems -- social, political, economical and 17 physical. I will briefly examine the political first. 18 19 Since Fort Simpson is at least a bi-cultural community, it must reflect that bi-20 culturality. In order for that to happen both segments 21 22 of the community must be equally involved in all aspects of local affairs from administration to recreation. 23 Given the fundamental 24 differences between Dene structures and the Southern 25 Canadian political structures, it would appear that there 26 are only three possible alternatives to the fragmentation 27 which presently exists: 28 The Village Council must be the superior body in a 29 local government sense.

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1 2 The Band Council or Dene Council must be the superior 2 body.

3. A creative solution must be found which combines the best of both systems and permits all residents of the community to have their voices heard.

If a workable solution is not found, the community will continue to split into ever widening, perhaps insurmountable gaps. fragmentation would make it impossible for Fort Simpson to cope with either the social or economic impact of a pipeline. All of the hopes of the present and past residents, all of the work and planning would be destroyed. Obviously I personally support the third I see it no only as the most desirable, but alternative. also as the only hope for native people -- short of turning the whole area into a monstrous reserve, which I don't see as being advantageous to anyone. Reserves have not worked very well elsewhere in Canada. That is not to say that native people should not have the degree of control over their own lives which exists on reserves. believe that such controls must and will be part of the land claims settlement.

We need time to establish operational procedures with the Federal and Territorial Governments. It seems at the moment these several levels of government are playing both ends against the middle, that is encouraging and supporting the Village Council on one hand, and the Band Council on the other. In my opinion all that does is make matters worse. We need to be helped to work together, not pushed into

conflict which forces us even further apart. 1 We must also take great care to 2 avoid reactionary backlash. The fact is plain and 3 simple. At the present time Fort Simpson is totally 4 incapable of dealing with the effects of a pipeline. 5 only are we unprepared socially, politically, 6 economically, perhaps idealistically, we are also 7 8 unprepared physically. As I mentioned earlier, the most important aspect of any pipeline decision is lead time. 9 We must have the time to develop a workable system of 10 local government to ensure that all people are 11 represented and looked after. We have made a very small 12 beginning in that direction -- only time and positive 13 experiences will enable us to succeed. We need at least 14 two years lead time if we are to arrive at a point where 15 we could be sufficiently unified to cope with a boom town 16 17 situation. Second to lead time is a dire 18 need for financial assistance, particularly in the form 19 of extraordinary funding. Right now we don't have 20 enough{ money -we don't have sufficient money to do the 21 things that must be done, let alone money for planning 22 and carrying out major expansion programs. At the 23 present time Fort Simpson needs at least \$7.5 million to 24 bring the Public Works and sewer and water facilities and 25 land expansion up to par. You have no doubt noticed the 26 sorry condition of our roads, for example, and some of 27 the puddles around this afternoon. 28 29 Further, at the present time our sewer and water facilities are inadequate. Many

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people, primarily native people, do not have water and sewer facilities. Our water supply is inadequate for our present population, let alone the projected population increase which would accompany a pipeline. We do not have sufficient surveyed or developed land available to cope with a major influx of people. There is a great deal of suitable land around, but the land claims question and lack of money prevent us from opening it to construction. We have barely adequate educational facilities for our present enrolment. How will we pay for, perhaps I should ask who will pay for a necessary rapid expansion? The Territorial Government has no money. An expansion of school facilities has been on and off the books for ten years. Each year we lose a great percentage of our graduates, again primarily native, because we don't have a full Senior High School facility. Again in a cultural vein, how are we going to be able to offer a hi-cultural educational program if the great majority of the students are white? Separate schools? I hope not. But will there be any other way? The past pattern of simply reacting to crises must stop. We absolutely must be allowed to and enabled to plan ahead for known future developments. Limping along and attempting to merely survive from year to year is not good enough. If we are suddenly faced with the situation of having to open new residential or industrial land for pipeline-related activities, the probable reaction would be that, "Oh well, the people without water and sewer have survived for this

long, they can go on a little longer; besides, its 1 important for the community." And so it would go on. 2 Following unification, the 3 second greatest need for Fort Simpson is financial. 4 Unlike well-established southern communities, Fort 5 Simpson is growing rapidly, and as such has a great many 6 immediate problems. Problems, issues and questions 7 related to the pipeline can never be solved until we have 8 solved those presently with us. 9 We, as residents of Fort 10 Simpson, need to know exactly and in plenty of time what 11 the: successful applicant expects from us. Will the 12 applicant require land for such things as staging areas, 13 barge landings, trucking facilities, warehousing, repair 14 and maintenance areas, offices, residences, recreational 15 16 facilities, transportation facilities such as improved air strips and heliports? We need to know also what the 17 applicant is prepared to do for us, particularly 18 financially , in terms of a spur line to the village 19 gate, contributions to required land development, 20 21 contributions to facilities which will benefit both the community and the applicant. Long term community 22 23 development, for example completion of the Fort Nelson-Fort Simpson Highway to facilitate pipe shipments from 24 Japan and Vancouver would aid long-range tourism 25 development in the area. We must be assured by way of 26 definite project proposals that any development will be, 27 of long-range benefit to all of the residents of Fort 28 29 Simpson. Fort Simpson is an extremely 30

frustrated community. No one knows what is happening with the land claims or the pipeline or the Mackenzie Highway, or the Liard Highway, or any one of half a dozen other things. One day the feeling is positive; the next it's negative. No one knows whether to turn right or left, expand or stand idle. Add to the frustration, the transience of the many government officials, and you have the profile of a community in turmoil.

Add to the turmoil the fact that most questions in Fort Simpson have at least two diametrically opposed answers, and you have a plot worthy of William Shakespeare, Add to the plot the racial overtone placed on every incident by the media, and the southern tendency to ignorant sentimentality, and the result is chaos. If you'll allow me an analogy, cover the brew with a few dashes of threats of violence and open conflict. Cover and let simmer for a year or two and you have either an horrendous explosion or a livable self-satisfying community.

Justice Berger, I do not mean to imply that the solution of our problems rests on your shoulders. I mean only to say that Fort Simpson needs time to sort out its own problems and time to plan and prepare for the impact.

We need also the financial and professional resources and expertise to be able to adequately cope with what will come. Give us the flexibility, the time, and the money to prepare and we shall come together and make the best of any solution. Thank you.

1	THE COMMISSIONER: Thank you,
2	Mr. Black.
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4	I think that this is the time
5	when normally we would adjourn for coffee. I am going to
6	ask you an embarrassing question. No coffee? Well, I
7	think that we might just stretch our legs for ten minutes
8	and we'll just stop for ten minutes but when we
9	reconvene, any of you who wish to speak, feel free to
10	come up here to the front or to one of the other tables
11	with a microphone, and we'll just carry on. But we'll
12	just stop now for about ten minutes.
13	(SUBMISSION BY FORT SIMPSON CHAMBER OF COMMERCE MARKED
14	EXHIBIT C-186)
15	(SUBMISSION BY DAVE DIXON MARKED EXHIBIT C-187)
16	(SUBMISSION BY GARY BLACK MARKED EXHIBIT C-188)
17	(PROCEEDINGS ADJOURNED)
18	(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)
19	THE COMMISSIONER: Ladies and
20	gentlemen, we'll come to order again, and anyone who
21	wishes to speak has an opportunity now. I understood
22	someone had some questions over here. Did you, sir?
23	Yes.
24	MR. HAMMOND: Is this on?
25	THE COMMISSIONER: Well, I hope
26	it soon will be.
27	MR. HAMMOND: I'd like to direct
28	a question
29	THE COMMISSIONER: I wonder if
30	you'd give us your name, sir?

1 MR. HAMMOND: 2 My name is Chris Hammond. 3 THE COMMISSIONER: Right. 4 MR. HAMMOND: I'd like to direct 5 6 this towards Foothill or Arctic Gas. Arctic Gas says there's not enough reserves within the delta to bring --7 to make it economically feasible to bring an all Canadian 8 pipeline; but Foothills says it is. I find this rather 9 contradictory. Could someone explain that? 10 MR. WORKMAN: Well, according to 11 the latest information we can get, there's 61/2 trillion 12 cubic feet of gas of proven reserves in the delta. 13 think we need 14 trillion before we can justify building 14 a pipeline. We hope there will be 14 trillion but to 15 raise money, people require more than hopes. 16 to be assured that there's going to be some way of 17 getting their money back out of the project. 18 Foothills have better information. 19 MR. RUTHERFORD: 20 Well, you're 21 faced here with two different ideologies completely, 22 Gas Arctic has a plan to carry both Alaska and delta 23 gas, and have always had that plan from the beginning. Foothills, when it developed its plan, developed --24 decided that the pipeline should be completely Canadian 25 and independent of the United States gas, and you 26 need a certain reserve to finance your pipeline. Before 27 you can start your pipeline you need a certain reserve. 28 It's been claimed that you need up to 18 trillion. 29 We are convinced with the reserves that are in the

delta now, and we feel there is about 7.7 trillion now, 1 is our figure, and we feel that we can finance our 2 pipeline with thee gas that's there, and with the 3 potential that's there, which everybody admits the 4 potential is there for the future. But it's a question 5 of convincing the people that are going to loan you the 6 millions of dollars for bonds that there is enough gas 7 there. We are convinced that's so, Gas Arctic says it's 8 not so. So we have a completely diagramatically opposed 9 opinion on this point you're raising. 10 MR. HAMMOND: 11 So what you're saying is that you're just hoping that that gas is there. 12 You don't know for sure. 13 MR. RUTHERFORD: I would say we 14 know for sure it's there. I mean we know almost for 15 sure. We know there's a lot there. Everybody says 16 there's a lot there. All geologists know there is a lot 17 there. The structure is there. The sands are there. 18 The gas has been found. It takes time to find it, but we 19 know it's there. But again you can't finance your 20 pipeline on hopes that it's there. You have to be able 21 22 to finance your pipeline on what's there at the time you finance, in addition with some weight given to 23 prospectives; but we feel we can finance our pipeline on 24 what is there now and the additions that will be found by 25 the time we get our certificate, and we intend to 26 demonstrate that to the National Energy Board. 27 28 I know our opponents will be 29 trying to show we're wrong, but we feel we're right. 30 MR. HAMMOND: well, thank you.

You say that there will probably be a second pipeline following within five years?

THE COMMISSIONER: Let me just say that we have had the presidents of both groups of companies that want to build the pipeline give evidence at Yellowknife, and Mr. Horte, who is the president of Arctic Gas, said that it was likely that once this pipeline had been completed, within four or five years after that they would begin looping, that is building a second gas pipeline along the route of the first one, that is up the Mackenzie Valley from the delta to the south. I said that simply, putting as simply a I could what Mr. Horte told us at Yellowknife.

But carry on then with your -- MR. HAMMOND: I was just

wondering if that pipeline, the second one, would follow the same route or would they have to acquire more land to build it, and the same with the proposed, I guess there's an oil line proposed too. Would more land again be needed?

THE COMMISSIONER: Well, it's clear that they would need an extension of the original right-of-way. I think that the concern that was raised with regard to Mr. Horte's evidence was the renewal of construction. Let us say you had this three-year construction program to build the pipeline, or a four-year construction program, as Mr. Dixon suggested, then you'd have a four or five-year lapse, and then you'd have another construction program which would carry over a period of three or four years. I hope I'm making this

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at least half-way clear to you, but that was the thrust of Mr. Horte's evidence.

MR. HAMMOND: That would mean that after the first impact of the first pipeline there would be the impact of a second and possibly a third in the form of an oil pipeline?

THE COMMISSIONER: Yes, that's why I mentioned those things when I started today, so that you would understand that -- you see, the Federal Government has laid down the pipeline guidelines, and they indicate that the proposal to build a gas pipeline has to be considered not alone but in light of what may come after it, and so far we have been told that a second gas pipeline will likely come and we were told last month in Whitehorse that the companies that have discovered gas in the delta are proposing to build an oil pipeline L up the Mackenzie Valley, construction to be completed by Those are things we've been told. That doesn't mean they're -- that we can all say, "Well, that's obviously what's going to occur." But it's what we've learned so far in this Inquiry.

It's just kind of peculiar that it's going to be sort of a technological impact for almost 15 years if these three pipelines come up, and continuous thrusting of technical instruments and construction upon the people of the north, you know, for 15 years is not the three years they started off with. Now it's -a second gas line and a third in the form of an oil pipeline, and I think that's an awful lot to ask o people who live up here permanently to accept.

MR. HAMMOND: Well, it's --1 2 THE COMMISSIONER: At the Inquiry in Yellowknife we're trying to find out what ill 3 of this will mean, and in Fort Simpson and in these other 4 communities we want to find out what people who live here 5 think about it. Well, carry on with your questions. 6 7 you want to comment on what I said Mr. Workman or Mr. 8 Rutherford? MR. WORKMAN: I would just like 9 to say if there is a second gas pipeline for looping, s 10 you mentioned, this wouldn't be done automatically. here 11 would have to be an application to the government, just 12 as there was an application to the government for his 13 first pipeline, and if the government saw fit that hey 14 wouldn't allow a pipeline, then a pipeline would not be 15 built. 16 17 MR. HAMMOND: Would this intended one, the second intended one, would it follow 18 the same right-of-way? I think it's very important that 19 the amount of land that you people will be using, I think 20 is very important to the people up here. It's important 21 22 to me, know it's very important to the native organizations, the amount of land that you are consuming 23 when building these pipelines. 24 25 MR. WORKMAN: It probably would, but again that is not up to Canadian Arctic Gas or 26 This is something the government 27 Foothills to say. specifies and that's why we have hearings as we're having 28 29 now. 30 MR. HAMMOND: Yes, but obviously

if you wanted to build a second one you would say, "We need more land," or "We do not need more land." 2 MR. WORKMAN: 3 Yes, if we needed a wider right-of-way we would have to apply for it and 4 the government would decide whether we got the wider 5 right-of-way or not. 6 7 MR. HAMMOND: I was wondering also, you say you have a staging point within six miles 8 9 of here. MR. WORKMAN: Canadian Arctic 10 Gas will have a staging point across the river about six 11 miles from the other side of the river, yes. 12 13 MR. HAMMOND: Well, I was just wondering, will that be -- will there be a camp located 14 there? 15 MR. WORKMAN: Yes. There would 16 17 be a construction camp. 18 MR. HAMMOND: How many people will be employed there? 19 MR. WORKMAN: I don't have the 20 exact figures; probably the peak there, around 500, in 21 22 that neighborhood. 23 MR. HAMMOND: And what about those people coming into Fort Simpson, will they be able 24 25 to come in here at large, or will they be restricted from 26 coming in here, or what? 27 MR. WORKMAN: Our general policy in the north, as far as camps are concerned, is 28 l to have them -- well, for one thing they would be 29 working 12 hours a day, seven days a week while they're

working in the camp. During their rest and recreation period, the week or whatever it is they have off, those that are employed from the south will be transported to Edmonton, if that's their point of hiring. Northerners, that are hired the project, of course will go home. If their home is Fort Simpson, that's where they will go. But those that are up from the south 3 will not spend their week in Fort Simpson unless now the people in Fort Simpson prefer to have it that way, we would try to accommodate Fort Simpson's wishes. But generally in the north we prefer to have these -- and will have the construction people from the south move back to the south for their recreation period.

MR. ELLWOOD: A similar policy applies in the case of Foothills. Our construction camp nearest to Fort Simpson is on the south or west bank of the Mackenzie about six miles upstream from here. It's planned to house 300 people in that camp, and similarly they would he, if they're hired from the south, would be transported south for their leave or rest period and would be in the camp probably on a 7-day shift while they're in the north.

MR. HAMMOND: I'd just like to ask you one thing related to the camps. Within the northern communities there's a very great strain on our medical facilities and they're very under-staffed. Do you people intend to use the facilities that are here in Fort Simpson and other communities along the Mackenzie, or do you intend to have air own medical facilities and own medical staff at each of the camps?

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MR. ELLWOOD: We would have paramedical services, a First Aid room with trained personnel, safety officers or whatever they might be called at each camp. Serious accidents would probably be brought into the local hospital here for some sort of checkover before being flown south, as the case is If it were really a type of thing that needed immediate medical treatment under a doctor's attention we would ask to use the hospital here to bring the fellow in, and then transport him south as soon as he 10 could travel. 11 MR. WORKMAN: Arctic Gas will 12 have limited medical facilities at every camp, and 13 propose to move any casualties directly to the south as 14 quickly as possible. However I'm sure with the influx 15 of people in construction and so on in Fort Simpson, 16 increased medical facilities will be necessary in this 17 area, and I think it's our civic responsibility to 18 assist as a member of the community in developing such 19 facility. 20 MR. HAMMOND: Could I ask you, 21 what is going to become of the camps after you're 22 finished -- after the construction phase is finished? 23 MR. WORKMAN: 24 In the case of Arctic Gas, the campsite will be located on the 25 compressor and chilling station sites so that the ground 26 pad that's made up for these camps will be the pad that 27 the compressor station will be built on. 28 facilities -- small buildings or anything like that --29 will have to be moved off and can be of use to the

communities, will, be disposed of probably to the closest 1 community, if there's something, a building or any sort 2 of equipment that could he used by the Fort Simpson 3 community that would probably be made available to the 4 5 community. MR. ELLWOOD: A similar policy 6 is in our situation. We are investigating the 7 possibility of making the water treatment and sewer 8 treatment plants, the recreation halls in all these 9 camps, and the camp buildings themselves -- the 10 bunkhouses and cook units - which might be used as a 11 hotel. or hostel, we're investigating the possibility o 12 working with the government and with the communities to 13 relocate these things when we're through with them in the 14 community. 15 16 MR. HAMMOND: O.K., thank you. I'd like to ask Dave Dixon, if he's here if -- Dave, you 17 said about the dollar impact multiplier. You said at 18 present it's about five to six times the turnover rate. 19 Do you expect it to fall to the level that is now seen in 20 Alaska, with the advent of the pipeline? 21 22 MR. DIXON: Chris, with the 23 multipliers, regardless of whether the bulk of the employment is local or transient, the multiplier effect 24 will decrease somewhat. If there is a vast transient 25 labor force employed locally, then it could very well 26 fall to the level on the Alaskan experience now, yes. 27 28 MR. HAMMOND: O.K., that's what 29 I want to know. Thank you. 30

1	THE COMMISSIONER: Thank you.
2	Mr. Hammond.
3	MISS CASAVANT: I'm Emilie
4	Casavant.
5	THE COMMISSIONER: Excuse me,
6	we'll just have you sworn in, if you don't mind.
7	
8	MISS EMILIE CASAVANT sworn:
9	THE COMMISSIONER: Maybe you
10	could let us have your name.
11	THE WITNESS: I'm Emilie
12	Casavant, president of the Student Council of Thomas
13	Simpson School.
14	For the past few years, Fort
15	Simpson as no doubt many other communities, had virtually
16	no learning as there were no guidelines for students,
17	leading to their frustrations and outright loss of
18	respect for our learning institution. People and I mean
19	everybody, regardless of race, require guidelines, goals
20	and most important, the sound basics for individual
21	decision-making.
22	Failing to arouse within each of
23	the children at an early age the possibility of
24	developing their minds to the maximum of each
25	individual's capacity, leads to early dropouts, which
26	develops to mischievous acts because motivation is a
27	characteristic of the human being.
28	We, the students, know that
29	without proper basic skills combined with the necessi-
30	ties beyond school, it would be hard to leave home

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knowing that we may not have our independence because of lack of skills. To get involved with development or side effects of the pipeline we need to be taught at an early age to be able to cope with the requirements of industry. Now that we are in the developing stage, we need to be taught to indulge and accommodate ourselves in the years that lie ahead of us. The urgent need today of adult education should indicate the parent lack of basis teaching. I relate to the learning process placing this 10 in proper sequence of a human lifetime. 11 If my mother at the proper time 12 had not given me a helping hand, instilled trust and 13 confidence in myself and in her, I would very likely 14 today be crawling on all fours. Is this what the system 15 wants so that many will crawl, for a few to ride? 16 17 THE COMMISSIONER: I wonder if you would let us keep your 18 very much. statement so that it can be marked as an exhibit, and 19 20 thank you very much. (WITNESS ASIDE) (SUBMISSION BY EMILIE CASAVANT MARRED EXHIBIT C-189 21 22 THE COMMISSIONER: 23 Hutchinson, the written statements that Mr. Erion, Mr. Dixon and Mr. Black read earlier will be supplied to the 24 Inquiry and they should be marked as exhibits at this 25 stage, and they will be providing those to us tomorrow, I 26 think. 27 28 Well, we still have some time 29 this afternoon, so if anyone wishes to ask a question or, say anything -- yes sir.

1	MR. DELLER:
2	I'd like to ask a
3	question.
4	THE COMMISSIONER: All right.
5	What's your name, first?
6	MR. DELLER: Tom Deller.
7	THE COMMISSIONER: All right.
8	MR. DELLER: I'd like to ask
9	both the companies what percentage of your company is
10	American-owned?
11	MR. WORKMAN: Canadian Arctic
12	Gas is at present a Study Company Limited, which is made
13	up of both American and Canadian companies. When if
14	and when we obtain a permit to build a pipeline the
15	pipeline company will be made up primarily, in fact the
16	majority owned Canadian. That is something we were
17	MR. DELLER: But it will have
18	American backing?
19	MR. WORKMAN: It will have less
20	than 50% American backing. It will be definitely over
21	MR. DELLER: 49%?
22	
23	MR. WORKMAN: It will definitely
24	be over 51% Canadian, and probably much more than that.
25	But what the other will be, I don't know. We are sure
26	the Americans will gladly pick up anything that Canadians
27	don't want to invest in.
28	MR. DELLER: Yes.
29	MR. WORKMAN: We will, though,
30	definitely be Canadian-owned.
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1	MR. DELLER: You will be
2	Canadian-owned, but will your gas most of your gas go to
3	the States?
4	MR. WORKMAN: There will be zero
5	Canadian gas go to the States. Now the gas that we will
6	be moving onto the States will all be Alaskan gas. We
7	will be transporting it for the Americans and they will
8	be paying us for this transporting of their gas to the
9	States.
10	MR. DELLER: So no Canadian
11	gas will get to the States?
12	MR. WORKMAN: No.
13	MR. DELLER: And Canada won't
14	receive any financial gains for the gas that goes through
15	Canada to the States?
16	MR. WORKMAN: Yes, definitely.
17	MR. DELLER: Just the
18	multiplier effect?
19	MR. WORKMAN: Canada will be
20	getting at least \$500 million a year from the States for
21	transporting this gas.
22	MR. DELLER: O.K., could I ask
23	the other company?
24	MR. RUTHERFORD: Foothills is
25	made up of two companies now, Alberta Gas Trunk Line
26	Limited and Westcoast Transmission. Alberta Gas Trunk
27	Line owns the major transmission system in the Province
28	of Alberta, Westcoast Transmission Company owns the
29	pipeline in British Columbia. Foothills' plan was to
30	invite and enlarge their ownership by Canadian companies

1	to have no company own more than 20% of the company.
2	So far no other Canadian company
3	has joined us so we are now owned by those two Canadian
4	companies.
5	MR. DELLER : Do you foresee any
6	American companies buying a large share in your project?
7	MR. RUTHERFORD: We don't
8	foresee any American companies participating in our
9	company at all because we are not carrying any gas to the
10	United States.
11	MR. DELLER: If it came down to
12	the point where the only way you could make it
13	financially was through American money, would you go that
14	route or would you try and keep it all Canadian or as
15	much Canadian as possible?
16	MR. RUTHERFORD: Well, it won't
17	go that route.
18	MR. DELLER: You'd rather not
19	have the pipeline if it's American backed.
20	MR. RUTHERFORD: Well, we'd
21	rather not but we won't have because all the equity will
22	be owned by the Canadian companies, but don't let me
23	mislead you, there will be some American bond investment
24	but that's not part of the ownership. That's a loan,
25	just as you would go to a bank to get a loan; but the
26	major part of the loans are Canadian also.
27	MR. DELLER: O.K., I just wanted
28	to ensure that if the pipeline goes through we don't get
29	sucked in. Thank you.
30	THE COMMISSIONER: Thank you.

1	MR. WORKMAN: Maybe could I make
2	one more comment, judge?
3	THE COMMISSIONER: Certainly.
4	MR. WORKMAN: On our study
5	group, the present company that's studying this, we have
6	out of nine directors, only one American. All the other
7	directors are Canadian. The Chairman of the Board is
8	Canadian, the president is Canadian, so even the study
9	group now is predominantly Canadian.
10	THE COMMISSIONER: Yes?
11	MRS. FIZER: Is this on?
12	THE COMMISSIONER: Well, it soon
13	will be.
14	MRS. FIZER: I'd just like to
15	direct a question to the companies. I'd like to know
16	what efforts they're making now -
17	THE COMMISSIONER: Would you
18	give us your name first?
19	
20	MRS. FIZER:
21	Mary Fizer, I am
22	speaking for the people from Fort Simpson, who know me,
23	on my own behalf, not on any department's behalf.
24	What efforts are the companies
25	making at the present time to ensure that the local labor
26	force will be employed, not only in the unskilled
27	positions they will have available, but in more of the
28	skilled positions.?
29	MR. WORKMAN: Well, at
30	present there is what we call the Nortran Training

Program which is a training program sponsored by the oil and gas industry in the north. Foothills is a participant, Canadian Arctic Gas is a participant. At present we have somewhere just under 100 trainees taking part in this program. The program is designed to train northerners in all aspects of the gas and oil industry, It's a very lengthy training program. Some have been on this now for three, four years. They are still undergoing training. They are being trained to not just to routine dull labor jobs, they are being trained to go as far as they can in management.

I'm not sure exactly how many participants there are on our program from Fort Simpson, but we have recruited quite often in this area and I'm sure that there are many local families that are quite knowledgeable of the details of the program.

One reason we are limiting the program now to about 100 students is that the participating companies have guaranteed every trainee a permanent position on completion of his training, regardless of whether a pipeline is built or not. So we would like to take on every northerner that we possibly could, but since we are guaranteeing employment at the end of their training, we must limit it at this time to somewhere around this figure.

Once we are ensured that a pipeline is going to be built, this training program will expand very rapidly and you will find that every northerner that wants to be trained to take a position in the gas and oil industry will have that opportunity.

John, would you like to add to 1 2 that? MR. ELLWOOD: I'd just add that 3 this summer we started a similar program to train people 4 for the construction phase of this project. We are 5 running only a small-scale training program for it now. 6 You might look on it as a pilot project or a trial 7 This also would be expanded once the permit was 8 project. issued and we knew there was going to be a pipeline, it 9 would be expanded in the south and carried on in the 10 north as well during the construction up here. 11 MRS. FIZER: Also I believe 12 13 Foothills, you mentioned earlier on that you would have about approximately 91 people or 91 positions that would 14 be in Simpson permanently after the pipeline is built. 15 Approximately how many people -- I'm sure you've done 16 studies and know how many people are there, you also know 17 the education levels of the people here -- how many of 18 those positions do you honestly feel could be filled by 19 local people? 20 21 MR. ELLWOOD Well, that's a difficult question for us to answer. 22 It would he entirely dependent on the people if they wanted a job. 23 The training program, we recruit through the Nortran 24 program, the people are being recruited, as Mr. Workman 25 pointed out we're trying to keep it at the moment at 26 approximately 100 positions, We hope it will expand 27 somewhat this fall, but we really can't expand much 28 beyond that until we know that there will be a pipeline 29 here. So we just would have nothing for those people 30

to be trained up for unless the pipeline were here. 1 MRS. FIZER: Some of the 2 technical positions that we're talking about, will you be 3 able to find these people in Canada, to say nothing of 4 the north? 5 6 MR. ELLWOOD: Oh, definitely, they will all be Canadians and quite a few of them are 7 -- already we're training controls technicians, for 8 example, the people who repair and operate the pipeline, 9 and the control equipment that goes with a pipeline 10 They are being trained now in the south on 11 our pipelines down there. They would just, if they 12 choose to come back north, once this pipeline is 13 built if it's built, then they would just take over that 14 job here. 15 16 MR. WORKMAN: Maybe I could add just one comment there. We have already graduated a 17 number of people from this training program in the sense 18 that although they are not now working in the oil 19 industry, we have electronics technicians that are 20 working for C.B.C. throughout the north that received 21 their training in the Nortran program. 22 electronics people in other industries, I believe, too. 23 I'm not sure if they've all stayed north or come back 24 north, but they have gone into industry at a much higher 25 level than they ever expected when they went into the 26 program, Although they are lost to the oil and gas 27 industry, we feel it's still a plus as far as the 28 training program is concerned in that we have trained a 29 northerner into a technical position. 30

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You mentioned earlier about the
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   number of people from Fort Simpson, I just did a quick
   run-through of our list here and there's at least five
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   right now on our program from Fort Simpson.
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                              MRS. FIZER: Also, I'm using Mr.
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   Dixon's figures for lack of any others, he said that
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   during peak phases of the pipeline we'd be looking at
   3,000 people.
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                              THE COMMISSIONER: He said 4,000
   in peak periods.
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                              MRS. FIZER:
                                           Yes, 4,000 in peak
12
   periods.
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                              THE COMMISSIONER:
                                                 I was just
   going to ask -- let me interrupt -- Mr. Williams, you
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   will remember, gave evidence about the number of workers
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   employed on the pipeline during the two peak years of
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   pipe-laying, and that evidence had been given in June and
   we've been travelling ever since so I must say I can't
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   remember it specifically, but I thought it was more than
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   4,000.
           Is that --
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                              MR. WORKMAN:
                                            I believe he was
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   talking about the total pipeline, not just the Northwest
   Territories, I'm not sure of the figure he used but --
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                              THE COMMISSIONER:
                                                 He gave the
24
   breakdown north of 60, which was the Northwest
25
   Territories and the Yukon. Well, at any rate --
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27
                              MR. WORKMAN:
                                            I think it would
   be closer to 4,000.
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                         in that area.
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                              THE COMMISSIONER:
                                                 Well, carry
        Sorry to interrupt.
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MRS. FIZER: I was just going to say, where do you propose to find all of these people? That's an awful lot of people to come up with to work on the pipeline, even if you did hire let's say every male employable between the ages of 15 and 50 or whatever age, how many do you honestly think that you are going to have to bring from the south to work on the pipeline? As you can see, my main concern is that if a pipeline is built, that the northerners, the people that are here already, get every opportunity, maybe more than fair chance to work on the pipeline. MR. WORKMAN: I can assure you that the northerners will get the first opportunity and there will be opportunities for every northerner that wants to work on the pipeline. There's just not enough northerners to fill all these jobs, so we will have to bring people in from the south as well. But we want to

MR. ELLWOOD I think it might be well just to clear the record a bit. Our construction manpower requirements peak at 5,600 in the two main years of pipeline construction, so that is one difference between ourselves and Arctic Gas that I wish to point out here; and as Mr. Workman pointed out, there really are more jobs than there are people available in the north to fill them. Our hiring policy will be that northerners have first chance at the job. If no, one here takes it, then it would be offered to someone in the south.

give the northerners the first opportunity.

MRS. FIZER: Are you going to

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hire both male and female on the pipeline?
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                              MR. ELLWOOD: We don't have a
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   policy that says we won't hire females or males.
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                              MR., WORKMAN: Our policy is the
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   same, we don't recognize the difference really.
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6
                                            Thank you very
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                              MRS.
                                    FIZER:
8
   much.
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10
                              THE COMMISSIONER:
11
                                                 Go ahead.
12
                              MR. DELLER:
                                           I wonder if I could
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   add a further point.
                          Do you two intend to.
                                                 have Fort
14
   Simpson as a trans-shipment point either for shipping
15
   commodities and goods further north?
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                              MR. ELLWOOD: It's not planned
   at this moment to have it as a major trans-shipment point
18
   although no doubt there will be some material trans-
19
   shipped through here coming on truck via the Mackenzie
20
   and put on a barge here, although it's not planned as the
21
22
   major centre.
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                              MR. DELLR: Will this involve
   building docking facilities here at Simpson?
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                              MR. ELLWOOD : Yes.
   again depending on the extent of the trans-shipment,
26
   but at the moment we're not planning any major
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   installation here, although some sort of a wharf would he
28
   required that could be used during the construction and
29
    also during the operation of the pipeline, a wharf
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facility of some kind would be required.
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                              MR. DELLER: I was just wondering
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   if the rise aid fall of the Mackenzie here, it goes up and
3
   down quite irregularly, I was just wondering how you can
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   put in a wharf unless it's portable, or movable, because
5
   the Mackenzie just goes up and down like a yo-yo.
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7
                              MR. ELL WOOD: Well I'm not
   sure how our engineering staff would handle that problem,
8
   but if they feel confident that they can put in a
9
   facility here, they will do.
10
11
                              THE WITNESS:
                                            Will it be on the
12
   Mackenzie or in the Snye as suggested?
13
                              MR. ELLWOOD:
                                            That's not been
   determined yet.
14
                                           That hasn't been
15
                              MR. DELLER:
   determined.
16
17
                              MR. WORKMAN:
                                            Yes we will be
   building a wharf across the river from the town here.
18
   We'll have a road leading from this wharf up to the M-15
19
   compressor station site, storage site, staging site at
20
   that point. We'll also, I'm sure, have some sort of
21
22
   facility at the river crossing six miles upstream and it
   will be a fairly major construction site there and there
23
   will he staging for the crossing and the work that goes
24
25
   on at that point. We realize the Mackenzie does go up
   and down, but so do tides, and the docks seem to fit into
26
                      I don't believe that will be too much
27
   tides all right.
   of an engineering problem.
28
29
                              MR. DELLER:
                                           How big of an
   undertaking will this docking facility be?
30
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1	How big will it be, comparable
2	to Hay River or smaller or larger? Are you trying to get
3	Kaps and NT to work out of here instead of Hay River?
4	MR. WORKMAN: Yes, I can't say
5	at this point. I'm sure that Hay River facilities will
6	be used, those facilities are there. There will be also
7	other facilities used along the river, too, I would
8	think. I'm sure there will be some trans-shipment
9	material from other places along the river; just
10	where, we haven't completed our engineering at this
11	point.
12	MR. DELLER So you hope to have
13	this as a major stockpiling area?
14	MR. WORKMAN: There will he
15	stockpiling in this area, but whether you would class it
16	as major or not, we can't say at this point
17	MR. DELLER: You have no idea of
18	what size, how much stock you're going to pile here? Or
19	stock.
20	MR. WORKMAN: No, our
21	engineering hasn't determined that degree of engineering
22	yet. We haven't gone through that extent of our detailed
23	planning.
24	MR. DELLER: Well, what about
25	the barges themselves, have you entered into any
26	agreement with say Kaps or N,T, about increasing their
27	fleet, or do you have your own private fleet or what?
28	MR. WORKMAN: No, we have been
29	discussing with the various transportation people what
30	facilities might be required not what facilities

might be required, but how much volume of freight we'll 1 be adding to the already loaded facilities and what 2 they'll have to do to overcome the problem,, This is a 3 problem not for the pipeline company but for the 4 transportation company, but it's our responsibility to 5 give them all the information so that they can make their 6 7 plans, and we're certainly doing that. MR. DELLER: Thank you. 8 9 THE COMMISSIONER: Yes sir? 10 RENE LAMOTHE sworn: 11 THE WITNESS: My name is Rene 12 Lamothe from Fort Simpson. Just some questions. There 13 has been in Trout Lake and Nahanni Butte also an 14 indication, Mr. Berger, that this Inquiry is also 15 reviewing the grounds, the recommendations -- or am I 16 misinterpreting? Will your recommendations cover also 17 future applications for gas and oil pipelines down the 18 corridor? Or will there be further inquiries with these 19 applications? 20 21 THE COMMISSIONER: Well, "Let's, 22 put it this way. I am bound by the pipeline guidelines 23 which were tabled in Parliament by Mr. Cretian, who was then the Minister of Indian Affairs & Northern 24 Development, to consider what the impact will be of this 25 pipeline in the context of the development of a 26 transportation corridor up the Mackenzie Valley, So I am 27 obliged to consider what the impact would be, not only of 28 a gas pipeline, but of a second gas pipeline if one were 29 built, and an oil pipeline. In fact the pipeline

guidelines require these companies to bring forward evidence before this Inquiry as to the impact of an oil pipeline as well as a gas pipeline. They haven't done that yet. They will be obliged to do it later in the year.

In this instance, when I turn my report in to the Federal Government on the -- this proposed gas pipeline, the Federal Government will have to consider it and consider as well the report of the National Energy Board which is going to be considering this pipeline proposal itself, and its hearings begin at the end of October this year.

Future gas pipelines, that is a second gas pipeline and oil pipeline, they would have to be approved by the appropriate regulatory authorities and by the Government of Canada when the companies concerned sought permission to go ahead and build theme The Federal Government has said even though we will consider giving permission for these things, one at a time, we want to take a look ahead right now and we will use the application to build this gas pipeline as the occasion for doing so.

Your question is a good one and I hope I've made it clear what we're trying to do here today and throughout these hearings.

THE WITNESS: My understanding from what you're saying is that in fact this Inquiry will cover future lines, should they be applied for and should they be granted.

THE COMMISSIONER: Well no.

The Federal Government has laid down in the pipeline 1 quidelines -- what they said is if we build this gas 2 pipeline up the Mackenzie Valley, then they say they will 3 like -- it may be that they -- if oil in sufficient 4 quantities is -sufficient volumes is found in the 5 Mackenzie Delta, they will want to build an oil line and 6 of course they will want to build it along the same route 7 that the gas line has taken. So they say let us consider 8 now what the impact will be of gas and oil pipeline 9 construction and development, and then we will decide, 10 that is the government will decide whether they will go 11 ahead with this gas pipeline. It is a farseeing policy 12 that the government has laid down in the pipeline 13 guidelines and one that this Inquiry is hound to take 14 into account so far as it can. Nobody has asked to 15 build an oil pipeline now. There's only this appli-16 cation to build a gas pipeline. But we nevertheless are 17 trying to look into the future so far as that is possible 18 and see what the impact will be, not just of the gas 19 pipeline but of a second gas pipeline, which the 20 president of Arctic Gas says is likely they will want to 21 build, and of an oil pipeline which the oil companies 22 have said they want to build by 1983. So we're wrestling 23 with all of this and I'm not trying to inflict it on you, 24 but that's the picture that we're examining at the 25 moment. 26 Then in 27 THE WITNESS: relationship to what you're saying, I don't know if it's 28 l 29 improper for me to ask questions related to oil pipeline at this time --

THE COMMISSIONER: Well, you 1 2 probably are entitled to ask them, but I have a feeling that our friends here are not likely to answer them. 3 ahead and let's see what happens. 4 THE WITNESS: 5 Well, what are 6 the implications of an oil pipeline? Will the oil be heated? Will the pipeline be above-ground? If its 7 above-ground will the pipeline he fenced? What kind 8 of precautionary moves would you have in view of hunters 9 if it is above-ground, and the accidents of rifles 10 piercing the pipeline and oil spills, and these kind of 11 12 things? 13 MR. ELLWOOD: Those really are matters of design for an oil pipeline company and we're 14 l not or wouldn't be proposing to build such a pipeline. 15 We really don't know what the design of that would look 16 like. We're not an oil pipeline company and we really 17 can't answer the question. 18 19 MR. WORKMAN: The same applies for us. 20 21 THE COMMISSIONER: Let me says, sir, that these gentlemen are absolutely right They are 22 asking to build a gas pipeline and the Federal Government 23 has said to them, and through them to their companies, 24 that they must bring forward evidence before this Inquiry 25 regarding the impact an oil pipeline would have, if one 26 were built along the route of the gas pipeline in 27 future. Now, they haven't assembled all of that 28 evidence as yet but we have been led to believe we can 29 expect them to bring it forward later in the year. 30

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any event, the Inquiry itself is, so far as it is possible, looking into the question of the impact of an oil pipeline. I went to Alaska in June to look at the construction of the oil pipeline going on in that state, and witnesses have been called at this Inquiry from Alaska already, and others will he called to discuss the impact of the oil pipeline there, on the environment and the economy and so forth in Alaska.

We're doing the best we can and I should say that our friends are doing the best they can too. But you'll have to wait, I'm afraid, a little while before we get to that.

THE WITNESS: I'd like to point out, nevertheless, some information that does exist in relationship to oil pipelines in the south which. would bear a lot of weight, I think, on the implication to hunters, for example, and that kind of thing where there are areas where people have to have permits to move into the area of pipelines, and it has happened where I'm from in Northern Alberta that oil pipelines where exposed, were accidentally pierced by rifles and caused considerable spill before they were found out, and this kind of thing. It's also known that oil through a pipe line has to travel -- it has to he heated to he able to move it, and so if it's going to be heated then how do you protect the permafrost from heat in the pipeline and that kind of thing? I think that, you know, as far as I know further in the year you're not going to be coming back here when these people can answer the questions. think they've come here unprepared for these things and

but nevertheless we're going to have to live with these 2 things in the future, you know. 3 One other question: Where will the power come from for your compressors and your 4 5 chilling sites and your pumps? MR. WORKMAN: Arctic Gas 6 proposal is that the power be supplied by using gas 7 itself. Gas will drive turbines which will drive 8 compressors in the system. They also will be used for 9 generating electricity for ancillary equipment around 10 compressor sites. 11 12 MR. ELLWOOD: A similar situation applies for Foothills. 13 That will he all THE WITNESS: 14 for now. 15 16 THE COMMISSIONER: Thank you, Don't get me wrong, your points were well taken Were 17 still dealing with gas as yet and not oil; but I want, 18 any of you who wish to raise these questions relating to 19 an oil pipeline to feel free to raise them and we'll ask 20 these gentlemen to grapple with them as best they can. 21 22 (WITNESS ASIDE) 23 THE COMMISSIONER: Yes sir? 24 MR. LAMOTHE: I'd like to be 25 sworn in or whatever it is. ARTHUR LAMOTHE sworn: 26 27 THE WITNESS: My name is Art Lamothe, I have a few questions' that relate to this 28 point in time the Inquiry seems to be based on a concept 29 that the north is a good place to get resources from, and

I've listened to the interventions up to now and I've been reading various newspapers of other interventions that have been made., and questions that have been posed both by northerners and other people throughout Canada about the pipeline. My major concern is after having heard the Territorial Government say that they kind of stand in the middle of the fence and don't know whether or not they should say "yes" or "no" to a pipeline, which seems like a fair position to hold, I'm wondering if that government has abdicated all responsibilities of planning the future development of the Northwest Territories

So I'm wondering if within the proposals that are being laid out, whether or not were thinking that Northern Canada experiences a time during the winter where there is no light and where the fossil fuels that lie in the north are going to he needed in the north 50 years and 100 years down the route.

I also realize that the gas companies may not be looking quite that far down the route, but I'd like to know if the gas companies are starting to consider that question, so I'm placing it to both companies.

MR. ELLWOOD: Well, we certainly are aware that these resources should he available to the people of the north. I think that has been shown in our application. We are proposing to make the gas available to communities in the Mackenzie Valley and in the Great Slave region their use and benefit. We are not simply transporting all the gas out of the Territories, Our pipeline system is to move the gas south and also to move

it to the communities here in the Northwest Territories. In the matter of how much of the 2 gas goes south, this is for the regulatory bodies to set 3 the production rates and the distribution of the gas. 4 MR. WORKMAN: Yes, we certainly 5 appreciate the problem of energy in the future. I think 6 7 the gas companies, the oil industry is looking at more than just 50 years ahead. I think we've got to look a 8 few hundred years ahead. I mean we've done that -- when 9 I say "we" I mean the oil industry, and I think the 10 critical time in this whole energy picture is not 100 11 years from now, but ten years from now. 12 I think we can get over the next 10 to 20 years, we'll be home frees but 13 by that I mean we'll be getting into the time when 14 nuclear energy will he well controlled. The problems 15 associated with it will he controlled, when we get into 16 the era of fusion where we create energy from hydrogen 17 there won't be any problem then as to where we're getting 18 all our world's energy from. 19 But the critical time is between 20 now and 20 years from now. How is the world going to get 21 22 through this critical energy period, and one way is by 23 looking at all these frontier resources. THE WITNESS: Are you voicing 24 25 that answer as a representative of the oil company, or as 26 a personal answer? 27 MR. WORKMAN: Well, I'm not representing oil companies, but its my own personal 28 feeling and I believe the oil companies are vitally 29 concerned, too . They're concerned with energy, total

1	energy.
2	THE WITNESS: Then I guess I'11
3	have something to leave with you, and that is that I'm
4	not at all moved to this point in time by a total
5	approach for a concept of the development of the
6	Northwest Territories, As far as energy resources are
7	concerned and the use of energy resources for future
8	development with the extraction of minerals, the
9	industrialization that the north could provide for itself
10	in the future, and I think what I'd like to leave with
11	you is that either the Northwest Territories is going to
12	have to look into that, or the Federal Government of
13	Canada is going to have to seriously take a look at the
14	north., not only as a place to tap, but as the people
15	here have been saying, come from the Chamber of Commerce,
16	will be coming from the native people, I'm sure, that it
17	is a place to live; and if it's going to be a place to
18	live in the future then we'd better take stock of what we
19	have here, and that has to be done and see how the
20	resources- the energy resources that we have match with
21	the other sources that are going to need the energy.
22	That's about it.
23	THE COMMISSIONER: Thank you,
24	Mr. Lamothe.
25	(WITNESS ASIDE)
26	THE COMMISSIONER: Yes sir?
27	
28	MR. HAMMOND:
29	You say to look
30	into the future 20 years. Say we do run into a nuclear

form of energy or fusion you talk about, you guys are 1 very willing to put in this pipeline but are you willing 2 to take the damn thing out? 3 MR. ROMAN: Well, that is a long 4 way down the line but I guess that's part of our 5 application. We must, if no more gas and the pipeline is 6 7 not to be used, we have to dispose of the facilities. MR. HAMMOND: Yeah, but to 8 dispose of it, how are you going to dispose of it? Like 9 just let vegetation overgrow it, or are you going to take 10 it out and rehabilitate it? 11 I would think that 12 MR. WORKMAN: this would be decided at the time as to what would be the 13 best way for the total environment. I can't answer that 14 15 today. 16 MR. ELLWOOD: Yes, well we've had a look at the question of what happens if the gas 17 supply failed or if it eventually is used up. 18 as Mr. Workman said, you really can't answer the question 19 a to what would best be done at that time right now, 20 except to say that we have made a commitment that we just 21 22 wouldn't abandon the project as it sits. We would clean and restore , but how that would he done we really can't 23 specify at this point in time, It's just too far in the 24 future for us to know really what will the situation be 25 like then. 26 We've had a look at what happens 27 if the pipeline is just left empty, the chilling is shut 28 off, what would happen to the permafrost. Our engineers 29 tell us that there will 1e no adverse effects from that

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that the system will just stabilize and over the when the
1
   pipeline is operating and will stay stabilized if you
2
   once shut it down. Then it really becomes a matter of
3
   re-vegetation or not re-vegetate, if you want it to come
4
   back naturally or to plant, we can't say what would best
5
   be done at that time.
6
7
                              THE WITNESS:
                                            I'd like to ask
8
   one thing about spills. How quickly could you detect an
   underground spill?
9
                             MR. ELLWOOD: Well "spill" is
10
11
   probably not a good word.
12
                              THE WITNESS:
                                            Well, puncture,
13
   whatever.
              Leakage.
                                            It can be detected
                             MR. ELLWOOD:
14
   almost immediately. If it's a major break you will notice
15
   it immediately in the compressor stations, and the system
16
   will shut down automatically. If it's only a pin-hole
17
   leak, then it may, depending on the size of the leak, it
18
   may take some time for it to show up in our reports of the
19
   volumes of gas that we're moving every day, or it may be
20
   found by the surveillance crews that will be inspecting
21
   the pipeline on a regular basis, weekly or perhaps more
22
   frequently if required. They would eventually find the
23
   leak if, it were very small; but if it were a major break
24
   you would notice it immediately in compressor stations,
25
   and everything would shut down.
26
27
                              MR. HAMMOND:
                                            What do you mean
28
   by "shut down"? That's not going to stop the leak,
   obviously.
29
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MR. ELLWOOD:

There are valves

in the pipeline which will go closed automatically if a 1 break occurs, and the compressor stations that pump the 2 gas would shut down, would stop pumping, and the section 3 line that had the -- that contained the then would be 4 isolated from the rest of the line and the gas that was 5 in that one section would of course leak out and that 6 would be it. 7 MR. HAMMOND: Well, would you 8 have to wait, if this spill occurred during the summer 9 would you have to wait till winter to fix it, or would 10 you dig it out and fix it and just hope that the 11 permafrost wasn't affected, or how would you go about 12 correcting a summer spill or leakage? 13 MR. ELLWOOD: Well, depending on 14 the area --15 16 MR. HAMMOND: I'm talking about 17 a permafrost area. MR. ELLWOOD: Right, if a break 18 19 occurred in the sensitive permafrost area, we could move equipment and material in to repair it by a low ground 20 pressure vehicle, possibly by helicopter, some of the 21 22 equipment would go in by helicopter, some of the personnel could go in that way to be right at the break. 23 The equipment necessary to repair this would be stationed 24 at Norman Wells, Inuvik, and Fort Simpson, and would be 25 just taken out from those communities to the line break. 26 In an area say north of Norman Wells where you're into 27 this sensitive permafrost terrain more frequently than 28 29 down here, equipment from the closest site would be taken out along the Dempster Highway as far as you can get it

along other access roads, along cut lines or along the right-of-way to the scene of the break on a low ground 2 pressure vehicle, Any damage that was caused by that 3 movement would be, the restoration of the terrain would 4 start immediately then once the damage had been done; 5 once the equipment had gone over it if there was any 6 7 damage resulting the restoration would start immediately. MR. HAMMOND: What I in trying 8 to get at is how do you do that without affecting 9 permafrost, if you have a summer spillage? 10 MR. ELLWOOD: Yes, you'd have 11 to dig the line up in order to be able to weld the new 12 section back in, but that's not a problem for us. 13 just fill it back in again. 14 MR. HAMMOND: Wouldn't you have 15 settling problems with your pipeline sagging or such? 16 17 MR. FLLWOOD: No, oil engineers predict that the disturbance that you create is not 18 sufficient to cause any major sagging or disturbance 19 problems, if you fill it hack in and re-vegetate the 20 degradation to permafrost will be arrested before any 21 22 serious damage occurs to the permafrost. 23 MR. HAMMOND: Well, say you did have a major spill, what do you 24 consider a major spill? How big would it be? Like what 25 sized area? Lets say one of the pipes did fracture and 26 burst, how big an area would be affected? 27 MR. ELLWOOD: Well, again "spill" 28 is not the right word because gas here is in a gaseous 29 state, not in a liquid state. It doesn't spill out on the

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It goes into the air. It's lighter than air and
1
   will rise.
2
3
                              MR. HAMMOND:
                                            Yeah, but this is
   underground.
4
                              MR. ELLWOOD:
                                            It's underground,
5
           In a major break what would likely happen is that
6
   the pipeline will rip open and a section of the ground
7
   will be thrown up, as if by an explosion. Depending on
8
   how the pipe splits really, the size of the hole that is
9
   created by such a break might he perhaps 100 feet long I
10
   seem to recall reading in some reports where a pipeline
11
   break did create a crater of some 100 feet long and a few
12
   feet deep.
13
                              MR. HAMMOND:
                                            O.K.
                                                  Could there
14
   be any more problems caused by a leak age or breakage,
15
   whatever you want to call it, at a compressor site?
16
17
                              MR. FLLWOOD:
                                            No, there would be
   no other problems associated with it there. Easier
18
   access, it would be easier to repair, that's about the
19
   only difference,.
20
                              MR. HAMMOND:
                                            Well, I really
21
22
   don't understand how you can detect almost immediately
23
   the break.
24
                              MR, ELLWOOD:
                                            When a break
   occurs, the pressure in the pipeline will drop, and it
25
   drops very rapidly, and you have pressure monitoring
26
   devices on the pipeline at each of the compressor
27
   stations that will notice that drop and automatically
28
   shut the pipeline system down.
29
30
                                            O.K., thank you.
                              MR. HAMMOND:
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MR. WORKMAN: To make one 1 2 comment, though, we talk about breaks as if it's some thing that's going to happen. Even in a normal pipeline 3 these breaks are extremely rare, and in this particular 4 pipeline we are taking extra precautions because of the 5 sensitive environment it's going over. The design of the 6 pipeline is such that there probably -when I say 7 "probably" I mean a very low risk -- that anything will 8 9 happen to the pipeline. Thank you. 10 11 Well, is five 12 THE COMMISSIONER: o'clock. I think that we had a very useful afternoon and 13 we'll adjourn now until eight o'clock this evenings and. 14 we '11 start the hearing again tonight at eight o'clock 15 and I invite all of you to return then and we'll carry on 16 this evening until we decide that we've had enough. 17 (PROCEEDINGS ADJOURNED) 18 19 (PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT) THE COMMISSIONER: Well, ladies 20 21 and gentlemen, I'll call our hearing to order this 22 evening and remind you once again that anyone who wishes to say anything win certainly be given an opportunity to 23 do so tonight and again tomorrow, and the following day 24 if necessary. So we can begin now. 25 I think we have a witness. 26 Ι wonder if we could do something about the microphone. 27 Take a moment, Father, until these technical things have 28 been -- till they do whatever they do to them. 29 30 FATHER H. POSSET sworn:

THE WITNESS: My name is Father 1 2 Posset, I am an Oblate Missionary. I have been residing here in Simpson for the past almost 20 years. 3 I welcome you, Mr. Justice 4 Berger, to the Fort of the Forks, "The Fort of the 5 Forks", this is how the island of Fort Simpson was called 6 in the first quarter of the 19th century, It was called 7 "The Forks", that is to say the confluent of two great 8 beautiful rivers, the Liard River into the Mackenzie 9 River. Consequently, Fort Simpson has always been a 10 confluent of people. It has become a confluent of 11 highways, and it is now proposed that it be the confluent 12 of a network of pipelines; and this is the subject of 13 your Inquiry. 14 As early as 1860, Fort Simpson 15 was also nick-named "The Emporium of the North", 16 "Metropolis of the North", "The Babylon of the North", 17 "The Tower of Babel", and finally and consequently, "The 18 Devil's Island". These high and low sounding titles 19 indicate that Fort Simpson always was an important centre 20 and it always will be because it is a natural geographic 21 22 centre. 23 It has always been the stopping and meeting place of strangers of all nationalities 24 adventurers, opportunists, developers, business men, 25 explorers, exploiters and bums. We expect that this 26 trend will increase beyond imagination with the proposed 27 Mackenzie Valley Pipeline. 28 29 But prior to being a stopping 30 and meeting place for the white man, this confluent as

 well as the whole surrounding region has been the home of the aboriginal people, our Dene people.

The very first white man to reside on this island was Mr. F,W. Wentzel, a Norwegian, who took charge of the Northwest Company Trading Post in 1807, just 18 years after Sir Alexander Mackenzie sailed down the river. As Mr. Wentzell resided here for ten years, he knew very well the Denes in their aboriginal, untouched state. Mr. Wentzell then wrote this beautifl tribute concerning our native people of Fort Simpson, I quote:

"The general character of that part of the tribe inhabiting the Forks may be stated in these few words: mild of temper, hospitable, and compassionate to strangers, industrious, obedient and sociable Indians. They may be considered t best natured and most peaceable set of people perhaps in all America."

How can you explain, Mr. Berger, that Fort Simpson has been called thereafter by so many bad nick-names? In the same letter Mr. Wentzell, who apparently was an honest business man, expressed his great concern about the native people, and this concern is still so true and actual at this time of Pipeline Inquiry I quote Mr. Wentzell again, he says:

"No good can be derived from the turbulent struggle of opposition and competition in this country. It destroys trade, creates vice, and renders people crafty, ruins good morals and almost totally abolishes every humane sentiment in

1	both Christian and Indian breasts."
2	These descriptions and
3	warnings of Mr. Wentzell still hold so true in 1975.
4	Although our native people have been threatened so much
5	by the invading and exploiting society, they may still
6	be considered as the best natured and most peaceable
7	set of people perhaps in all America. They have kept
8	their identity and culture so far. But they would
9	certainly be destroyed by a major and sudden
10	development such as the Mackenzie Valley Pipeline.
11	This would be a genocide. This we cannot accept.
12	Fortunately, the Fort Simpson Band is now under the
13	strong leadership of an energetic 1: young chief,
14	James Antoine, You will listen to him, Mr. Berger, not
15	only because he is a good speaker but especially
16	because he is a great listener, .1 know he is
17	constantly listening to the wisdom of his native
18	elders. As for myself, for the past 20 years I have
19	conducted here in Fort Simpson my own Mackenzie Valley
20	Pipeline Hearings Unfortunately, I have not completed
21	it yet. I am still getting to understand and respect
22	and appreciate my people. Of course, I am not as
23	clever as a judge who can cover this complex subject in
24	two days here and a few months in the Territories,
25	Moreover, I do not want to
26	speak on behalf of my people because they can express
27	themselve4 very clearly in their own language. You
28	will listen to them.
29	But much better than my own,
30	conclusions and opinions, I have here, Mr. Berger, the

official statement of all Catholic Bishops of Canada concerning northern development. This document has been issued on Labor Day a week ago, and it is my honor and privilege to table this document as an exhibit for your Mackenzie Valley Pipeline Inquiry.

To sharpen our curiosity and

To sharpen our curiosity and attention, the Catholic Bishops of Canada have entitled their message:

"Northern Development -- AT WHAT COST?" Their answer is that development should not take place for the sake of material gain, at the expense of the northern people, especially the native people.

The Bishops state clearly and forcefully that the native people have a right to keep their identity, their cultural heritage, as us as whites we have the same right. Therefore they must be consulted and listened to in the various stage of development,, They should benefit from development; they should not be crushed by it.

The Bishops also state clearly that consequently aboriginal land claims should be settled before development takes place.

"We are especially concerned," write the Bishops, "that the future of the north be not determined by colonial patterns of development wherein a powerful few end up controlling both the people and the resources, It remains to be seen," the Bishops say, "whether Canada's last frontier will be developed according to the principle of justice and responsible stewardship." The Mackenzie Valley Pipeline proposals presently

being reviewed by the Berger Commission could provide the 2 real test. These are the words of the 3 Bishops of Canada. Mr. Berger, my words do not pretend 4 to be an accurate summary of the message of about 79 5 Canadian Bishops, My purpose is to draw your attention to 6 the title of their message which is a question: 7 "AT WHAT COST?" 8 And of course they mean 9 "AT WHAT HUMAN COST?" 10 In concluding, I invite you, Mr. 11 Berger, and also all those directly involved in this 12 project of the Mackenzie Valley Pipeline to read 13 carefully and to meditate the text of this message, 14 remembering that we have to deal more with people, more 15 with people than with money. 16 It would have been nice if I 17 read the whole message of the Bishops, but it contains 18 3,500 words, to be quite lengthy. I have here copies of 19 it for all those who are of the press or the public who 20 are interested to have their own, you are quite welcome 21 22 to take one. Thank you very much. 23 THE COMMISSIONER: Father, you're certainly welcome to read the Labor Day message of 24 the Catholic Bishops of Canada into the record here. 25 have the whole evening and I don't want to curtail you in 26 27 any way. FATHER POSSET: Yes, well the 28 vocabulary for the ordinary people may be a little heavy 29

although it's very plain and down to earth. But 3,500 words

would take -- well, three-quarters of an hour maybe, I am 1 not reading as fast as Father Mary would do. 2 3 Anyway, copies are here and I think it's better that those who are concerned take a 4 5 copy. THE COMMISSIONER: Well, thank 6 7 you very much, Father Posset. The statement of the Catholic Bishops of Canada will he marked as an exhibit 8 and form a part of the permanent record of the Inquiry, 9 and if I may ask you, father, you were reading from a 10 statement of your own, if you are able to leave that with 11 us we should like to have that marked as an exhibit as 12 well. 13 (SUBMISSION BY FATHER H, POSSET MARKED EXHIBIT C-190) 14 (LABOR DAY MESSAGE OF CATHOLIC BISHOPS OF CANADA MARKED 15 EXHIBIT C-190-A) 16 17 THE COMMISSIONER: Thank you 18 very much. 19 (WITNESS ASIDE) MR. HAMMOND: 20 I'd like to direct 21 22 this question to the representatives of either of the This afternoon I asked you about the person-23 nel that would be employed on the site, which you say is 24 about six miles outside of Fort Simpson, You assured me 25 that on their time off they would be flown to the south 26 or if they were from Fort Simpson they would come back; 27 but my concern lies in the fact that it's not so much 28 when they have their time off, it's after their shift of 29 12 hours, they still have another 12 hours, and after a 30

7-day week or a 6-day week men especially have a great 1 desire for booze and women, and they are going to find 2 that in Fort Simpson. Associated usually with alcohol is 3 alcohol abuse and that comes and usually leads to other 4 things such as vandalism, theft, violence, physical 5 violence of sorts and rape. I know you won't be 6 responsible for the individual actions of the personnel 7 that you employ, but you are still bringing them up here 8 and it's your pipeline. I would sure like you to comment 9 on that aspect because that is something that none of us 10 in this community want. 11 MR. WORKMAN: Well, I agree 12 it's going to be a tough thing to control. Individuals 13 have rights and we can't interfere with human rights, 14 However, I think for the overall good of the communities 15 and so on we should do all we can to discourage people, 16 employees, from coming into town to raise Cain in their 17 time off. I personally feel that after 12 hours of hard 18 work on the pipeline they're not going to feel very much 19 like coming in and having a good time when they have to 20 21 get up bright and early the next morning to put in another 12 hours, However, we will do all we can in the 22 way of discouraging this sort of thing. We can't 23 guarantee that we can control it 100%, but we will 24 certainly take every step we can to discourage this and 25 by working people 12 hours is quite a lot of 26 discouragement right there. 27 28 MR. **HAMMOND:** Could I ask you 29 if you're going to permit alcohol in the camps? 30 MR. WORKMAN: We are hoping that

we will be able to have dry camps. 1 2 MR. HAMMOND: What do you mean, 3 "hoping"? Can't you say either way? Again, I guess MR. WORKMAN: 4 you're getting into the human rights area and I'm not 5 sure myself whether we can actually lay down a hard and 6 7 fast rule in this area. MR. ELLWOOD: The question of 8 the workmen and how they're going to dispose of their 9 leisure time, what little leisure time they have has been 10 one that we have looked quite hard at. As an encourage-11 ment to the construction workers to keep them in the camp, 12 they will be provided with very excellent recreation 13 facilities right in the camp. The food services there 14 will he, according to what is now the normal standard on 15 these large construction projects, and if you've ever been 16 through one of the cafeterias in a large construction camp 17 you'll know that it is very first-rate. The workers will 18 not have access to vehicles of any sort for other than 19 company business. Therefore they will not have vehicles 20 to come into town during night, That, coupled with the 21 22 amenities that will he provided at the construction camp, we feel will be enough to keep them in the camp and not 23 coming into town during evenings. 24 25 As to your question about alcohol, having dry camps, we have opted for controlled 26 alcohol situation in the camps. 27 There are no details on this, but we feel it's probably better to have a con-28 trolled source of alcohol at the camps rather than have it 29 smuggled in, if you wish, although that's not the right 30

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28 29 term, or have the people try to come out to the community to obtain alcohol.

If I could direct MR HAMMOND: this to Justice I3erger, since I think it pertains more to what he's seen in the Alaska Pipeline, I think also from the point of the family unit, if you could say that, I think you may have seen a great deal of child abandonment, child abuse, a great deal of husband-wife desertion and stuff like this, and this really concerns me that it could reach very acute proportions up here, and it's something that's a problem not only in such a place as along the pipeline, but all over North America,, But I think probably with the amount of wealth that we generate up here it would be much more acute, and it's something that leaves sort of a permanent psychological scar that no wealth can erase, and it's something that bothers me very much. I'm just wondering if you saw any evidence of this there?

THE COMMISSIONER: Well, I spent a week in Alaska. We will be hearing from witnesses from the State of Alaska later on in the Inquiry. I told you we've already heard from some, we heard from Magistrate Sprecker of Glennallen, who gave evidence at Whitehorse last month, and he gave us a number of statistics and so forth. We'll be hearing from other witnesses and they will be cross-examined by those who dispute the figures and the things that they have to say.

I think all I can say at this stage is that we want to find out as much as we can about what the construction of the Alyeska Pipeline has

meant in terms of social impact to the people of Alaska. 1 My visit was the first step toward discovering that. 2 The, witnesses that have been heard and will he heard are 3 something that should add to our knowledge of that 4 subject. I think I should tell you that this is a public 5 Inquiry, so anything that comes up will come up at the 6 hearings, either in Yellowknife or in the communities, or 7 8 in any of the other places where we sit. So that all the participants in the Inquiry -- the pipeline companies the 9 native organizations, the Chambers of Commerce the 10 environmental groups -- can question the witnesses, 11 challenge them if they wish to do so at the appropriate 12 time. 13 The magistrate who gave evidence 14 didn't discuss any figures relating to child abuse, or 15 whether it's gone up or down since Alyeska, the Alyeska 16 17 Pipeline began. But we do expect to hear evidence in due course about that. 18 19 THE COMMISSIONER: Yes sir? MR. IVANS: I'd like to be 20 sworn. 21 22 THE COMMISSIONER: Yes sir. 23 JIM IVANS sworn: 24 THE WITNESS: Justice Berger, distinguished visitors, fellow residents, my name is Jim 25 Ivans and I am here this evening as the official 26 representative of the Village of Fort Simpson, and as 27 such I will present the views of the Council as they 28 relate to the development of the Mackenzie Valley 29 Pipeline. 30

The proposal to construct a gas pipeline along the Mackenzie Valley has, for the several years, created high anxieties among the northern people for both those that support and for those that oppose its completion.

The frustrations of not knowing one way or the other has and continues to divide us as northerners. It is therefore imperative that a decision be made advising whether this pipeline will be built or not. Every day that these hearings, for examples are delayed would add to the division of Fort Simpson residents, so we urge you, sir, to take the necessary action to ensure that they are completed on schedule.

Should a gas pipeline be constructed as proposed, all northerners will have to pull together to ensure that our collective needs are mete We mean in all ways, culturally, socially and economically. This means that it will be necessary for Fort Simpson to have a strong voice in government, and to achieve this we must be represented by one governing body. This body must have full recognition by the N.W,T. Government because we live in a democratic country, this governing body must consist of individuals selected by the residents of Fort Simpson.

Once this is achieved, all other organizations, societies, etc., must come under the jurisdiction of this governing body in all matters relating to the municipal governing of the community. It is the only way that we can assure the efficient, the organized, and the planned development of the community that will

benefit all individuals living here now and in the future. 1 To further ensure organized 2 development, it is of the greatest importance that 3 adequate time be available to us prior to the 4 commencement of large transient or permanent population 5 increases Presently the island on which Fort Simpson is 6 situated will reach its maximum capacity with an increase 7 of 300 residents. At that point, to expand the community 8 will necessitate a move to the mainland. To accomplish 9 this move --10 THE COMMISSIONER: 11 Excuse me, just forgive me for interrupting. Could you just go back 12 for a bit a couple of sentences just before the move to 13 the mainland? 14 O.K. 15 Α 16 To make sure I follow you Q that's all. 17 Α It is of the greatest 18 19 importance that adequate time be available to us prior to the commencement of large transient or permanent 20 population increases. Presently the island on which our 21 22 community is situated will reach maximum capacity with an increase of 300 residents, This is based on an engineer's 23 consultant report. At that point to expand the 24 community will necessitate a move to the mainland. 25 accomplish this move, we must procure a permanent and 26 desirable source of water supply, we must install new 27 sewer and water trunk lines, we must build an additional 28 causeway to keep the community as one and not create an 29 old and new town concept, we must construct a new water

treatment facility, and we must construct a sewage 1 treatment facility. All of these things take time and 2 3 lots of money. In fact, an estimated \$75 4 million, and I'll repeat that figure, \$7.5 million just 5 to get us into a situation where more residential 6 7 property can be available. In addition to these basic 8 community needs, we will require major increases in 9 facilities and services relating to the social aspects of 10 our community. For example, child care services, alcohol 11 rehabilitation, mental health programs, crime prevention, 12 young people's programs, recreational facilities, 13 cultural facilities, and many more, I am sure 14 Naturally with such development 15 16 there will be an increase in the commercial and industrial community. We must also plan and serve these interests as 17 they add to our overall needs. More industrial property 18 must be available. The only difference here usually is 19 that the users pay the bill. But the planning and controls 20 are just as important and time-consuming if we are to 21 22 maintain a community where people like to live. 23 It is obvious then that extraordinary funding for the community relating to 24 capital expenditures must be made available. We would 25 find it an, impossible task to fulfil these needs if we 26 are to be restricted to existing procedures and 27 bureaucratic systems of obtaining capital funding. 28 29 In conclusion, the Council wishes to include two recommendations in the event that

the gas pipeline is built: That where economically feasible, the successful 2 applicant be required to construct feeder lines to 3 the northern communities, thereby reducing the 4 5 costs. 6 2. That a Northwest Territories Heritage Fund be established for the benefit of future northerners. 7 Gas is a diminishing commodity and therefore it is 8 important that such a fund be established to ensure a 9 permanent advantage is gained from the extraction of 10 northern resources. 11 12 THE COMMISSIONER: Thank you, Mr. Ivans, I wonder if you would let us have your written 13 statement so that it can he marked as an exhibit in the 14 Inquiry? 15 (SUBMISSION OF COUNCIL OF FORT SIMPSON MARKED 16 17 EXHIBIT C-191) THE WITNESS: 18 Mr. Berger, I have a few personal remarks which I would like to make, unless 19 if you plan to have a discussion or questions on the 20 views, our Council chairman is here and he would reply 21 22 to those. If not, I would continue with my personal 23 views. 24 You go right THE COMMISSIONER: 25 ahead. This is myself personally --26 Α 27 Q Yes. 28 Α -- and in no way commits the I should say first of all, and I haven't Council. 29 prepared anything but I should say first of all that I

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have lived in the Northwest Territories for the past I've lived in locations from Inuvik to as eight years. far south as Hay River, and I'm as concerned about the 3 north as any other resident. The references that are 4 made by the speakers and the so-called experts, are 5 usually Indian people, Metis people, white people, and 6 I'm lost because I don't fit any of these categories. 7 You know, one thing for sure is that I am a Canadian and 8 I'll argue with anybody that tells me differently. 9 As Canadians we northerners have 10 a responsibility to the rest of Canada. They have been 11 12 helping us for many, many years. Just as an example I have the 1971 Financial Statement of the Government of 13 the N.W.T. in front of me -- I couldn't get a '75 but I 14 imagine the pattern is the same. 15 16 In 1971 the Government of the N,W.T, spent a total of \$72,237,464. Of that figure, 17 N.W.T. resident raised a measly \$9,780,000, and let's 18 not forget it. The rest of that money is coming from 19 Canada, Canadians, in the hope that some day the N.W.T. 20 will do its part as a Canadian citizen. 21 22 The N.W.T. consists of 1.4 million square miles. Of that 900,000 is water, and most 23 of the rest of it is covered by ice permanently. 24 we're not talking about really all that much land. We 25 hear things about land claims and pipelines, which comes 26 first? I think it's the case of which came first, the egg 27 or the chicken? 28 29 You know, a commodity is only worth what somebody is willing to pay for it. If there

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is no development in the north, the land won't be worth anything and we can't expect or even consider that other Canadians should continue to foot that kind of a bill for us up here. Let's be realistic. Let's start being Canadians.

I'm not too worried about a cultural impact, I don't think it's going to be that great. We've gone through this in many towns before, in Fort McMurray few years ago there was 2,500 workers in the town of 2,400 people, We go back even farther in history and take a look at Hawaii, Hawaii was probably in the late 1800's, was in the same situation the Territories is in today. A lot of drunks walking around, a high V.D. rate, people getting heat up in bars and killing each other. I've been to Hawaii a few years ago, I don't know if you have but I spent a week there and just from an above-the-board sort of observation I could see that the managers, the people that own shares in the large companies in Hawaii, the professional people, the universities, these were all being run by Hawaians. haven't had that much of a problem; but it didn't get better for them until the major industry hit Hawaii. only difference there, it was tourists; here in oil or gas or whatever; and in Hawaii today at any given day there are more transient people in Hawaii than there are permanent population.

So I think we're all getting excited about nothing, so let's forget the lies and the cover-ups and the bargaining through political avenues and monkeying around and get down to being Canadians and

1	build a country, a strong country. Thank you.
2	THE COMMISSIONER: Thank you,
3	Mr. Evans.
4	(WITNESS ASIDE)
5	THE COMMISSIONER: Yes sir?
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7	GARY BLACK, resumed:
8	THE WITNESS: I'm Gary Black,
9	chairman of the Fort Simpson Village Council.
10	One thing that came to mind as
11	Jim was making the official presentation of Council, that
12	might be advantageous to us almost immediately, at the
13	present time, as I mentioned earlier, Fort Simpson's
14	water supply has been in pretty desperate straits. We
15	have done quite a number of tests, exploring all the
16	possible avenues around Fort Simpson for obtaining an on-
17	going and decent water supply. According to our
18	consultants out of Edmonton, the best possible water
19	supply around, which is saying what we already knew
20	before, but they finally confirmed it for us, is the
21	Mackenzie River. So we are presently studying the
22	feasibility of placing or laying a pipeline across the
23	Mackenzie or across the Liard half of the Mackenzie River
24	to obtain water, a direct water source from the Mackenzie
25	River side of the river.
26	Now it seems to me that looking
27	at both the particularly the Foothills application,
28	and in part the Arctic Gas application, Foothills in
29	particular is talking about a spur line to Fort Simpson.
30	They have guaranteed spur lines to all the communities
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along the Mackenzie River. Now the spur line they are talking about comes from the far side of the Liard beyond our present ferry crossing and loops back into Fort It would seem to me that if one of the restrictions imposed on either applicant were the necessity of laying a spur line into the village gate, that it would be far simpler, far closer, at least, to lay the line directly across the Mackenzie. Now I know and understand that the reason for not doing that is an extra river crossing, At the same time if the Village Council here is looking at the possibility of laying a pipe at least threequarters of the way across, then there's probably and I'm no engineer or technologist -- but there's probably some 14 saving to be made somewhere if we both work at the same thing the same time. Perhaps there is some way of 16 Foothills and/or Arctic Gas and the Village Council of Fort Simpson looking at an engineering study and the possibility of laying two pipes at one time rather than us laying one, and then coming all the way back with an extra 12 or 13 miles into Simpson with a spur line from the main gas line. So I guess what I'm urging you to do, Justice Berger, is to request both applicants, to 24 look into the feasibility of such a co-operative measure and have them report back either to the Inquiry or report 26 back to the Village Council at some point as to whether 27 that would be a possibility. 28 THE COMMISSIONER: Do you want

to say anything, Mr. Workman or Mr. Ellwood, about that?

1	MR. WORKMAN: Yes, as far as
2	Canadian Arctic Gas is concerned, if we're building, a
3	pipeline from our mainline over to Fort Simpson, then it
4	seems certainly worthwhile to co-operate with the
5	community here and have the water line tie in from the
6	same or through the same ditching. We will be looking at
7	this and have more engineering advice on it, I hope
8	fairly shortly; but it certainly makes a lot of sense to
9	us to look into the feasibility of such a project.
10	MR. ELLWOOD: Mr. Black, since
11	our last meeting with the Village Council here, at which
12	you brought this suggestion up, we have asked our
13	engineering and construction section to look into this
14	proposal. They have that in hand. They are considering
15	the implications of combining these two projects into
16	one, and we expect to be able to come back to the Village
17	Council shortly with some more information on that.
18	THE COMMISSIONER: Excuse me,
19	Mr. Black. Miss Hutchinson, would you make sure that the
20	transcript is marked at that passage, beginning with Mr.
21	Black's query and the answers given by Mr. Workman and
22	Mr. Ellwood, and make sure that it's referred to Dr.
23	Fyles.
24	Carry on, Mr. Black.
25	A I really just wanted it on
26	the official record. I discussed this unofficially with
27	Arctic Gas and Foothills at the same time. Thank you
28	(WITNESS ASIDE)
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MR. DELLER: I'd like to ask a 1 2 question of the gas company people. THE COMMISSIONER: All right 3 Before we go any further, just -- you asked a number of 4 questions and I certainly appreciate your questions, 5 they've been good questions, and so has your colleague, I 6 think his name is Mr. Hammond; but I think we'll swear 7 you both in because you have a habit which is quite 8 natural of interweaving a few statements with your 9 questions, and everybody does it, but --10 TOM DELLER sworn: 11 CHRIS HAMMOND sworn: 12 THE COMMISSIONER: All right, go 13 ahead. 14 MR. DELLER: Do you want my name 15 16 again? My question is about environmental impact. During the past few months I've been reading a lot of the 17 Mackenzie Valley Pipeline series and a lot of other 18 publications, mainly for my job, and there is so much 19 information there, and the people that wrote those don't 20 understand the problems, the total problem. They admit 21 I'm questioning 22 that, there's so many more areas to study. the size of your company. All the people who worked on 23 those publications and all the other people who wrote all 24 other articles, how many environmentalists do you hire? How 25 many biologists do you hire? How many soil experts do you 26 hire? How many geologists do you hire? How many cultural 27 economists do you hire? Do you think you can really handle 28 the scope of this problem, because if there's any 29 environment -- to get the least amount of environmental 30

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destruction, if it's going through you want it to be as safe as possible, and to dig the hole for the pipe is going to change the environment because it's going to change the permafrost, it's going to create more permafrost in some areas and less in other areas, it's a known fact. Do your companies really think you're that big that you can handle all the total environmental question? MR. WORKMAN: As far as employing them directly, there's no way we could have enough environmentalists, biologists, and so on in our The Way Canadian Arctic Gas looks at the situation they have a major consultant, Northern Engineering, who have many experts in all these fields, but even they do not feel that they are adequately 14 covered with all the types of experts required, and they in turn contract out for other consultants 'in their particular specialty. MR. DELLER: What I would think is that if the pipeline is going to be built, not to give it to one company but make it a co-operation of many, many companies, like every person who actually happens to know something about it, and not just recommend that either Foothills or Canadian Arctic get the contract. 23 Ιt should be a consortium of everybody that could possibly 24 help to make sure that it is going to actually work in 25 the cheapest way and the most efficient way, and not just 26 give it to one company because not one company can know, 27 you know, everything. MR. WORKMAN: I agree one company

can't know everything. Our company is a consortium of

quite a number of companies, each having their own area; 1 but even that is not enough, we still must go out to get 2 consultants, specialists in their own field, and they in 3 turn get specialists to back up their information. 4 MR. DELLER: 5 Yeah. 6 opinion, I would like to see it not go to one company at all, I'd like to see it -- maybe the Federal Government, 7 if I could be that daring to say it should step in and 8 make it a Federal Government project rather than a one-9 company thing and sort of tender out to put the-for 10 construction of the pipeline in, to tender it out to one 11 company perhaps one of these two companies, but the 12 general whole picture should be a Federal Government 13 project. Thank you. 14 15 THE COMMISSIONER: Thank you very much, sir. 16 17 MR. HAMMOND: I'd like to ask either company if they're 100% sure of all the technical 18 phases that will occur in the pipeline, in the construction 19 phase of the pipeline, if they're 100% sure that nothing 20 will go wrong or that everything is O,K,, just to assure me 21 22 and the people that nothing will go wrong. 23 MR. WORKMAN: I guess nobody can be 100% sure but I can assure you that we will have the 24 best engineers we can possibly get to assess every phase 25 of it, and I couldn't tell you what the percentage of 26 confidence would be, but on a project like this it will 27 be higher than, most equivalent engineering projects. 28 There's just too much at stake to he taking any chances, 29

so there will be a terrific safety factor built into all

1	phases of it.
2	MR. HAMMOND: I was just under
3	the impression that you were having trouble with the
4	design of river crossings, with the pipe at river
5	crossings. Is this true or net?
6	MR. WORKMAN: Not to my
7	knowledge.
8	MR. ELLWOOD: I would just point
9	out to Mr. Hammond that our sponsor companies, Alberta
10	Gas Trunk Line and Westcoast Transmission, have built and
11	operate many thousands of miles of pipeline in Alberta
12	and B.C. We are two of the major transmission companies
13	and I think that our operating records our construction
14	and operating record there testifies to our competence to
15	handle construction of a project such as this.
16	THE COMMISSIONER: Well, we can
17	give our friends here a bit of a breather and see if
18	anyone else wants to make a statement?
19	(WITNESSES ASIDE)
20	THE COMMISSIOMER: Yes sir?
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22	WILFRED CASAVANT sworn:
23	THE WITNESS: My name is
24	Wilfred Casavant, and Mr. Justice Berger, I would
25	firstly like to express my appreciation for the
26	opportunity to express myself here today. Although I
27	will briefly speak on the educational, the physical, the
28	cultural, and the- economic aspects encompassed in the
29	purpose of this hearing, I will mainly dwell on the
30	social aspects reflected upon a community where there
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is no development, crash development, or controlled I chose this line because I feel personally development. that a healthy community is a busy community, busy at learning, at working, and at playing, leaving little time for idleness. Fort Simpson has virtually none of these essentials for a healthy community. A few days in Fort Simpson will show the frustration, disgust, and distrust entrenched in the village. On the education, how can our young learn to respect themselves, others, their property, as well as the property of others if this is not cpntinue1 from the home to the institution? How can they learn to respect the laws of our country and community if they are placed in a supposedly teaching establishment which is virtually a milieu of permissiveness. How can they be expected to enter the labor field and become independent if they are not given the basic demands of the labor field, such as punctuality and assiduity at the school? For this, well-planned programs are required to be established by the 'system, not the participants, without we have disillusionment, distrust,

choice but a crash upgrading course.

On the physical aspect, no development to Fort Simpson means a continued state of idleness leading to the continuation of the problems

disgust, dropouts, idleness leading to mischievous acts,

entrenched in the individuals to the point of no returns

this all starting at a very early age and becoming so

For some, a rude awakening after years lost with no

outlined in the social aspect of this brief. 1 Controlled development extended 2 over a period of time will change the aesthetics of our 3 village where pride could exist, where idleness becomes 4 almost non-existent, where recreational facilities both 5 11 commercial and community-controlled, would be feasible 6 7 and profitable. Controlled development will give 8 the community time required to plan, survey, assess land 9 and fund requirements and to develop the full 10 participation of the people of our community, By "full 11 participation" I mean both in the mental planning and the 12 physical building of the community. 13 Crash development would mean an 14 influx of people, rush planning, surveying and 15 development giving the residents of the community and the 16 Mackenzie valley little opportunity of participation. 17 The social problems are already enormous would crash in 18 on the community. 19 What is Fort Simpson's biggest 20 economic base today? I would have to guess at the social 21 22 assistance area office, the dollar figure from these -from there would surprise you when compared to the size 23 24 of Fort Simpson. Then there is a construction 25 firm and a government training program, but without 26 highway building programs as is now the apparent case, 27 these two will have, little to offer in the form of job 28 29 opportunities. 30 THE COMMISSIONER: Excuse me.

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Sorry, I'm trying to make sure I absorb this as we go along. Would you just go back? You said I'd be surprised about the extent of the bill for social assistance in comparison to Fort Simpson's size. Just carry on from there so I --Α Then there is a construction firm and government training program, but without highway building programs, as is now the apparent case, these two will have little to offer in the form of job opportunities. 10 Then there is the village who 11 employ a few, and with no development will not be in a 12 position to offer additional job opportunities. 13 The frustrations here, Mr. 14 Berger, are the consequences of idleness and a transfer 15 of funds from the Social Department to the Liquor Control 16 17 Department. Under the cultural, much fear 18 seems to accompany the word "development" when placed 19 next to culture. Development gives an alternate o an 20 individual, That individual is not forced, hound or 21 22 compelled to change his life-style. No one to this day has forced me to turn on a switch for light or heat. 23 could still be filling my kerosene lamp and chopping my 24 firewood and watch the rest of the world go by. 25 matters as long as I am contented with my own ways, as 26 long as I do not impose upon others? 27 Who are they, Mr. Berger, the 28 few who come before you and say that their culture is 29

being eroded, when the many are out today working driving

trucks, operating machines, large and small. They are not out on the trapline, they are not out hunting the moose or the caribou, they are out working, too busy to come here and tell you. Others are at home moping over a brew because there isn't enough work to go around. At this point in time one would wonder what culture is to be preserved -- the living off the land culture or the alcoholic culture.

On the land claims, yes, the land claim must be settled as soon as possible but I urge caution in two ways: Firstly, that this is an equitable settlement to all concerned so that another land claim does not occur in 10, 20, 50 or 100 years from now, using the same concept, "Our ancestors didn't know better." Secondly, that the compensation, be it whatever form taken., be available to all concerned recipients, otherwise we will have another land claim in a decade or so because a few benefited and a majority back at the doorstep asking for more.

On the social aspects, with no development, for this phase we need only look at Fort Simpson today, Basically very little employment, no recreation facilities, and a very bleak future as far as enhancing this dilemma. One might even say that things will get worse in Fort Simpson before they improve, mostly because of a lack of understanding. What we have is human hours of idleness. By this I mean non-productive, non-self-rewarding, non-invigorating hours of leisure with little else to do but to be at each others' throat, as the saying goes, drinking booze, blaming one another

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for these pitfalls and shortcomings rather than coming to grips all together in an attempt to resolve our problems, and then of course asking society to solve the individual's problems. No development, no local work, then Mr. Berger you would expect a mass exodus onto the land out there trapping, farming, or what have you, by dog team, or if one wished to advance a little culturally, by motorized toboggan. We do not see any of that. have not seen any signs at the bars, liquor outlets, or anywhere for that matter, discouraging anyone from going out on the land. Yet some tend to blame these establishments for their shortcomings. If it was the majority's wishes to be out on the land, then out on the land they would be and our social problems would then be greatly minimized. With crash development, when crash development occurs, when a major decision is barred, concealed, and detained until it is imperative, a must and at the point of no return, then no opportunity is given to the individuals concerned to prepare and establish themselves, to enhance their positions and to reap the benefits. The decision comes so quickly that change takes place at the wink of an eye. With it comes a crash of social problems, new faces appearing by the minute, lack of housing, lack of recreation facilities, lack of services,; all accompany the last minute decision. most frustrating aspect is the impossibility of the local residents to participate in the change.

For controlled development, this

can only evolve through pre-planning, for pre-planning 1 2 decisions must be made and made public. Lead time is required, particularly in the north in order to maximize 3 the input to the development by the residents. 4 Controlled development would expand the time lapse of the 5 development creating job opportunities over a longer 6 period of time. This would give the local residents the 7 opportunity of total involvement, filling the now 8 existing idleness, decreasing the social assistance roll, 9 decreasing the need for alcohol rehabilitation grants, 10 because, Mr. Berger, we can spend millions for rehabil-11 itation to what purpose if a productive solution is not 12 resolved? The use of taxpayers money to curb a personal 13 problem is intolerable; likewise refusing to provide some 14 solution to eliminate the problem is intolerable. 15 Curbing the grant monies, the social assistance handouts 16 and providing incentives for controlled development would 17 be a great benefit to all Canadians, but particularly to 18 the idle who fill the void by indulging in alcohol, 19 hoping to bury his misgivings in the bottle. 20 21 Mr. Berger, with no development or crash development we will find more dead bodies than 22 23 with a pipeline. The pipeline itself means very 24 little to Fort Simpson as to the actual construction. 25 It is the after long-range effects when industry can 26 viably exist, given the fuel required. 27 Therefore the time and millions spent on these hearings and other 28 studies are but a delay in the realization of the fact, 29 monies that could be used to curb the social ills 30

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of our community, provide the non-existent recreational facilities, improve our overtaxed public services, improve our roads and streets and create work for the The vast sums spent on environmental unemployed. studies, though to a small extent necessary, one wonders when in a few minutes a small tornado a mile wide and 40 miles long would do more damage than man and pipeline, or a forest fire for that matter would do more damage than man could do. So Mr. Berger, let us face 10 reality. Let us get up and casually move on. Let us 11 help the alcoholics, the unemployed, the frustrated, the 12 taxpayers, the northerners, the Canadians, and tell the 13 Canadian Government to coolly, gradually but forwardly 14 move on with the job and stop hiding behind hearings, 15 studies, and what have you. Thank you. 16 17 THE COMMISSIONER: Thank you, I wonder if you would let us have your written 18 statement so that we can have that marked as an exhibit? 19 Oh, we have a copy. Thank you. Thank you very much, sir. 20 (SUBMISSION BY WILFRED CASAVANT MARKED EXHIBIT C-192) 21 22 (WITNESS ASIDE) 23 THE COMMISSIONER: Excuse me I think I should say that if any of you 24 just a second. who have spoken today or will speak later decide later on 25 that you have something further to say, you are certainly 26 welcome to write me a letter at Yellowknife -- just write 27 to me care of the Inquiry at Yellowknife, and just add 28 anything to what you said here today, or what you intend 29

to say later today, and any of you who haven't

spoken and don't intend to speak because you haven't put 1 your thoughts together at this stage, feel free to write 2 me a letter at Yellowknife whenever you have got your 3 thoughts together and you want to say something about the 4 pipeline proposals. 5 6 The only thing I should add is that this is a public Inquiry and any letter you send to 7 me, though I will read it just as I listen to you, as I 8 am anxious to do when I'm here today, any letter you send 9 me I would allow the pipeline companies, the native 10 organizations, the environmental groups, the Chamber of 11 Commerce, and so on and so forth, to look at it because 12 this thing must be done in public where anything said by 13 any one of you can he challenged by anyone who wants to 14 dispute it. I just wanted to make that clear. Yes sir? 15 16 MR. DEAN: Sir, I've been sworn 17 in. THE COMMISSIONER: 18 Yes. 19 20 21 EARL DEAN resumed: I understand by 22 THE WITNESS: rumor that today the white man speaks, and tomorrow Dene 23 That might account for why so far there haven't 24 been too many Indian people speaking here today, and if 25 it isn't necessarily that they're drunk or that they are 26 incapable of stating their case. 27 28 THE COMMISSIONER: Could you 29 give us your name again, I'm sorry? 30 Α My name is Earl Dean.

1	Q Yes?
2	A And this afternoon I
3	listened to Mr. Black's philosophical arguments and it
4	made me think, and consequently I went back to my home
5	and wrote this thing. I listened tonight to a sermon so
6	if your Court could extend to me a certain amount of
7	indulgence, I'd like to table a poem into the hearing.
8	Across the river from my camp
9	I see the tug pushing barges upstream, down-wind.
10	They look like oil barges.
11	Across the sun is bright on the far bank on Gros Cap.
12	Wind and water are like money and friends,
13	They determine which way we'll go,
14	Even upstream if you've got diesel fuel.
15	In here now we talk of American money,
16	Of community, and disruption;
17	We will play a chess mind game
18	For some social ascendancy,
19	And the children look with wide eyes,
20	The ones that used to beg for dimes,
21	Beg for quarters from their dads.
22	Come, we'll make them beg for dollars
23	Because they're afraid of the white man,
24	The dead men.
25	Sing your death song, white men.
26	What? You have no song?
27	And you don't know when you'll die?
28	You are like us, and we are dead now.
29	It is not us who are like you,
30	The wide eyes, the empty eyes.

1	The eyes that cannot see.
2	Social impact indeed.
3	Go to the Queen, Miss Lonely Hearts,
4	Sit at her feet and tell her,
5	I have visited your far dominions,
6	The ones that we are about to sell to the Americans.
7	There is some question of ownership
8	But the natives defer.
9	They are trying to bargain but Caesar will be served.
10	Have you heard - The wheel turns,
11	The pawns, the chessmen, and the game;
12	I've mentioned the site.
13	Did I say anything about the hearing?
14	Let me teach you, Dene brother,
15	We'll exchange some money-paper for your land,
16	Your mother, you say, or your sister.
17	Now sit down here. How much do you want for Gros Cap?
18	I'll have the machines print it up.
19	Behave. We'll serve Molock for American money.
20	We'll send whores and solicitors to dance a
21	Yankee tune.
22	In our graves we'll know the warmth of decay,
23	The dinosaurs decayed, and they made diesel fuel.
24	The spirit of our ancestry is alcohol.
25	If you like, I can give you the written copy.
26	THE COMMISSIONER: Yes, would
27	you please, Mr. Dean? Thank you very much. That will be
28	marked as an exhibit.
29	(POEM BY EARL DEAN MARKED EXHIBIT C-193)
30	(WITNESS ASIDE)
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CHRIS HAMMOND, resumed 1 2 THE WITNESS: I'd like to say something in response to these people who keep talking 3 about the native people and the way they're getting they 4 are coining over to our way of life and sort of 5 abandoning theirs. 6 7 If we take a look at the impact 8 that we have placed upon these people, it's taken us almost 1,900 years from the time of Christ for us to come 9 to change and to accept this type of revolution 10 ourselves, and we have asked these people to do it up 11 here within less than 50 years, maybe 75 at the most. 12 It's thrown them into confusion, yes. A lot of them have 13 come over and a lot of them now are going back and 14 saying, "You have some things but a lot of it is wrongs" 15 And they say, "We have more in our way of life," so let 16 them have a chance, Don't -- you know, you say, "The 17 pipeline must come, we must be solid Canadians." 18 19 If we are to be Canadians we must not expect these people to surrender their way of 20 life, their customs, their traditions for some 21 22 commodity, an exhaustible commodity. It's not fair to ask them. Give them time to adjust and to accept both 23 ways of life, and maybe we have a lot to learn from 24 them. Maybe we should wait a while instead of saying, 25 "Let's shove the pipeline down the throat of everybody 26 here," maybe after they maybe when they come -- excuse 27 me, I think after they get a coherent life-style out of 28 what has happened, maybe we will be much happier to 29 live that life-style, all of us. So I think people 30

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asked that the pipeline hearings must finish on time. Jeez, speaking for a lot of people I say take as much time as you want because it's very important because everybody must be heard. There's no rush. I can't see the immediate rush, like I can't see the importance of money, you know, it's expendable, it has nothing to do with people in inter-action. We talk of a plastic society. It is rather coincidental that plastic comes from petroleum; but maybe it is more this plastic society the lack of the human dimension that the people of this Mackenzie Valley should hear more than anything. So I think take your time, Justice Berger, I ask you to take your time, and it's so important to take your time. have all kinds of time. Why are we in such a hurry? This land up here, the people argue over who owns the land. To me this land belongs to the children of generations to come. We are just the keepers of this land. We just keep it in trust and I watch as the land is slowly deteriorating deteriorates. We take a bit for this, we take a hit for that, and if we look to the south the land is slowly disappearing and I think that the land and human people are the same measure, and it is important that we remember this. You know, I have nothing against what we call progress and the harvesting of the wealth of 27 28 our -- of the land , But in so many cases people take so much from the land, like to get into the resource that they want they lay waste so much that the indiscriminate use

of the land bothers me. If the pipeline is to come, 1 let us to say in Canada that it was the first place that 2 we were wise in the use of our land, we were careful 3 with it, you know, because so far we haven't been. If 4 we look at every other aspect of our land, it's just 5 going to waste. 6 7 People say that the pipeline will only take up a small, small corridor maybe a mile 8 wide or something like this. But along with the 9 pipeline then we hear of a second and third pipeline, 10 and then we hear of service industries. Yes, it's 11 going to come down the Mackenzie, and this is where 12 most of the people in the Territories are, I hate to 13 see the day when I have to walk out my door and I say 14 to my neighbor, "I have to go 75 miles to get away 15 from it all." You know, I dread the day that ever 16 happens up here, you know, because today we can walk 17 out our back doors and in two or three or five minutes 18 we're out in the bush and the wilderness. 19 So I ask you to take your time. 20 I think it's very important. Thank you. 21 22 Oh, Justice, I would just like 23 to say one more thing. I always say one more thing. the working phase of the pipeline does become a reality, 24 I would like to see a forum instituted with copies, the 25 format of this Inquiry to follow the progress of the 26 pipeline as it goes near and progresses down the 27 Mackenzie and goes past the various settlements. 28 seems the large corporations have the tendency to say one 29

thing and then do another, and I think it is only

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through public airing of peoples' concerns that they should stick to what they originally said they were going to do. So I think it's important that an Inquiry like this go along with the construction of the pipeline, if it becomes a reality, and I hope to God it doesn't. But if it does I hope it is there because I think that is the only way that the impact of the pipeline will be cut to a minimum. Thank you. THE COMMISSIONER: Thank you, I should add that Mr. Hammond, we have three visitors today 10 from the Science Council of Canada, who came here to the 11 hearing, and one of them sat with me on the plane this 12 morning and made a suggestion very much like the one 13 you've just made. So I think that it's one that we 14 should give very real consideration to. 15 16 (WITNESS ASIDE) 17 THE COMMISSIONER: Well, we have got plenty of time, at least I have and if anyone else 18 would like to make a statement or ask a question. 19 Mr. Ivans? 20 21 22 JIM IVANS, resumed: 23 THE WITNESS: I've just got one comment I'd like to come back on. A lot of people say 24 "the large corporations, the big ugly thing, the big bad 25 guys," Well, almost every large corporation in this 26 country is a public company. I've bought a few stocks 27 and I've never been told any time that I can't buy stock 28 in a public company. That's your freedom as a 29

Canadian. If you want to own a large corporation, buy

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some of the shares. You know, it's not a big machine
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   sitting there, it's individual people, people like the
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   people who are here tonight, individuals, and that's what
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   makes up a large corporation.
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                              So let's consider that when we
   start knocking the giants. Thank you.
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                              THE COMMISSIONER:
                                                 Thank you,
   Mr. Ivans.
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                              (WITNESS ASIDE)
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                              RENE LAMOTHE resumed:
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                              THE WITNESS: My name is Rene
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   Lamothe, I have some -- I was sworn in this afternoon,
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        I would like to, I don't want to be a reactionary
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   here but I would like to give alternative, some
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   alternative ideas or ways of looking at some of the,
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   things that have been submitted this afternoon by Arctic
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   Gas, by Chamber of Commerce, Village Council, and to
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   raise some questions perhaps for the companies, for
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   yourself, maybe. I went home all excited from this and
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   wrote something too, it's not a poem, but it's very
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   disjointed, it jumps from topic to topic so you'll bear
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   with me.
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                              Everyone is speaking of spinoff
   benefits from the pipeline, shot-in-the-arm boosters
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   permanent employment situations, stabilized economy, and
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   all of this and more from a thread, and buried at that,
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   in a football field. The impact of this thread will be
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   both good and bad, but Arctic Gas would minimize by
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   ceding to local demands wherever necessary.
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                              The impact, it is implied would
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not be disrespectful of local people's requests or demands. It would bow to local requests inasmuch as is possible, but we are not told how much is possible in the light of the applicant's plans. Perhaps it can't bow at all.

Contact with local communities is to be non-existent unless the worker is from the local community, yet Arctic Gas would have a road linking its camp six miles across the Mackenzie to a dock immediately across the river from Fort Simpson, I would ask what measures will be taken to keep men at the camp from town that were not taken by Hire North and the American Army because both the American Army and Hire North have in the past made the same promises on their way through, and both have left behind broken homes, unwed mothers and orphans.

We have been fed on numerous occasions the myth that the industrial economy is good for us that services like highways, railroads and pipelines are innately good for us, and no one has yet demonstrated how. Since the highways have come in, trucks are carrying freight, and the freight costs have more than doubled in the north because of this. Railroad made Western Canada dependent on the east, and the pipeline would do the same thing here to us.

It's interesting to note that the two people who spoke on behalf, one of the Chamber of Commerce in Simpson and the other for the Village Council or his own opinion--I'm referring to Gary -- are both from Toronto and perhaps their view of the

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economy of a railroad or of a pipeline is the psychological view that is raised in them in Toronto. The railroad was very good for the east, but it drained I was raised in a the west. You ask a westerner. railroad town in the west, and all the communities around the railroad town became very wealthy, and the railroad town that I was raised in, the artificial economy of a railroad maintained a standard of living, you know, we didn't go hungry but it's not a realistic or it's not a stable, it's not a permanent type economy because it's not produced there. It's there to drain the area. The assumption that native people will adapt and benefit from skilled development is ignoring both the experience of the immediate past and the psychological orientation to life which is the result of centuries. I was instrumental in Northern Alberta, 11m a native of Northern Alberta, Metis. I have a background in social sciences from the University of Alberta, philosophy from the University of Ottawa, and have done studies with my own people in a cultural education program and we have found that it takes at least five generations to change the psychological orientation of a people's way of life. The economy in the first generation of my people's move into the Northern Alberta area in which I'm from, immediately demanded that the people change from a tribal community of over 5,000 teepees into small family groups as you have among the Athapaska here. But five generations later you still have Cree people teaching their children a tribal way of

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life, a discipline for a tribal way of life and not for a small family group way of life, as is the existence among the Athapascans. It's an interesting observation in the light of the expectation that people are making upon the people here that, "Oh you know, it will take a little time, you know. Go to work for three years and you're going to be a skilled operator and you're going to want to work seven hours, seven days a week, 12 hours a day for the rest of your life and have a week off now and then."

The assumption is ignoring too The pipeline, like Hire North, may be accepted as a year of good hunting, and the excess cash flow will allow much feasting and partying, but in the mind of the people the way of life will still exist psychologically, it's still back there. Yet not finding it when the pipeline is gone, with expectations of wages as high as they have been because of the pipeline or because of Hire North now; when the work is done on the pipeline, as it is now in Hire North apparently, you will have netted on one hand a gas to permit an extension of a dying industrial economy in the south, and you ask the leading industrialists unless the Club of Rome are crazy, that it is dying, that it can't continue to exist at its present level, that it is going to have to change into something else, that people are going to have to find alternative ways of life, that cities people in cities are going to have to start bussing at least instead of one individual in every car. going to have that, on one hand, gas to permit a lot of

cars on the streets in the cities in the south, and on the other in the north you're going to have a very frustrated, a disoriented, and perhaps a very angry people.

The myth that the south is applying tremendous pressure is also misleading, and I say it's a myth. 'Perhaps more close to the truth is the pressure that the applicants for pipelines are attempting to arouse with political moves and the media, will not accept -- these applicants will not accept to look at available alternatives to energy, to power in the south because the alternatives are not saleable, such as the wind and the sun.

Fusion is saleable. Nuclear power is saleable, but we have to wait 20 or 30 years till we can expect that, and we haven't got atomic waste to create radiation sicknesses. But immediately right now we have alternatives that are technically possible and again they demand a change, a modification to the way of life, Again they demand that we have to be more realistic in who we are as human beings, in fact we are not Olympians. Perhaps the more sedentary, sedate type of life, yet vigorous, but you can't sell the wind.

One day they might find out a way to do it, though, just as they found out a way to sell the land. It's as foreign to an Indian mind to sell land as it is to sell the wind, so maybe one day they can do that, I don't know.

By requesting a pipeline

to attain political autonomy as suggested by the Chamber 1 of Commerce in Simpson is perhaps putting the cart 2 before the horse. By keeping our natural resources and 3 using these resources to barter with Ottawa we will 4 realize more political power. So I don't say that it's 5 done intentionally to create a myth, to say that without 6 the pipeline we can't have independence, we can't become 7 -- I don't mean by "independence", independent of 8 I mean a province. The tools that the 9 provinces are using right now to maintain their power, 10 their autonomy from Ottawa are precisely their 11 resources. It's the steel of the east that made the 12 east so powerful, and now it's the oil in Alberta that's 13 making Alberta so powerful. 14 But we want to give all our oil 15 away so that we can have a provinces it's crazy. Or 16 17 that's my opinion. I have yet to hear the premise 18 for the philosophical base supporting the pipelines One 19 of the things they taught me about philosophy is that if 20 you have a philosophy, if you have a very basic concept 21 upon which your whole philosophy is based, and that 22 concept is called a premise, the first idea from which 23 you move, and it's unfortunate to note that immediately 24 after it was indicated that a presentation was to be 25 philosophical, the first five words were: 26 "Ignorance, discard, frustration, anger, chaos," 27 And if that's the premise, we have anarchy. 28 29 Once the borders are set, the

choices, the options from which to choose are immediately

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limited. I'm referring to the fact that when you channel, when you direct your thinking economically or politically or otherwise along one way, and you decide and you start moving along that way, then that way binds you. Whether that way be the traditional native or the pipeline industrial, it binds you. But I submit that because of the structure of the industrial economy being controlled by the multi-national corporations right now, whose loyalties are not Canadian or U.S. or otherwise, they are multi-national, I.T.T. is loyal to I.T.T. Exxon is loyal to Exxon, whether the Board of Directors of Arctic Gas be all Canadian or all South African, is immaterial; their loyalties reside with the multinational corporation or they wouldn't be on that Board. So we shouldn't play these games to confuse people because when you've confused people to the extent that they allow you to lead them into a channel, then your options are limited. I might even submit that to pretend that there is a philosophical base for a pipeline is to ignore the meaning of the word "philosophia", which means the love of wisdom; because to place one value judgment on top of another I fear a pipeline in particular is a very unwise move economically, politically, and socially. It places power in the hands not of Canadians, but of a multi-national corporation. removes initiative from local people because by permitting them a temporary artificial well-being such as the railroad did to some people, they are not producing

their own -- the basis from which they live, they are

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not producing it. They are serving a system which is paying them cash which permits them to purchase goods which is produced by somebody else; and the moment they stop serving that system, the cash stops flowing and they have to start producing their own goods to subsist. Again, an alternative life where people produce what they use to live. We say we don't want to go back to the traditional way of life. My wife is closer to that than I am, and she says that, and I agree with her; but I also recognize that the industrial economy can't provide a future for my son, and that if I can't be honest with myself to be able to give him alternatives, he's going to curse me and justifiably so. The development of the economies of the world through participation in the industrial complexes of multi-nationals has demonstrated to many independent nations in the so-called third world that in fact they are being enslaved economically instead of politically, and that the economic slavery is more binding than the political one was. So you have communities like Tanzania who are saying, "No industrial development: until we develop it ourselves, and we can't develop industrially until we've developed agriculturally because if we can't feed ourselves, who do we rely on to feed us? And the man who feeds us is going to say how we live before he will feed us," The wage-earning economy in that sense is, an artificial economy, It creates a false sense of well-being. The well-being resides in someone else.

So you have cocktail parties and barbecues, and you be

nice to each other, and there's nothing wrong with that. But it's so demeaning that when you go home you take it out on your kids, unless you've been so attuned to it by your background that you don't know that it's demeaning any more.

This artificial well-being removes people from vigorous activity, creates a sense of inertia, and you have people in this community who can substantiate that. People who boast that they work at Hire North and they sleep in a truck and somebody else, drives them around and they make 9.50 an hour, and they can claim 16 hours a day, and they're not going to go to work building houses any more because they can work for Hire North, But Hire North got shut down, and perhaps that was a political move too. You have no highway to employ you now, if you don't have a pipeline what are you going to do for a living? You see how you get hooked? Pople sit around waiting for big brother to take care of them.

If this land is to be a place in which to live vigorously and with self reliance, a place better than the south, as is submitted by people who come from the south not too long ago, a place in which to make choices for a way of life, choices that aren't bound by a pipeline or by a traditional way of life, but the kind of choices that industrialists were able to make in Texas and go out and put up 2 x 4 scaffolding and start drilling for oil, a place of wisdom, a place of humanity, then we mustn't be caught up in the rat race of the south.

1	It is true that might has often
2	in the past proven to be right. It's not true, although
3	might is right for' the powers that be; but if Canada
4	would view us in the north as brother Canadians and
5	Canada's justice cannot stand on Machiavellian principle
6	or imperialism of any other description because might is
7	not necessarily right, or what is its justice system
8	worth?
9	That's all I have, sir.
10	THE COMMISSIONER: Thank you
11	very much, Mr. Lamothe.
12	(WITNESS ASIDE)
13	MR. ERION: I've already been
14	sworn in.
15	THE COMMISSIONER: Yes, oh I
16	know. Go ahead.
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18	GORDON ERION resumed:
19	THE WITNESS: One thing I would
20	like to sort of detail for my learned friend that just
21	spoke is that even though he studied philosophy and
22	social studies and various other things, one of the basic
23	premises in the Canadian democratic system is economics
24	and in order to become part of that system, the north
25	will have to have an economic base.
26	Now it's been stated earlier
27	today that there is 1.4 million square miles in the
28	Territories, of which 900,000 are water and a great
29	number of the others are ice. That doesn't leave too
30	much land for a land-based economy, so what we have to

do is to search under that land to find the resources in which to form an economic base.

I was not suggesting in my early remarks today that we trade the gas that we have for political autonomy. What I'm saying is that it is a tool of an economic base in order to create a political autonomy. I'm not suggesting to any degree that we sell the north to the south. It's a matter of barter. There are manufacturing goods that we require from the south that we will trade for resources from the north.

One of the other things that he mentioned was that the industrial world is slowly crumbling with the inflation rate in the past couple of years and all the problems of gas shortages and whatnot, that may appear to be so although there still seems to be, a fair amount going on and companies are not falling down. I really don't see that it will take place or that another system must be found for our sons or daughters. This one has been working for 2,000 years, or been developed and is now working after that period of time, and I think it needs some perfection but I'm sure that it can go on.

One of the other things that Simpson as a community of several walks of life, even though I am from Toronto I have been here for four years and I'm fairly conscious of the social aspects of this town. We have sort of two separate entities, one being, native and one being non-native, and with all the sort of news attention n the north lately, it seems that

every little thing that comes up in the north becomes a 1 racial issue, which is quite disturbing for local 2 residents, both natives and non-natives. 3 The representatives of our 4 organizations make it into a racial issue and there is a 5 lot of bickering and mud-slinging going on back and 6 This doesn't seem to be accomplishing anything 7 other than making a lot of headlines in the south. 8 think maybe if prior to construction of a large project 9 such as this, and prior to the creation of some political 10 entity for the north, the first thing we have to come 11 together is on a sort of social agreement that we're here 12 together, that we're living together, and that some 13 combination of land base and resource base economy must 14 be worked out, and possibly the sooner we can create a 15 philosophy and a premise to work from on this the sooner 16 we can get this communication started and something 17 worked out. Otherwise we're probably going to waste your 18 time and future hearings' time, and a lot of Government 19 of Canada money until, you know, we can finally sit down 20 at a table or some situation and agree or sort of 21 compromise a number of these social issues which seem to 22 be prominent in our community. 23 I would like to suggest to Mr. 24 25 Lamothe that the Chamber of Commerce is certainly open there. 26 27 THE COMMISSIONER: Thank you, 28 Mr. Erion. 29 (WITNESS ASIDE) 30 THE COMMISSIONER: Yes, sir?

ARTHUR LAMOTHE resumed: 1 2 THE WITNESS: Mr. Berger, my name is Art Lamothe and I've been sworn in. 3 I think what I'd like to do is 4 I'd like to record my silence, you know. I'm in Simpson 5 for three weeks and I drove here from Ottawa across 6 beautiful Canada and I love every bit of it, and I'm 7 starting to love Simpson. I even like the things that 8 I'm hearing here that indicate to me that there is a good 9 life to be lived in Simpson, some exciting things 10 happening, there's factions and where there's factions 11 there's always fun, you know. We won't have to watch our 12 T.V. all that much to get by. 13 That's great, and yeah, but how. 14 I'd like to record my silence is on the question of the 15 pipeline. To that I feel silent. Within the last year 16 you know, I've read, I've deliberately set aside a lot of 17 theoretical things and I just started reading newspapers; 18 and I listed in my head very quickly the fact that 19 there's been much said on the world food crisis in the 20 last year. There has been a lot said on the world 21 population crisis in the last year. There's been a lot 22 said on the world energy crisis in the last year. 23 have a transportation crisis that is just beginning to 24 hit the scene, and someone in Ottawa tried to patch it up 25 and we have an ecological crisis, again a world 26 ecological crisis to a great extent, you find things like 27 aerosol cans and mercury pollution and this type of a 28 thing, and we have a couple of men here who have that as 29 their central concern. We have world political

crisis. We have Mr. Kissinger flying back and forth, 1 scoring one now and setting up very good agreements and I 2 thought he did that two months ago, and I thought he did 3 that ten months ago, you know, and there's other 4 political crisis that are growing in importance. 5 6 We have an urban development crisis and certainly we do have, and I'm sure that the 7 people from the oil companies and the gas companies who 8 have their fingers on the pulse and the demands of our 9 larger cities realize much more fully than I do what, you 10 know, the implications of that type of a crisis is as far 11 as just simply feeding with resources. 12 We *have a growing crime problem in the world, throughout the world, 13 we've been aware of that with hijackings and with the 14 crime rate rising in Canada. We even have such thing as 15 zoological crisis where we seem to have tribes viewing 16 with tribes, be they tribes that could be called nations 17 whether or not this tribe called Canada is going to let 18 that oil get down to the tribe called Americans, or 19 whether or not the tribe called Arctic Gas is going to 20 get their hands on the gas instead of the tribe called, 21 you know -- or whether or not the native tribe in this 22 country is going to be able to say, "No, that gas is 23 ours," or whether or not the white tribe can say, "Look, 24 4 we can take advantage of this." 25 You know, we do have the tribal 26 thing, and then with all this and many other crises, you 27 ask me the question, "Should that pipeline go through. 28 29 You know, and I officially want to record my silence. 30 THE COMMISSIONER: Thank you, sir

1	(WITNESS ASIDE)
2	THE COMMISSIONER: Yes sir?
3	
4	RAY MICHAUD sworn:
5	THE WITNESS: Mr. Berger, I
6	wasn't elected by any group. My name is Ray Michaud, I'm
7	here on behalf of myself and also as a member of the
8	Chamber of Commerce. I have been at the meetings since
9	this morning this afternoon, and one of my biggest
10	problems is speaking in public so forgive me for shaking.
11	What I have to say, I'm afraid I
12	won't be able to do it in words, so I'd like to do it in
13	a story, and I would like to start off by trying to
14	define the word "development" in my own opinion.
15	We will start off by the lowest
16	base of development and we will take a small creek as an
17	example, that flows into a small pond. No one man has
18	been walking through the bush and accidentally comes upon
19	this pond and therefore makes his great discovery of his
20	own private little spot where he can go alone and on warm
21	days, bathe and cleanse himself.
22	But as nature usually follows,
23	he has to tell another person and show him his great
24	discovery, and therefore two arrive at the pond and
25	this continues on till you have another man who arrives
26	at the pond with one case of beer, and as I stated,
27	this is a small pond. This man is going to quench his
28	thirst. Instead of picking up the bottles he disposes
29	of them to the pond and therefore ruining the swimming
30	area

1	This gradually then becomes a
2	party pond where groups of people come on weekends to
3	enjoy themselves, therefore disposing their litter and
4	their beer bottles, and resulting in destroying the
5	environment which results in the concern of the
6	community, so they therefore make up a sign saying:
7	"Pond condemned because of pollution." And that is
8	development, as far as I'm concerned.
9	Now I am in favor of the
10	pipeline, and I am in favor of the highway; but one of
11	the things that I cannot stress enough is that in
12	development we should also teach people how to respect
13	their land. Thank you.
14	THE COMMISSIONER: Thank you,
15	Mr. Michaud.
16	(WITNESS ASIDE)
17	
18	CHRIS HAMMOND resumed:
19	THE WITNESS: I'd like to direct
20	a question again towards Council, Village Council, You
21	say you have plans for a sewage treatment plant. Does
22	this include treatment or just dumpage of raw sewage into
23	the Mackenzie?
24	THE COMMISSIONER: Well, Mr.
25	Black, you don't have to answer that if you don't want
26	to. This isn't a discussion of the Council's plans for
27	sewage treatment.
28	MR. BLACK: Fortunately it isn't
29	too difficult to answer.
30	THE COMMISSIONER: Go ahead,
-	·

1	that's the easy way cut.
2	MR. BLACK: Our present plans
3	call for lagoon system on the mainland.
4	THE COMMISSIONER: Well
5	
6	MR. BLACK: As opposed to our
7	present system of dumping directly in the Mackenzie
8	River, which we don't like either.
9	THE COMMISSIONER: all right.
10	Well, mark that down in the transcript
11	•
12	THE WITNESS: Thanks, Gary.
13	(WITNESS ASIDE)
14	THE COMMISSIONER: Well, would
15	anyone else like to make a statement? Just while you're
16	collecting your thoughts we will take a 5 minute break
17	and anyone else who wishes to speak may do so after that.
18	
19	(PROCEEDINGS ADJOURNED)
20	(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)
21	THE COMMISSIONER: Well, we'll
22	call the meeting to order again, ladies and gentlemen,
23	and ask if there's anyone else who wishes to make a
24	statement or ask a question before we adjourn? Well, I
25	yes sir?
26	ARTHUR LAMOTHE resumed:
27	THE WITNESS: Mr. Berger, I'd
28	like to do two things. First I'd like to ask if one of
29	the fellows if someone from the companies has an
30	estimate say I'm talking about oil how much of the
	'

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oil that comes out of the well-heads in North America,
   what percentage of that is used in cars? Is that a figure
2
   that's fair to ask? Is there an estimate of what's burned
3
   in vehicles, cars?
4
                              MR. WORKMAN:
                                            There is but I
5
   don't have it.
6
7
                              THE WITNESS:
                                            Would you venture
   a guess?
8
9
                              THE COMMISSIONER: Do you want
   to venture a guess, Mr. Workman?
10
11
                                   WORKMAN:
                                             I '11 venture a
12
   wild guess, the yield on an average crude oil of gasoline
   of maybe 30-35%.
13
                                            35% of the crude
                              THE WITNESS:
14
   would --
15
16
                              MR. WORKMAN:
                                            30 to 35% of the
17
   crude could go into motor gasoline, and that's just a
   figure off the top of my head.
18
                              THE WITNESS: All right.
                                                        I want
19
   to -- thank you. I want to do a little exercise on the
20
   car. It's kind of a personal exercise and I'm kind of
21
22
   proud of it, so I show it off on occasion.
23
                              One time I decided I was going
   to be a transportation technician, you know, and I
24
   wanted' to figure out how to build myself a car that
25
   would really give me good mileage, so I started designing
26
   this car and it was getting more and more complicated It
27
   was a steam car, you know, run on steam, and I spent I
28
   don'tlow how many hours kind of designing it and then,
29
   well there was a few technical problems that
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I couldn't work out, I scrapped the idea. Later on I said, "How many hundred hours did I spend on that idea?" You know, and I guessed about 800, so I said "O.K.,-- now reading and drawing little plans, now if I were to build the car how many hours would I spend building that car?" And then repairing that car, O.K., so that it could get me from Point A to Point B.

Now would I not have been better off to not even have planned it, and not have built it, and not have repaired it, and simply just walked? Like it would have maybe taken me, I don't know, it takes a man an awful long time to build an airplane down in Us cellar, like they estimate 4,000 hours or something. So I figured O.K. now, let's just blow this up and let's plan a car for the world, I'm Mr. Ford, the first car, you see, and I'm going to build all the cars for the world as long as people want to ride in cars.

So I say, "No, I'm North America. I'm North America from 1900 to 1975." O.K. Now North America puts man hours into building cars in order to make people move 65 miles an hour. We all spend many hours about cars. Now I'm going to show you how many hours we spend.

You got to take all the hours that all the people who work for all the gas companies in all the positions, 30% to 35% of their time is invested into the cars that move in North America, managerial to research to roughnecks. All the hours that are spent 30% of all the hours that are spent in all the seismic

lines in North America. 30% of all the hours spent building all the machinery that wore down looking for 2 that, doing the seismic work; O.K.., so 30% -- I am going 3 to repeat it -- 30% building all the derricks, 30% doing 4 all the drilling, 30% digging out all the steel c, do all 5 the drilling, 30% building all the pipelines, 30% 6 repairing all the pipelines, 30% building all the 7 8 compressor stations, 30% pumping all the men into the pumping business, 30% of the refining, 30% to building 9 the refining, 30% to build -- all the hours that go into 10 building the roads that are used for cars, all the hours 11 that go into setting up all the garages on the corners of 12 the streets, all the hours that go into training the men 13 that run the garages, all the hours to training the 14 salesmen, and all the hours that they spend selling those 15 16 cars.. 17 O.K., so we can run all the oil thing, you can run all the car thing with the 18 insurance, with the legal systems around it, you wind 19 up, if you just did the oil thing it says when you buy 20 the car 65 miles an hour, but say 80% of them are in the 21 city maybe doing 20 miles an hour, the balance are on 22 the highway maybe doing 55, it's become a little slower 23 lately, it might give you an equivalent of 23 miles an 24 The car is actually maybe doing 23 miles an hour. 25 hour. However, you take all the man 26 hours that go into the oil right down to the refining to 27 28 the sale, that most likely knocks it down another 10 29 miles an hour, you take all the hours that go into building the car and finding all the minerals and doing

all the training and setting it all up, it takes it down 1 maybe another 10 miles an hour, so the car might be doing 2 3 miles an hour. 3 During that hour you happen to 4 be sitting in that car driving it, during which time you 5 can walk 3 miles an hour. 6 Now there's something that has 7 to be said for your feet, you know, good old natural 8 competence, because it's most likely faster for the total 9 population if we were walking. 10 That's a spooky realization in 11 12 itself. The next realization that one 13 must make is that whenever I think of a car I say, "Well, 14 we need safer cars. What we need is cars that run 15 further on a gallon of gas. What we need is faster cars. 16 What we need is better roads for our cars" 17 You know, that's what I'm 18 saying. 19 I'm stuck, I'm saying, "I need a 20 car. I want a safer car, I need a car. I want a faster 21 22 car, I want a car And I'm trapped into that system, and I don't know that it works. 23 Now I'm only knocking the car 24 here as a means of public transport, especially in the 25 I think that, you know, a farmer if there's no 26 public transport tax goes out to his back yard, he ought 27 to be entitled to some form of a steam car that somebody 28 might build for him. Do you follow what I mean?, I 29 haven't worked out all the mathematics, but I figure

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that maybe this age that's supposed to be so technical,
1
   so advanced is actually it's not what it's cracked up to
2
   be, and so I'm breaking my silence. I'm saying --
3
                              (LAUGHTER)
4
   I'm saying, "Why don't we all walk around a little bit?"
5
   If we walk around we might have a little bit more time on
6
7
   our hands.
                              THE COMMISSIONER:
                                                 Well, thank
8
9
   you.
                              (WITNESS ASIDE)
10
                              THE COMMISSIONER:
11
                                                 Yes sir?
12
                              VOICE:
13
                                           Mr. Berger, I would
14
   like to reply to the last speaker. We arrived in Fort
15
   Simpson on Thursday night from Halifax. Thank God we
16
17
   didn't have to walk.
18
                              (LAUGHTER)
19
                              MR. A. LAMOTHE:
                                               Yes, I feel
   that way, too. I drove from Ottawa and I pulled our car
20
21
   behind my truck.
                              (LAUGHTER)
22
                              THE COMMISSIONER:
                                                 Well, I think
23
   that we'll abandon that argument for the moment.
24
   sir?
25
                              CHARLIE MacDONALD, sworn:
                              MR. MacDONALD: What I have to
26
   say is going to be fairly brief. It appears to me from
27
   what I've heard from all the Inquiry aim the news media
28
   and that, the only people who want this pipeline are
29
   the white men with money and power, who will benefit
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from such a line, while the poor people do not really 1 want it and are happy with what they have. 2 I just look around Simpson and I 3 see what development, what damage it's done to this place 4 so far, and I'm just wondering, will the pipeline help 5 this place? People talk about development, but look what 6 7 it's done to the people. I don't have anything more to 8 say except that I can see the only people benefiting are 9 the white people who will gain more. The people that 10 have nothing, they don't want nothing. They don't want 11 it, and it's just going to damage their way of life. 12 hasn't helped Simpson so far. Thank you. 13 THE COMMISSIONER: Thank you. 14 (WITNESS ASIDE) 15 THE COMMISSIONER: Well, is 16 17 there anyone else who would like to make a statement this evening? 18 19 MISS CHRISTINE COUSINEAU, sworn: 20 THE WITNESS: My name is 21 22 Christine Cousineau, and it seems that every time I got it together to get up and talk tonight, someone got up 23 before me and said what I wanted to say much better than 24 I ever will, and I'm referring to Rene and to Father 25 Posset and to Earl Dean and to Charlie; but I just want 26 to say that I cannot support the pipeline for the 27 reasons that the native people don't support it, and I 28 believe that if anyone should be listened to in any of 29 these hearings it should be the native people because

this is their land, it's not my land, it's not the 1 Federal Government's land, and they should have the 2 choice whether a pipeline goes through or not. 3 I can only see that a pipeline 4 is going to bring more damage to Fort Simpson and to all 5 of the Northwest Territories. I left the south because I 6 wasn't happy with the situation there, and I came to the 7 north because I realized that the north hadn't reached 8 the point that the south has, and I hope it never will. 9 I really strongly, strongly feel that there shouldn't 10 be a pipeline and that that isn't the development the 11 north needs, and the people aren't ready for it either. 12 That's all. 13 THE COMMISSIONER: Thank you 14 very much. 15 (WITNESS ASIDE) 16 17 THE COMMISSIONER: Well, I think we've had a very useful afternoon and a very useful 18 evening, and let me say that the statements that you have 19 made and the views you've expressed are just as important 20 to me as statements made and the views expressed at the 21 22 formal hearings in Yellowknife. 23 The formal hearings are where we hear from the engineers, the biologists, and the other 24 experts who have made a study of the north, the work of, 25 in many cases, a lifetime; but I am just as concerned to 26 hear what you people who live here, and ho intend to live 27 here in the future, have to say; and that's why 28 everything you've said has been taken down and that's 29 why I hope you will realize that even though

your own contribution to the discussion may seem to you a small one, it's important to rap. because it assists me in understanding the whole problem. One of the people who spoke said that he didn't really think that I could understand this whole problem by coming to Fort Simpson for two days, and I suppose he's right; but I have to do the best I can and I'm grateful to all of you for the help you've given us today. We'll adjourn then until tomorrow and the hearing will reconvene tomorrow at one o'clock in the afternoon at the LaPointe Hall, and we'll carry on tomorrow afternoon and tomorrow evening there, and you're all invited, as far as I'm concerned, notwithstanding what one of those who spoke tonight said. You're all invited to attend, and we'll adjourn then until one o'clock tomorrow at LaPointe Hall. (PROCEEDINGS ADJOURNED TO SEPTEMBER 9, 1975)