

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)

Vancouver, B.C.
May 10, 1976

PROCEEDINGS AT COMMUNITY HEARING

Volume 49

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APPEARANCES

Mr. Ian G. Scott, Q.C. Mr. Ian Waddell, and Mr. Ian Roland	for Mackenzie Valley Pipeline Inquiry
Mr. Piere Genest, Q.C. and Mr. Darryl Carter,	for Canadian Arctic Gas Pipeline Limited;
Mr. Alan Hollingworth and Mr. John W. Lutes	for Foothills Pipelines Ltd.;
Mr. Russell Anthony and pro. Alastair Lucas	for Canadian Arctic Resources Committee
Mr. Glen Bell, ries	for Northwest Territories Indian Brotherhood, and Metis Association of the Northwest Territories.

INDEX Page

WITNESSES:

Fred SCRIBNER	3575, 3615
Allan HOVI	3577
Peter USHER	3583
Gordon DAHL	3604
Len CARDINAL	3606
Scott LANG	3612

1 Vancouver, B.C.

2 May 10, 1976.

3 (PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

4 THE COMMISSIONER: Ladies and
5 gentlemen, I want to welcome you to the first of a
6 series of hearings that the Mackenzie Valley Pipeline
7 Inquiry is holding in the provinces of Canada. We
8 intend at these hearings to give the people who live in
9 the provinces an opportunity to express their views on
10 the subject of this Inquiry.

11 We in Canada stand at our last
12 frontier, and we have some important decisions to make,
13 decisions for which all of us will share a measure of
14 responsibility. Two pipeline companies, Arctic Gas and
15 Foothills Pipe Lines, are competing for the right to
16 build a gas pipeline to bring natural gas from the
17 Arctic Ocean to Southern Canada and the United States.

18 The Government of Canada has
19 established this Inquiry to see what the social,
20 economic and environmental consequences will be if the
21 pipeline goes ahead, and to recommend what terms and
22 conditions should be imposed if a pipeline is built.

23 We are then conducting an
24 Inquiry about a proposal to build a pipeline along the
25 route of Canada's mightiest river, a pipeline costlier
26 than any in history, a pipeline to be built across our
27 Northern Territories, across a land where four races of
28 people (white, Indian, Metis and Inuit) live, where
29 sever different languages are spoken, the first
30 pipeline in the world to be buried in the permafrost.

1 | Jim Sittichinli. who broadcasts in Loucheux; Louis
2 | Blondin, who broadcasts in Slavey; and Joe Toby, who
3 | broadcasts in Dogrib and Chipewyan. Now I will ask Mr.
4 | Ian Scott, who is Commission counsel, to outline the
5 | procedure we want to follow this evening

6 | MR. SCOTT: Mr. Commissioner.
7 | I thought it might be useful at this stage to outline
8 | for those who are here the procedure that we intend to
9 | follow in Vancouver and in the other cities of Southern
10 | Canada that we will visit in the next few weeks,
11 | because it will differ slightly from the procedure that
12 | has been followed in the formal hearings at Yellowknife
13 | and in the community hearings that have been held in
14 | the 28-communities up the Mackenzie Valley and the
15 | Mackenzie Delta.

16 | The procedure has been
17 | designed by us with the assistance of counsel, who act
18 | for the major regular participants in the Inquiry, to
19 | ensure that the proceedings will be as informal and as
20 | relaxed as possible, hopefully guaranteeing that it
21 | will be possible for you to make your submissions in
22 | comfortable way. The atmosphere of this mini-
23 | Versailles in which we find ourselves is somewhat
24 | different from the atmosphere, Mr. Commissioner, in the
25 | Explorer Hotel in Yellowknife. It works a little
26 | against that, but I think we can overcome it.

27 | I should say first of all
28 | that we propose regularly to sit three sessions a day,
29 | a morning session, an afternoon, and an evening session
30 | Before these hearings in Southern Canada began, we

1 | advertised in newspapers in all the principal cities in
2 | Southern Canada asking those who wished to make public
3 | submissions to write or telephone us in advance,
4 | indicating their intention. The purpose, of course,
5 | was so that we would have some idea of the numbers of
6 | persons who wished to be heard by the Commissioner, with
7 | a view to allowing us to allocate the time required in
8 | Southern Canada and allowing us to map out a timetable
9 | in each particular city. As a result, the people who
10 | responded to our ads and wrote or telephoned us, have
11 | been given appointments and will be appearing before
12 | the Commission at one of the sessions each day. I want
13 | to emphasize, however, Mr. Commissioner, because know
14 | it's your view that the purpose in giving appointments
15 | is not to close out others who may want to make
16 | submissions to the Inquiry, although they have not
17 | responded to our advertisement. It therefore follows
18 | that if anybody here or elsewhere wishes to make a
19 | submission to the Inquiry, we are anxious to hear from
20 | him or her and a submission can be made in one of two
21 | ways:

22 | · If you wish to make a written submission, no matter how
23 | informal, you may do so by writing to the Mackenzie Val-
24 | ley Pipeline Inquiry in the City of Yellowknife, the
25 | Northwest Territories, at any time before the Commis-
26 | sion's report is made.

27 | · If you wish to be heard in person at a hearing in
28 | Southern Canada and have not given notice to us, if you
29 | would be good enough to speak to me or to Mr. Waddell,
30 | who is seated at the small table at the other side of the

1 room, sometime this evening. We will do our best to make
2 it possible for you to make an oral submission to the In-
3 quiry when it's here in Vancouver.

4 I should emphasize that the
5 persons who will be making submissions in Southern
6 Canada will, by consent of counsel, not here be
7 subject to cross-examination. However, to ensure
8 that each of the participants who wishes to do so is
9 entitled to comment on the submissions that have been
10 made, we have made it clear that at the end of each
11 session each of the participants will be allowed ten
12 minutes if they elect to use it to respond to what
13 has been said.

14 Now seated in front of me are
15 a number of counsel, and supporting staff of the
16 regular participants, and they include of course
17 parties who have participated not only in all the
18 community hearings but in all the formal hearings at
19 Yellowknife, and among them are, of course, the counsel
20 for the two applicants, Canadian Arctic Gas Pipeline
21 Limited and Foothills Pipe Lines Ltd., counsel for the
22 Canadian Arctic Resources Committee, a consortium of
23 persons and organizations interested in the
24 environment, counsel for the Northwest Territories
25 Indian Brotherhood and Metis Association; counsel for
26 the Inuit Tapirisat of Canada and the Committee for the
27 Original Peoples Entitlement; counsel for Yukon
28 Indians; and not present tonight but present on other
29 occasions, counsel for the Association of
30 Municipalities of the Northwest Territories and the

1 Northwest Territories Chamber of Commerce.

2 When the submissions are
3 called we will ask the person making the submission
4 whether it be formal or more lengthy to take his place
5 at the table with the microphones. He will be asked to
6 take his oath or to affirm. The purpose of doing that
7 is because it is a practice we have followed not only
8 at formal hearings, but in the community hearings as a
9 testament of the importance of the matters that the
10 Inquiry has to consider.

11 Now, Mr. Commissioner, that's
12 all I have to say and I think we're ready to begin, if
13 you please, and the first submission is to be made by
14 the Reverend Wes Maultsaid, education officer for the
15 Inter-Church Committee for World Education Development.
16 Mr. Maultsaid.

17
18 REV WES MAULTSAID sworn:

19 THE WITNESS: I don't really
20 remember the last time I was in such an informal and
21 relaxed atmosphere, I felt so comfortable, and I
22 wondered how come I was first on the list for this
23 evening, and then I see that right after me is the
24 Bishop and then I see she brought the Bible, so I
25 suppose that's a precedent for the hearing.

26 It's an Act of God, some
27 said, as the drought swept over the countries which lie
28 across Africa at the southern edge of the Sahara. At
29 least 200,000 people died and thousands of children are
30 permanently damaged because of severe malnutrition in

1 | early childhood. The response, immediate sympathy and
2 | a desire to help.

3 | But as we heard more facts
4 | from the U.N. and the F.A.O., we learned not only was
5 | the drought predictable but also ample water is
6 | available below the surface. When we probed deeper, we
7 | discovered four main crops in the Sahel: ground nuts,
8 | cotton, sorghum and millet. Of the first there are
9 | 1,200, varieties developed to be drought-resistant. Of
10 | the second, production went up between 4% and 10%
11 | between 1964 and 1974. But what about production of
12 | sorghum and millet, the staple diet of 80% of the
13 | population? It has risen slower than the increase of
14 | population. Why the disparity? Peanuts and cotton are
15 | for export, . and of concern to the western world.
16 | Sorghum and millet are merely the staple food of the
17 | people . Vast amounts of investment, of technical
18 | skill, of irrigation, and of research have been applied
19 | to the former, and none to the latter.

20 | The Act of God turns out to
21 | be an act of persons, and our response of sympathy and
22 | relief grows, into a concern for justice. What began
23 | as a concern for people over there, turns out to be
24 | about us. We are involved because of who we are and
25 | how we live. We give this example to point out the
26 | general endemic injustice that works not only between
27 | the rich countries and the poor, but within each
28 | country between those who are in the main steam and
29 | those who are not.

30 | The present world order is

1 | characterized by the maldistribution of wealth and
2 | control of resources by a small minority. In the so-
3 | called Third World, this order emerges from a history
4 | of colonialism. In Canada, in the words of the Senate
5 | Committee on Poverty,

6 | "The economic system in which most Canadians pros-
7 | per is the same system which creates poverty."

8 | Our growth-oriented economy
9 | of its very nature excites and encourages those already
10 | in its mainstream, and by that same process pushes the
11 | inadequate, the uprooted, and the desperate into the
12 | margins. We are being made to expect too much. We are
13 | taking too much, and in the words of Barbara Ward,

14 | "We are sloshing on and throwing away too much."

15 | Planet earth cannot afford to
16 | sustain the rich 15% who use all the marvellous
17 | achievements of science and technology to produce 1,200
18 | varieties of peanuts of drought-resistant varieties to
19 | feed the already fed up, while people starve. But all
20 | over the world people of the margins are struggling to
21 | liberate themselves. Not everybody desires to jump
22 | into the mainstream because it appears to be rushing
23 | into ecological disaster, environmental collapse,
24 | social alienation and violence.

25 | Many people dare to offer us an
26 | alternative, based, we believe, on the values taught by
27 | prophets and sages since the beginning of history. Respect
28 | for human dignity, justice, frugality, honesty, moderation,
29 | and equality. It is easy for us in Southern Canada to grow
30 | skeptical and cynical; skeptical about the values of In-

1 | quiries such as this one, when we read about decisions
2 | already made concerning the exploitation of energy resources
3 | in Northern Canada; and the cynical about the ways in which
4 | decisions are made and approval given to such high-risk
5 | adventures as offshore drilling in the Beaufort Sea.

6 | So we thank you, Mr.
7 | Commissioner, for insisting that some of the hearings
8 | of the Mackenzie Valley Pipeline Inquiry be held in
9 | Southern Canada. The process has awakened us to
10 | examine the premises and the direction of development
11 | in Canada, and forced us to pause, listen, and learn
12 | from those who offer us other ways of perceiving and
13 | acting.

14 | We thank you also for the
15 | style and manner in which the Inquiry is conducted.
16 | That is with openness, graciousness, wisdom and with
17 | care and diligence to listen to the people of the
18 | north.

19 | We represent Ecumenical
20 | Development Education Groups from 16 communities in
21 | British Columbia. Our purpose is to increase our
22 | awareness of world needs and world development, and to
23 | initiate, organize, and support action related to
24 | issues of social justice. The 1975 Labor Day message
25 | of the Canadian Catholic Conference.

26 | "Northern Development: At
27 | what cost?" jolted our awareness. Since then we have
28 | been involved in workshops and seminars in our
29 | communities, met with representatives of the Inuit, the
30 | Metis, and the Indian Associations, studied documents

1 | related to development in Northern Canada, and we agree
2 | with the call of the native people of Northern Canada
3 | for full participation in the decision-making for a
4 | just settlement of their land claims, and for native
5 | people programs for regional economic development.

6 | We also go on record in
7 | support of the following statement which was made by
8 | the leaders of five Christian churches and the Canadian
9 | Council of Churches to the members of the Federal
10 | Cabinet on March 2, 1976, and I quote:

11 | "We believe the Federal Government has a major
12 | responsibility to insist that colonial patterns
13 | of development not prevail in Northern Canada.
14 | The time pressures for northern resource devel-
15 | opment has become enormous, particularly in the
16 | Northwest Territories where the Federal Govern-
17 | ment retains complete jurisdiction. Steps must
18 | be taken now to achieve a just settlement of na-
19 | tive land claims and a responsible stewardship
20 | of northern resources to meet human needs and
21 | not simply the interests of transnational corpo-
22 | rations. We therefore urge the Federal Govern-
23 | ment to provide assurances, first that no ap-
24 | proval will be granted for the building of a
25 | Mackenzie Valley Pipeline until the Berger Com-
26 | mission has submitted its final report and seri-
27 | ous attention has been given to its findings and
28 | recommendations.

29 | Second, no right of conveyance will be granted
30 | to any pipeline company or other resource compa-

1 | nies in the Northwest Territories at least until
2 | there has been an agreement in principle signed
3 | on all native land claims in the Northwest
4 | Territories.

5 | (APPLAUSE)

6 | Three, the proposed Polar Gas Pipeline or
7 | any other major energy projects will not
8 | proceed, until a public Inquiry similar to that
9 | of this Inquiry be conducted."

10 | We recognize that we
11 | are open to the charge, "Let the person who is
12 | without sin sell his car, shut off the furnace,
13 | and stop eating peanuts." But we are talking
14 | about more than simple reformism and individual
15 | conversion. We are calling for a conversion
16 | within our social and economic structures
17 | whereby policy-making and decision-making will
18 | reflect and make practical the values of jus-
19 | tice, moderation and equality.

20 | Fine words some will say. To carry them out will no
21 | doubt require an Act of God.

22 | But also the actions of some
23 | people. We do not see the completion of the Mackenzie
24 | Valley Pipeline Inquiry and the submission of your
25 | report, sir, as the end of our concern about northern
26 | development. Rather we see this Inquiry as one step in
27 | the continuing struggle for justice and responsible
28 | stewardship in the Canadian north, and in that struggle
29 | we are committed to an ongoing process of education and
30 | action. Thank you.

1 (APPLAUSE)
2 THE COMMISSIONER: Thank you
3 very much, Reverend Maultsaid. Thank you, sir.
4 (WITNESS ASIDE)
5 MR. SCOTT: Mr. Commissioner,
6 the next submission is to be made by His Excellency,
7 Bishop Remi Deroo, the Bishop of Victoria.
8 BISHOP REMI DEROO sworn:
9 THE WITNESS:
10
11 Mr. Commissioner, Justice
12 Berger, I appear here tonight not as a Roman Catholic
13 Bishop, but in my position as the chairperson of the
14 British Columbia Human Rights Commission, the members
15 of which requested me to make this submission to you.
16 We are a group of five
17 voluntary agents who were assigned this task by the
18 government, a little better than two years ago, and we
19 find ourselves dedicated to the promotion of human
20 rights throughout the province and across the country,
21 since we are associated with the other Human Rights
22 Commissions of Canada. We conduct educational
23 programs to eliminate discrimination, we coordinate
24 initiatives to enhance the growth of fundamental
25 freedoms, and work for the development of better human
26 rights legislation. Our brief experience has led us
27 to establish as our top priority and to consider as
28 the ethical issue No. 1 in Canada, the question of the
29 rights of our native peoples.
30 We wish to commend you, Mr.

1 Commissioner, for your hearings, for we have followed
2 them and have seen in them what we consider a model of
3 the kind of respect for human rights that we would like
4 to see elsewhere in what has been called our
5 participatory democracy. We feel that this may be one
6 of the last chances, if not the last, for Canada to
7 bargain equally and fairly with the native peoples of
8 the north. You know the popular saying, "The quality
9 of a democracy can be judged by the treatment it gives
10 to its minorities. Few of us here in the south would
11 quarrel with that ancient statement. If it's valid
12 here, how much more applicable is it in the north where
13 the native peoples, the original , the first citizens,
14 are in fact, a majority.

15 Why am I here tonight? I
16 would like just briefly to question a few of the
17 underlying assumptions that we hear in the energy
18 debate, not because I feel that I can give complete
19 answers, but because they are illustrations of the kind
20 of things that disturbs me because they seem to be so
21 commonly accepted and have not be critically examined.
22 I ,would hope that our discussions here might lead us
23 to look a little more closely at the kind of things
24 that are assumed to be good for us.

25 Let me illustrate. Sunday
26 afternoon I thrilled with many Canadians to that last-
27 minute victory of the Montreal Canadians over
28 Philadelphia. I must admit that my enthusiasm was a
29 little bit dampened when an Esso ad, for which I pay
30 with every tankful of gasoline, interrupted the program

1 | to expound on the wonderful job that they're doing
2 | exploiting the Canadian resources in the north, and how
3 | they will have to spend many more millions to provide
4 | you and me with all these things we take for granted.

5 | (APPLAUSE)

6 | I'm not singling out my dear
7 | friend, the Esso dealer, he is as good a neighbor as
8 | any other, but it's an illustration of the kind of ads
9 | that the powerful corporations who control our mass
10 | media to a great extent are feeding us, and which I
11 | think are laced with assumptions that really need
12 | questions.

13 | May I illustrate some of
14 | these assumptions, and once again I claim no expertise
15 | but I'm simply a concerned citizen who would like to
16 | see them examined. The assumption that northern
17 | development will automatically benefit all Canadians,
18 | when I have seen much evidence that points to the fact
19 | that it's the United States, the multinationals, and a
20 | more affluent minority of Canada who are the real
21 | beneficiaries.

22 |
23 | In our discussions the
24 | members of the Commission have really questioned many
25 | of the present socio-economic policies and structures
26 | of our society. Like every other citizen, I enjoy the
27 | benefits that we receive and I recognize the
28 | contribution made by these developers. But I ask
29 | myself in terms of human rights, even assuming that
30 | we're going to get all these wonderful benefits that we

1 are promised if we are really entitled to them at the
2 expense of destroying the native cultures and trampling
3 on the human rights of the original citizens of the
4 north.

5 A second assumption, that
6 massive capital intensive investment in the north spell
7 progress for Canada, when there is evidence to support
8 the theory that they may jeopardize the rights of many
9 Canadian citizens to other programs of greater social
10 benefit. There's only that much capital available to
11 our economy. They may restrict other areas of growth
12 by forcing further extensions of wage and price
13 controls -- incidentally, an area where the low
14 income people and the less powerful social groups
15 bear the brunt of the so-called conservation and
16 restraint.

17 (APPLAUSE)

18 Or again the assumption that
19 the Mackenzie Valley Pipeline and other major northern
20 development projects are urgently needed and that it is
21 not practical or reasonable to delay. I submit that
22 the increasing upheavals in society today, the growing
23 anguish with which people in increasing numbers are
24 calling for basic changes of orientation in our social
25 and economic structures, indicate that our previously I
26 unquestioned cult of the gross national product and the
27 maximization of profits as top priorities may -well
28 prove to be a mistake.

29 The B.C. Human Rights
30 Commission respectfully submits that we cannot afford

1 | not to take the time to involve all interested Canadian
2 | citizens and especially the native peoples in shaping
3 | the future of the north. I could raise many more
4 | questions but I will spare them now, questions like:
5 | Who determines what is best for Canada? Who sets the
6 | norms of socio-economic policy to which we are supposed
7 | to conform if we are enlightened citizen Who really
8 | shapes our future and tells us what is good for us?

9 |
10 | We suggest that the ethical
11 | today is fast becoming the practical, that respect for
12 | the dignity of our native peoples, justice and the
13 | settlement of native land claims, and responsible
14 | stewardship of our limited natural resources are just
15 | as important as economic benefits, and that authentic
16 | long term economic and social developments may be
17 | inextricably interwoven with true human fulfillment for
18 | all citizens majority and minority alike.

19 | Our global and planetary
20 | well-being no longer permits piecemeal solutions based
21 | on political expediency. Hence all the citizens must
22 | be involved to go back to another ancient adage in
23 | decisions that affect everyone..

24 | I personally hope there will
25 | be no repetition of the Department of Indian & Northern
26 | Affairs travesty of justice, whereby on the one hand in
27 | February they agreed to negotiate in good faith with
28 | the Dene people, and then on the 1st of April, without
29 | consultation, give 68 new exploration permits and hand
30 | away 2,000,000 acres of territory which is supposed to

1 | north and to the northern people will tell us." and
2 | that includes particularly us of the south,
3 | "what kind of a people we are."

4 | The British Columbia Human Rights Commission hereby ex-
5 | presses its solidarity with the native peoples of the
6 | north and requests that the human rights, the ethical
7 | cultural and political rights of all Canadian citizens
8 | affected by the Mackenzie Valley Pipeline proposal and
9 | the associated development be given equal considera-
10 | tion among the many factors shaping the destiny of the
11 | north and indirectly of our future as a Canadian, and we
12 | commit ourselves here in the south to continue working
13 | for the promotion of human rights for all the peoples and
14 | racial groups who work together to develop a Canada proud
15 | of its multicultural origins and of the mosaic of peoples
16 | who enrich its fabric.

17 | Thank you for your attention.

18 | (APPLAUSE)

19 | THE COMMISSIONER: Thank you
20 | very much, Bishop Deroo.

21 | (WITNESS ASIDE)

22 | MR. WADDELL: Mr.

23 | Commissioner, at this point we'd like to call upon the
24 | Vancouver Board of Trade to present its brief, Mr. Alex
25 | Scoten and Mr. Clive Stockdale. We'd ask them if they
26 | would come forward.

27 | ALEX E SCOTEN and

28 | CLIVE STOCKDALE sworn:

29 | WITNESS SCOTEN: Mr.

30 | Commissioner, I would like to read a brief prepared by

1 | the Vancouver Board of Trade and its committees as
2 | screened through the many levels of attention that it
3 | received during its final preparation.

4 | The Vancouver Board of
5 | Trade, incorporated in 1887, is a voluntary
6 | organization representing over 3,000 companies and
7 | individuals in the Greater Vancouver area. The
8 | business and professional members of the Board of Trade
9 | work through various committees, including Primary &
10 | Energy Resources, and the Environmental Advisory
11 | Committee,
12 | to promote and maintain a good social and economic
13 | climate in the City of Vancouver, the Province of
14 | British Columbia, and in Canada. We appreciate the
15 | opportunity to appear before this hearing to express
16 | the feelings of our membership and to assist in making
17 | the general public in Vancouver aware as possible of
18 | the significance of the Mackenzie Valley Pipeline
19 | deliberations now before the National Energy Board and
20 | before this Inquiry. We feel it is necessary for all
21 | of the people of Canada to understand that a pipeline
22 | will permit the Arctic reserves to be developed and
23 | available in time to meet and offset shortages which
24 | have been predicted in representations made to the
25 | National Energy Board.

26 | The Vancouver Board of Trade
27 | recognizes the need for adequate time and opportunity
28 | to hear the viewpoints of all Canadians, particularly
29 | those of the north. Without these hearings it would be
30 | impossible to assess properly the regional impact of a

1 Mackenzie Valley Pipeline. However, the Board of Trade
2 would not want the public to view the hearing as merely
3 a dispute between northern residents and companies
4 involved. We are concerned with the impact on all
5 Canadians, inherent in the prospect of a deficit energy
6 balance of payments notably with regard to increased
7 reliance on foreign energy sources.

8 Among those Canadians
9 affected will be the manufacturers and distributors of
10 consumer goods and the ripple effect will in turn touch
11 those in the north who depend on these manufacturers
12 for food, clothing, and other essentials.

13 We feel that we must speak on
14 behalf of our members and other Canadians who are
15 looking for rational solutions to any issues which may
16 delay the construction-operation of the Mackenzie
17 Valley natural gas pipeline.

18 The National Energy Board has
19 already established, based on a present supply and
20 demand projection, that Canadians from the north,
21 south, east or west of our country, in Vancouver or
22 Halifax, will be facing a shortage of natural gas
23 unless supplies from the western provinces are
24 supplemented by new Canadian discoveries, discoveries
25 such as those in the Mackenzie River Delta.

26 It appears from expert
27 information provided to the National Energy Board
28 and to this Inquiry that within a decade, at the
29 present rate of consumption, a gap will occur between
30 Canadian gas supplies and their ability to meet the

1 | domestic demand for this energy source. The Canadian
2 | public needs to be fully aware of the consequences to
3 | each individual taxpayer and consumer, and to Canada
4 | as a whole, if a shortfall happens. The Arctic and
5 | offshore areas offer one of the last frontiers for gas
6 | and oil exploration and development. It does not and
7 | need not follow that such development will have a
8 | detrimental effect on social, environmental and
9 | economic factors in those areas; if such development is
10 | orderly and responsible, it can recognize and serve the
11 | needs
12 | of the inhabitants of these areas and of Canada in
13 | general, and elaboration to support this view will be
14 | made at various points in this brief.

15 | There are already too many
16 | examples of the severe
17 | economic hardships faced by countries which are
18 | significantly or totally dependent on foreign crude,
19 | and which have suffered from an oil embargo. The
20 | Vancouver Board of Trade sees the development of Arctic
21 | Gas reserves as a partial way for Canada to achieve
22 | energy self-reliance. We don't want to see Canada join
23 | those countries who, because of limited domestic
24 | supplies of energy, have been placed at the mercy of
25 | producing countries.

26 | The Vancouver Board of Trade
27 | has recognized that even with the increased number of
28 | studies into and the stepped-up research and
29 | development of solar and nuclear energy, tidal power
30 | and other forms of energy production including the more

1 efficient use of coal, there will be no acceptable and
2 economic alternatives to oil and gas before the early
3 1980s. Soon perhaps the cost differential of these
4 alternative sources of energy will be eliminated or at
5 least decreased, an new technology will be discovered
6 to put these alternative sources of energy to work.
7 But right now and during the next few years, we see
8 only two supply sources:

- 9 (1) Develop the domestic reserves that can
10 realistically be expected to be available to us, or
11 (2) Increase our purchases of foreign energy products.

12 Almost five years will be
13 required from the time of final approval to the
14 start of first gas deliveries from the Mackenzie
15 Delta area. We believe that Canada will urgently
16 require these gas supplies as soon as they can be
17 made available. There must be no unreasonable delay
18 if Canada's northern gas resources are to be developed
19 in time to meet the energy needs of Canadians. A
20 Mackenzie Valley Pipeline to bring Arctic reserves to
21 other Canadians appears to be a logical answer, and
22 necessary choice, and when one considers the effect on
23 every consuming Canadian of a trade deficit caused by
24 increased oil imports and increased oil prices, it is
25 an invaluable means of reducing dependency on foreign
26 imports.

27 A pipeline is a proven way to
28 effect transportation of this energy from source to
29 the markets of Canada. We see the Mackenzie Valley
30 Pipeline as a project which is necessary to hydrocarbon

1 | expressed at the regional level do not always agree
2 | with the concerns expressed at the national level. We
3 | must also acknowledge the fact that the future
4 | prosperity of 22 million Canadians will be influenced
5 | by a rational and intelligent compromise between. the
6 | interests at the regional and national levels. Some
7 | western provinces could find markets for their gas and
8 | oil which would pay rates much higher than those worked
9 | out in co-operation with the Federal Government in the
10 | best interests of all Canadians. We feel that, all the
11 | voices having been heard, and all the studies having
12 | been made, a suitable compromise can be reached with
13 | respect to the Mackenzie Valley Pipeline proposal.

14 | We said in the beginning of
15 | the brief that the Vancouver Board of Trade
16 | represented a broad cross-section of the business and
17 | professional community in the Greater Vancouver area.
18 | These member have a concern for the environment and
19 | the ecology of Canada. We are aware that some of the
20 | most extensive and exhaustive environmental research
21 | ever undertaken by private industry has gone into
22 | studies of the north in preparation for pipelines.
23 | These studies were done so that it wild be possible to
24 | allow the construction and operation of pipelines and
25 | to avoid any serious impact on the natural northern
26 | environment.

27 | The tremendous amount of data
28 | collected has been brought to the Inquiry's attention
29 | in briefs made previously. It serves to demonstrate,
30 | we believe, a responsible sensitivity on the part of

1 | the corporations involved to issues affecting the
2 | environment, a sound understanding of the principles
3 | involved, and a willingness to undertake development
4 | that will cause minimal upset of the ecological balance
5 | of the region.

6 | Further to matters of
7 | environmental concern, we are aware that where
8 | modifications to the environment are necessary and
9 | unavoidable, these modifications can and must be
10 | managed carefully and with the utmost consideration
11 | for those whose livelihoods may be affected in that
12 | region.

13 | It has been proposed, we
14 | understand, that the pipeline be fully buried, that the
15 | gas will be refrigerated to protect the permafrost, and
16 | the ground revegetated to prevent erosion. The
17 | Vancouver Board of Trade recommends that no company be
18 | given approval to construct a pipeline unless it
19 | carries out appropriate environmental protection
20 | measures. We reaffirm our belief that the companies
21 | involved will work in co-operation with the government
22 | for the protection of the Arctic environment and the
23 | provision of Arctic natural gas supplies. There will
24 | be ample and varied opportunities for northern
25 | Canadians as a result of the pipeline project,
26 | opportunities for temporary and permanent jobs,
27 | training for skilled and semi-skilled positions, and a
28 | subsequent increase in the overall standard of living
29 | in the north will result. Proper planning and
30 | operation of the project will ensure that the

1 | northerners have a choice of either new full-time
2 | employment opportunities or the continuation of their
3 | natural way of life, or a combination of both.

4 | Out of the 1.5 million square
5 | miles of land in the Territories, only about 120 to 150
6 | square miles, or approximately .01% of the area will be
7 | required to accommodate the pipeline and all of its
8 | related gathering facilities. The companies involved
9 | in the northern project would be and should be
10 | committed to providing employment to northern
11 | Canadians and we fully agree with this commitment, and
12 | indeed expect it. Industry in anticipation of Canada's
13 | need for Arctic reserves has spent over \$500 million
14 | on exploration and studies in the Mackenzie Delta and
15 | the Beaufort Sea. Many thousands of jobs will be
16 | created in the north, while hundreds more will be
17 | needed to provide the services and equipment necessary
18 | for such undertakings. Roads will facilitate the
19 | exchange of cultures between north and south and
20 | increase the economic standards of the north, as well
21 | as assisting in the development of tourism and other
22 | forms of commerce.

23 | The social impact on the
24 | people of the north can and will be of a positive
25 | nature enabling them to share in the social advancement
26 | aware there will be a social impact for northern
27 | residents in the wake of pipeline development, but
28 | this need not be to their detriment. Better standards
29 | of living can be achieved, and social programs
30 | developed such as are available to other Canadians,

1 | thank you very much, gentlemen. I'm very appreciate of
2 | the fact that --

3 |

4 |

(WITNESS ASIDE)

5 |

MR. WADDELL: Mr.

6 |

Commissioner, our next brief is from Gary Gallon from
7 | the Society for Pollution & Environmental Control, also
8 | called SPEC, and Dr. Paul Spong from the Greenpeace
9 | Foundation. Will they come forward, please?

10 |

GARY GALLON and

11 |

PAUL SPONG sworn:

12 |

13 |

WITNESS GALLON: Mr. Berger,

14 |

It's really great to be here before you. SPEC has been
15 | quite active and involved in the Mackenzie Valley
16 | Pipeline since about 1971. I almost feel like I'm
17 | having a baby tonight.

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We've pressed for these
hearings since '71 up until the time that they were
called for, and now we see it a reality tonight. Just
to give you a little bit of background, Dr. Paul Spong
and I will be giving a presentation on certain aspects
of the pipeline. We realize that you've heard quite a
bit about it, and we'll try to cover certain areas that
you may not have heard about yet.

To give you a little bit of
background about SPEC, we are a citizen environmental
group formed in British Columbia in 1969, in January.
We became quite involved in provincial issues and then
got involved with the particularly large national

1 | proper construction methods for ensuring minimal
2 | disruption to the environment.

3 | · We'd like to see Canada establish an energy policy
4 | with a view towards conservation. We see a
5 | conservative ethic, a great necessity for Southern
6 | Canada in order to protect the north and to husband the
7 | remaining fossil fuels and other finite resources.

8 | · We would like to see the Department of Indian &
9 | Northern Affairs be divested of its dual
10 | responsibilities of being a promoter and a protector of
11 | the north.

12 | (APPLAUSE)

13 | We have found time and time again that in the north as
14 | promoter they are essentially the cat jumping on the
15 | bird cage. They can't promote and protect at the same
16 | time. I had some experiences with that regard when I
17 | did take a trip north in 1972 and observed some
18 | problems with regards to highway construction on the
19 | Dempster Highway. Those I won't go into.

20 | Finally, we would not like to
21 | see any pipeline construction or energy development or
22 | massive resource development in the north until the
23 | native land claims are settled to the satisfaction of
24 | all the parties involved. It's absolutely necessary
25 | that the native peoples' rights and lands be taken care
26 | of and given to them for their own jurisdiction and for
27 | their own use.

28 | However, in saying this, we
29 | do have a small concern which we would like to voice
30 | here. That when the native peoples do receive their

1 | land under the land claims, as we're sure that they
2 | will, we hope that the native peoples themselves will
3 | not become the developers or promote the development of
4 | the north in the same manner that some of the
5 | developers have in the past and may do in the future.
6 | We are concerned that once the peoples get involved
7 | with royalties and participation in resource
8 | extraction, that they may lose that feeling of culture
9 | and conservation and feeling of the environment that
10 | they have been with for so long. So we hope to work
11 | with them in the future as we have done in the past.

12 | I would like to show some
13 | slides now with regards to oil spills. As it stands
14 | right now, there's a potential for massive oil spills
15 | in the north from oil exploration and development, and
16 | as it has already occurred, there have been massive oil
17 | spills -- well, I shouldn't say massive", but a large
18 | number of oil spills occur in the north from oil
19 | products being taken to the north for use in fueling
20 | and home heating. We have received statistics from
21 | a Federal Government kind of computer program
22 | called.

23 | "NATIONAL ANALYSIS OF TRENDS & EMERGENCIES,"
24 | for short they call it NATES, and essentially in a two-
25 | year period between '73 and '75, there have been 74 oil
26 | spills occur, spilling 580,000 gallons of oil, and
27 | that's already occurred in the north prior to massive
28 | oil development.

29 | We expect much more to
30 | happen. We expect the potential for oil spills to

1 | occur in the Beaufort Sea, from drilling there
2 | offshore. In that regard, we on the West Coast have
3 | found that from the five oil spill cleanup operations
4 | occurring, none of them succeeded in cleaning up any
5 | more than maybe 10% of the oil. Madame Sauve, when she
6 | was Minister of Environment, came out here and said,
7 | "We have the capacity to clean oil spills in Canada,"
8 | when in fact we don't, and we wrote her a report in
9 | January of '75 outlining why we didn't think Canada has
10 | the capacity.

11 | She subsequently wrote back
12 | and said, "You're right."

13 | Of course that didn't get
14 | into the press. So if I could, I'd like to show some
15 | slides about 20 or so with regards to oil spill-cleanup
16 | and the capabilities in Canada.

17 | THE COMMISSIONER: Well,
18 | that's fine with me.

19 | WITNESS GALLON: I think you
20 | are going to be the main character if you sit there.
21 | It's fairly poor lighting, but one of the oil spills
22 | that I attended was at Alert Bay. There a ship ran
23 | aground, "Irish Stardust", spilling 80,000 gallons of
24 | oil. It went ashore on Cormorant Island and it was
25 | bunker C oil, the fuel oil from the tanks. The methods
26 | for cleaning oil at that time and today are essentially
27 | this, to either try to burn the oil on the beach,
28 | gather it up, to throw straw or peat moss on to absorb
29 | it, or to slick-lick it with new slick-lickers that can
30 | lick slicks up to 42 barrels a minute. However, we

1 found that the slick-lickers didn't lick a slick, in
2 fact they don't work in anything but bathtub
3 conditions. They work well on calm bays, calm
4 water, but anything with rough oceans and high waves,
5 they flip back and forth and are essentially too
6 dangerous to operate. So here we are people moving
7 moss ashore and essentially we're back in Stone Age
8 technology

9
10 O.K., what we find is that
11 while we've developed the technology to drill offshore
12 in the Arctic, to build massive super-tankers, the
13 technology has not been developed to clean oil spills
14 that may result. We're back to the shovel and the rake
15 and the wheelbarrow. They even tried to scoop the sand
16 off the beach with bulldozers, but they found that they
17 were doing more damage to the beach and to the marine
18 organisms on the beach than the oil was. Besides, they
19 were collapsing the sea wall and the raw sewage pipe
20 that was on the beach there too.

21 We have the oil booms which
22 are supposed to contain oil. Again they do well in
23 bathtubs and in protected bays like this, but
24 essentially when you get waves over about four feet and
25 tides and currents faster than about two or three
26 knots, the oil booms turn sideways and they don't hold
27 the oil. Also of course the waves flip the oil under
28 and over the booms.

29 There is dispersants. We
30 have found that oil dispersants essentially get the oil

1 | extract and transport oil more economically and from
2 | further regions, the frontier regions.

3 | Go ahead, John. Our friendly
4 | peat moss again. It absorbs about 100 times its own
5 | weight in oil. Throw it in the water, let it soak up,
6 | and then go out and rake it up and throw it in plastic
7 | bags. There's another problem with disposal, once
8 | you've taken it, where do you put it? Because it
9 | contaminates land fill, it contaminates any type of
10 | dump that you have on land because the oil starts to
11 | move through the soil and percolate. While oil
12 | disappears and dissolves right away, there are still
13 | components that can stay harmful to fish in the marine
14 | biota for upwards of two and three years.

15 | A closer look at peat moss on
16 | oil. Now we've taken a look in 1972 at the Delta
17 | Environmental Protection Unit, they've got a couple of
18 | slick-lickers, they've got a couple of helicopters that
19 | can transport them, they have some booms,, all of that
20 | is essentially show and no go. If there is a large oil
21 | spill, they are not going to work. If it's small and
22 | in bays, they will work to a certain extent.

23 | Canada, the world, does not
24 | have the technology to clean up oil spills, and that
25 | has to be totally and entirely understood by all of us.
26 | Thank you.

27 | (APPLAUSE)

28 | I'd like to say two other
29 | short things. We are concerned as an environmental
30 | group about the price of oil. We are being told under

1 | new energy policy that the price of oil must increase
2 | by \$2. per barrel in order for us to finance northern
3 | development. That's essentially highway robbery, we
4 | are not able to pay \$2. per barrel on the oil.

5 | It will disrupt Canada
6 | economically. It will break Canada and Canadians
7 | economically. The inflation that it will cause will be
8 | tremendous, for oil has ramifications throughout the
9 | Canadian society and technology. Oil makes our
10 | plastics, our petrochemicals, our fertilizers, our
11 | pesticides. Oil is responsible for helping produce our
12 | paper, our steel; coal goes up commensurate with oil,
13 | the more oil goes up, coal goes up. That directly
14 | affects our steel. So essentially when we are calling
15 | for the price of oil to go up, it increases the cost of
16 | getting exploration going on in the north and the Tar
17 | Sands. I'll never forget when the major national
18 | companies in Alberta said the Tar Sands can produce oil
19 | at \$5, a barrel, that was at the time when oil was two
20 | and \$3. a barrel. Well, today oil is 6-\$8. a barrel
21 | and they still can't do it. That's because the price
22 | of oil has increased the price to them for producing it
23 | from the Tar Sands. It's an unending kind of
24 | treadmill.

25 | Finally, we've got Habitat
26 | Conference coming to Vancouver, and I think that our
27 | urban areas here, our habitats are affecting the
28 | wildlife regions such as the Northwest Territories and
29 | the native peoples and the other people that enjoy
30 | living in these outside areas, outside the urban areas.

1 I think it's the responsibility of urban areas such as
2 Vancouver, Toronto, Montreal to conserve and to take
3 other cultural methods rather than destroy an important
4 ecosystem and a cultural region for the native peoples
5 of Canada.

6 Thank you, and I'd like to
7 turn you over to Paul Spong.

8 (APPLAUSE)

9 WITNESS SPONG: Mr. Berger,
10 ladies and gentlemen , I'd like first to express my
11 gratitude the opportunity of being able to address
12 you.

13 To provide a little background
14 to myself, I want to state that I'm a cetologist, that
15 is a scientist who studies whales. I've been involved
16 in the study of coastal populations of the species
17 Ocrinus Orca, the so-called killer whale in the coastal
18 waters of British Columbia for the past eight years I'm
19 beginning to learn a little about the social life and
20 other aspects of the behavior of whales, and the remarks
21 I wish to address you with tonight relate to the
22 potential effects of the invasion of the territories of
23 these creatures in the Mackenzie Delta and in the
24 Beaufort Sea regions.

25 We are in a sense quite
26 ignorant of most aspects of the nature of whales. In
27 fact up to this point practically the only thing we've
28 learned about them is how to kill them. We've learned
29 that very well to the extent that we have not only
30 invaded their territory, but we've managed to wipe out

1 most of them, and in fact the whale populations that
2 exist on the planet at the present time are relatively
3 small populations which exist in the depths of the
4 oceans and in hidden corners such as the Beaufort
5 Sea.

6 Whales are the highest
7 developed mammal creatures which live in the ocean.
8 They possess a history of a high level of development
9 which goes back in fact much longer than the human
10 history of a high level of development; if I could put
11 it in numbers humans, we understand, first took the
12 step towards humanity when they stood upright about
13 four million years ago. At that time the whales, which
14 presently exist in the oceans of our planet, were
15 already fully developed; that is they possessed large
16 complex brains which enabled them to lead a complex
17 long-term social existence in very close families, and
18 this is what we are beginning to understand in our
19 studies of Orca, the killer whale, in B.C. coastal
20 waters.

21 At one time it was thought
22 that the populations of these creatures in B.C.
23 coastal waters were very large, that there were many,
24 many thousands of them. Now as a result of population
25 studies conducted by Canadian Fisheries scientists and
26 others we're beginning to realize that in fact we're
27 dealing with a very small population and that the
28 population is comprised of very close-knit social
29 groups. The basic family unit is a pod or a group of
30 perhaps 3, 5, 8, a dozen, 15, 30 or 40 individuals and

1 | within these there exist what are literally nuclear
2 | families, that is the whale equivalent of human nuclear
3 | families -father, mother, baby, or a couple of babies.
4 | These families will stay together from year -- or from
5 | day to day within a year, and from year to year within
6 | a lifetime, and from generation to generation. So the
7 | native peoples which live in the area around Alert Bay
8 | where we were conducting our studies tell us that
9 | families of orcas have always inhabited these waters,
10 | so we can understand that these whale families have a
11 | history of social existence together which extend
12 | back in these waters for at least many thousands of
13 | years.

14 | Beyond the family, the
15 | whales exist in what are literally communities, which
16 | are groups comprising a number of families, which also
17 | work together from day to day and from year to year.
18 | They are in a sense the whale equivalent of our human
19 | tribes or closely organized social groups. Groups of
20 | families which live together and share an ocean space
21 | together over a long period of time and, on the entire
22 | coast of British Columbia or down into Washington State
23 | and up into Alaskan waters there are a number of such
24 | whale communities, so that you might think of the
25 | entire ocean space of this northeastern portion of the
26 | Pacific Ocean as being the equivalent of a whale
27 | nation.

28 | Now, this is an account of
29 | the social structure -- of the probable social
30 | structuring of one whale species. Now we know a

1 certain amount about other whale species, but not very
2 much. I'd like now to address my remarks specifically
3 to the whales that will inhabit the Beaufort Sea, and
4 if I might, not particularly for your edification but
5 for the audience's, just read a very brief description
6 of the arrival of these creatures in the area and it
7 comes from Technical Report No. 39 of the Beaufort Sea
8 Project:

9 "The Arctic spring is heralded by the arrival
10 of migrant wildlife which capitalize on long
11 hours of sunlight, relatively few predators,
12 and a seasonal abundance of food necessary for
13 their successful propagation. Bowhead and
14 beluga whales are almost the first arrivals,
15 travelling from the north Pacific eastward into
16 the Beaufort Sea. Their migration occurs in May
17 or June, through the network of leads and open
18 water north of the landfast ice. Both species
19 pass by the Mackenzie Delta exploiting the flow
20 leads between the landfast ice and the polar
21 pack."

22 It's a very short season that these creatures have in
23 the Beaufort Sea and the Mackenzie Delta region, but
24 it's utterly critical to their existence. In the case
25 of the bowhead whale, I'm sure that you will appreciate
26 that once, a few hundreds of years ago, there were at
27 least thousands and thousands of these creatures
28 inhabiting these waters. At the present time the
29 populations have been reduced to at most a few
30 hundred.

1 In the case of the beluga,
2 the white whale, the present population is estimated
3 to be around about 5,000. Now, these are critical
4 areas for these creatures. In the case of the
5 beluga for example, we understand that the delta
6 waters of the Mackenzie are their reproduction
7 grounds, the areas where they breed, the areas where
8 mating occurs and where birth is given place to. It
9 seems that we have to deal with the probable
10 invasion of a very sensitive aspect of these
11 creatures' territory both in terms of exploratory
12 drilling and once that phase has given way, the
13 long-term development of this site.

14 At the present time we are
15 confronted with a situation where there have been a
16 number of islands constructed right in the middle of
17 one of the regions of concentrations of beluga whales
18 just to the north of Richards Island. Now to the east
19 of this, there is another concentration of beluga whale
20 and to the north of it -- excuse me, and to the west of
21 it in Mackenzie Bay there is a third concentration of
22 beluga whales, and the population of 5,000 beluga
23 whales encompasses this general delta space.

24 Now, what I understand from
25 the little reading that I've done of the oil
26 exploration and oil expectations in this region, is
27 that the delta region is expected to be the area of
28 highest returns, that is the location of the highest
29 oil resource quantities. So that I would say that it
30 is my expectation that if the drilling that is

1 | presently agreed to goes forward, and if the
2 | development which will subsequently take place
3 | inevitably goes forward, then we must face the
4 | probability that the human invasion of these whale
5 | territories is going to create an imbalance,
6 | particularly with respect to the reproduction of the
7 | white whale, and that this invasion will cause a
8 | harassment of the animals from both human presence and
9 | from noise factors above and underwater, which is going
10 | to lead them to seek homes elsewhere.

11 | I would like to state
12 | explicitly that it is my expectation that if the
13 | development of oil in the Beaufort Sea proceeds, then
14 | we must proceed with that with the full awareness of
15 | the consequences which are the elimination of the -- of
16 | at least the white whale populations, but probably also
17 | the bowhead populations in these Arctic waters.

18 | I think that we humans too
19 | often make excuses from behind the fact when we do
20 | something which has unpleasant consequences for the
21 | environment and for others of our kind by stating,
22 | "Well, we didn't know what was going to happen." But I
23 | think that in this case we do know.

24 | I'd like to state further
25 | that I think that it's about time that we humans began
26 | to accord some privileges and rights to the animal
27 | life which inhabits this planet, as well as
28 | ourselves --

29 | (APPLAUSE)

30 | -- and that if we do not accord them these rights then

1 | everywhere in this planet to be pressed by greedy
2 | developers should continue in the north, particularly
3 | with respect to the whales and other life forms.
4 | Thank you very much.

5 | (APPLAUSE)

6 | THE COMMISSIONER: Thank you,
7 | Mr. Gallon and thank you, Dr. Spong. I think I should
8 | say that at the hearings we hold in Yellowknife we
9 | consider there the evidence of experts from all over
10 | Canada and the United States on a host of subjects, and
11 | we have heard from Dr. Sergeant of the Department of
12 | the Environment, who is an expert on the white whales
13 | in the Beaufort Sea; we have heard from Dr. Bliss, of
14 | the University of Alberta who gave evidence on behalf
15 | of the oil producers in the Delta, and from Mr. Webb of
16 | Slaney & Associates, a firm of environmental
17 | consultants to Arctic Gas. I should say that I'm most
18 | pleased to have the advantage of hearing as well
19 | tonight the evidence of Dr. Spong on that very
20 | important subject.

21 | (PHOTOGRAPHS OF ORCA AND HUMAN BRAIN MARKED
22 | EXHIBIT C-275)

23 | (WITNESSES ASIDE)

24 | THE COMMISSIONER: Well, I
25 | think the time has come to break for coffee, and I
26 | don't quite know how we're going to supply this
27 | assembly with coffee but we'll do our best. Perhaps in
28 | 15 minutes we'll come back in here and there are other
29 | briefs that we arranged should be delivered this
30 | evening from Alderman Rankin, Mr. Guy of the B.C.

1 Federation of Labour, Mr. Wilson of the Union of B.C.
2 Indian Chiefs, from K.G.Farquharson and from Arthur
3 Pape and Michael Lewis. So we'll take a break for a
4 few minutes and come back after that.

5 (PROCEEDINGS ADJOURNED FOR A FEW MINUTES)

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1 THE COMMISSIONER: Well
2 Ladies and Gentlemen, let's bring our hearing to order
3 again so that we can consider the briefs to be
4 presented by others this evening.

5 MR. WADDELL: Mr.
6 Commissioner our next brief is from Alderman Harry
7 Rankin of the City of Vancouver.

8 ALDERMAN HARRY RANKIN affirmed;

9 THE WITNESS.: Mr.
10 Commissioner friends, in my submission, I would like to
11 make three main points this evening. Not because I
12 think that three covers the whole gamut but I think
13 that we'd probably be here till morning if I went on
14 beyond that particular point. So, three will be enough
15 and the three points that I want to make are this.

16 One, that there is no energy
17 crisis in Canada. That the so-called energy crisis is
18 an artificial, unreal and phony crisis.

19 The second point --

20 THE COMMISSIONER: I know you
21 appreciate the point of view that's being expressed but
22 I'd like to consider it, so to speak as a whole, and
23 maybe you could hold your applause until the end. I
24 think Mr. Rankin can manage without --

25 A I think I can. The
26 second point I want to make is that Canada has not, but
27 desperately needs a national energy policy, firmly
28 based on Canada's national needs and not the profit
29 seeking of international oil corporations.

30 The third point, energy and

1 resource development in the Northwest Territories must
2 not be planned or undertaken until a land settlement
3 is reached with the native people of the Territories
4 which recognizes their claims to the land and its
5 resources and their desire to participate as equals in
6 any decisions regarding development.

7 Starting with point one, only
8 a few short years ago we were told by the oil companies
9 by economists, by various governments both federal and
10 provincial that Canada had huge, almost inexhaustible
11 reserves of oil and natural gas; enough for many
12 generations to come; not only for Canada's needs but
13 such that we would commit ourselves to large scale
14 exports to the U.S. for generations to come.

15 Now, we are told just the
16 opposite. Daily the people of our country are being
17 subjected to a barrage of propaganda by the oil
18 companies, by various levels of government, by the
19 media, to the effect that we face an energy crisis,
20 that every householder must strive to conserve energy.

21 Reserves of oil and natural
22 gas just don't disappear by themselves. They haven't
23 by any means been exhausted. In fact, new reserves are
24 being discovered every year. In 1971, Joe Greene, the
25 then Minister of Energy, Mines and Resources said that
26 our oil reserves were sufficient to last us for 923
27 years, that our gas reserves were large enough to last
28 us for 392 years.

29 In 1973 the oil companies
30 said that we had enough oil in Canada to last us for 80

1 | years. The same year, the Canadian Government estimate
2 | that the Alberta Tar Sands contained 301 billion
3 | barrels of recoverable oil, enough to last the whole
4 | world for 32 years. In 1974, the picture suddenly
5 | changed. The National Energy Board said we would have
6 | to be importing oil by 1982. The oil companies also
7 | claimed we would have a domestic shortage by 1982.

8 | What happened? Did somebody
9 | goof? Or is somebody lying to us? Why this about
10 | face? What changed so drastically in a period of one
11 | or two years?

12 | I suggest that the one thing
13 | that has changed is that the propaganda line of the
14 | multi-national oil corporations and that the figures on
15 | our reserves have been changed to suit their propaganda
16 | line, and I suggest further that any temporary shortage
17 | is being deliberately and artificially created by the
18 | oil corporations. Isn't that why the wells in Alberta
19 | and Saskatchewan are being kept? Isn't that why oil
20 | rigs have been moved out of Canada to the U.S.? What
21 | we are experiencing is actually a production strike by
22 | the oil corporations, although they don't call it such
23 | of course.

24 | They are putting the squeeze
25 | on the Canadian people and on our governments. Why are
26 | they doing this? Their claim is that they aren't
27 | making enough money, that they are being taxed too
28 | heavily, that they need higher prices and that all they
29 | are trying to do is to get enough money so they can go
30 | on finding more reserves for Canada. What crap! The

1 oil corporations today are paying a lower rate of
2 income tax than the average Canadian working man or
3 woman. The concessions given to them by Ottawa in the
4 form of depletion, depreciation, etc. are nothing less
5 than scandalous. It is precisely because they don't
6 pay their fair share of income tax that the rest of
7 Canadians have to pay such high rates. Their profits
8 are enormous.

9
10 In the years from 1970 to
11 1974 for example, the three largest of them did quite
12 well. Imperial Oil increased its profits by 176%, Gulf
13 Oil by 313%, Shell by 178%. A good percentage of this
14 goes across the line to the head offices. Another good
15 portion is used to expand the holdings of these
16 companies which have become conglomerates.

17 What has really changed in
18 the last few years is the world price of oil. This is
19 at the bottom of the whole propaganda line of the oil
20 companies, aimed at convincing us that we have an
21 energy crisis. The present well-head price is around
22 \$8.00 a barrel, the world price \$13.50. The oil
23 corporations want to force Canadians to pay the world
24 price while the oil companies claim that the well-head
25 cost of production is \$2.85 a barrel. There are others
26 who claim it is only 50.

27 We're also told that the
28 world price is so high because of increased prices by
29 the Arab countries. We are also told that there is a
30 world shortage. Both of these arguments are phony. In
1973 the Organization for Economic Cooperation and

1 Development, the economic club of the western powers,
2 estimated proven conventional oil reserves at 583.5
3 billion barrels, enough to last for 32 years at the
4 then rate of consumption. Ultimate reserves were
5 estimated at 2,200 billion barrels, enough to last for
6 125 years.

7 But that's not all. Non-
8 conventional world reserves, oil sands and oil shields
9 in 1973 were estimated by the Canadian Government at
10 100 times that of the Alberta Tar Sands enough to last
11 the world for 1500 years and yet they have the gall to
12 tell us that we have a world shortage of oil.

13 The fact also is that the
14 seven sisters or brothers, whichever the case may be,
15 Shell, Exxon, Gulf, Texaco, Standard, British Pacific
16 and Mobil still control the operation of most of the
17 Arab oil wells. They also control the marketing and
18 distribution of oil in the western world. They use the
19 scare of a world energy crisis to jack up the world
20 price. The Arab countries decided to cut themselves in
21 on the profits by increased taxes and royalties. Have
22 we any right to blame them? The oil, after all, came
23 from their lands.

24 It's time too that an
25 investigation was made of the extent of all oil company
26 contributions to Canadian political parties and to find
27 out whether or not bribes have been made to any
28 Canadian Government or other officials.

29 As a result of revelations
30 made to the U.S. Congress and Senate which revealed

1 issued to private corporations.

2 8. The development of the Alberta oil sands to serve
3 Canadian needs by a Crown corporation.

4 9. A two price system as long as we export:

5 a. Domestic price close to cost of production

6 b. Export price, world price with government
7 collecting the difference in taxes.

8 Third point, an energy policy
9 for the north. A key ingredient of any national energy
10 policy must of necessity be the disposition of the
11 energy resources of the Northwest Territories. Two
12 main issues are involved here.

13 One, the settlement of the
14 land and resource claims of the native people of the
15 north. Two, no development of any kind to be undertake
16 until the above claims are settled. It seems to me
17 that the land and resource claims of the native people
18 require a special treatment. I say special because the
19 Inuit and Indian people of the north have indicates
20 that they want a new kind of treaty, one that does not
21 extinguish their land claims in exchange for a
22 financial settlement, but one which recognizes their
23 continuing claim to an ownership of the lands and
24 resources on which provides their full participation in
25 any development, and one which provides that no
26 development will be undertaken without their agreement.

27 They have also indicated that
28 ecological and environmental considerations are
29 uppermost in their minds, as it should be. I believe
30 that a second feature of such a treaty should be

1 special steps which I call preferential treatment to
2 make available to the native people of the north
3 equality of opportunity with southern Canadians in
4 housing, education, health, work, etc. and this must
5 be in their terms and based on their values. I say
6 "preferential" because the intrusion of our corporate
7 controlled economy into the north has brought disaster
8 to the lives of the native peoples, destroying their
9 traditional way of life, their culture and their
10 health. Obviously, some special steps need to be taken
11 to cope with this problem.

12 I would also say that no
13 drilling permits should be issued, no exploration
14 permits handed out, no more leases given away and
15 certainly no Mackenzie Valley pipeline undertaken until
16 the land settlement claims of the native peoples have
17 been dealt with. Once the land and resource claims of
18 the native people are settled, I have no doubt that
19 given the protection and participation they demand, it
20 will be possible to work out mutually acceptable
21 conditions relative to the development of the resources
22 of the north, if and when they are required.

23 Before concluding, I would
24 like to express my personal appreciation to the Chairman
25 and staff of this Commission for the way in which they
26 have conducted their hearings, particularly in the
27 north Your approach has, I believe, been no small factor
28 in enabling the people of the north to sort out their
29 own thoughts on their future, to bring their various
30 groups together and to speak with a high degree of

1 unanimity and lastly, to make all Canadians aware of
2 what is at stake in the north. If the north is
3 developed as the oil corporations want and as the
4 Canadian Government seems willing to let them, the north
5 will be desecrated, pillaged and destroyed. On the
6 other hand, an aroused Canadian public, joining with the
7 native people of the north can ensure that the north
8 will be preserved for future generations and it will
9 ensure a good life for all its native inhabitants and
10 for future generations of all the people of the north,
11 both white and native. Thank you Mr. Commissioner.

12 (WITNESS ASIDE)

13 MR. WADDELL: Mr. Commissioner
14 the next brief is from the B.C. Federation of Labor.
15 Mr. Len Guy, and Mr. Ron Johnston.

16 LEN GUY and RON JOHNSTON sworn;

17 WITNESS GUY: Mr.
18 Commissioner, as a central labor organization
19 representing 230,000 affiliated members, the B.C.
20 Federation of Labor has a responsibility to attempt to
21 protect and advance the interest of those members. At
22 the same time, it has always been the policy of our
23 Federation as determined by our conventions to give ,a
24 higher priority to the interests of all working people
25 than to just the interests of any single group of
26 workers.

27 Accordingly, it should not be
28 surprising that there are differences between our
29 Federation's position on the proposed Mackenzie Valley
30 pipeline development and the positions taken by one or

1 oppression of minority groups and against the denial of
2 basic human rights. In view of this tradition, the
3 very great concern for the environment shown by our
4 members and the awareness of the mistreatment of Canada
5 \$ native people, it is not surprising that our
6 Federation is totally opposed to the proposed Mackenzie
7 Valley pipeline development.

8 We have examined a variety of
9 submissions to this Commission and we have followed
10 closely the progress of your hearing. We have met with
11 representatives of the Dene and Inuit peoples. We can
12 only conclude that any decision to proceed with the
13 proposed pipeline development at the present time or in
14 the foreseeable future would be a disastrous blunder
15 from the point of view of Canada's future and a callous
16 and inhuman act of aggression against the native
17 peoples of the north.

18 We would like first to
19 outline our conclusions with respect to the rights of
20 native peoples and our justification for the strong
21 words which we have used in this regard. In general
22 terms, the entire history of Canadian development from
23 the early years in Upper and Lower Canada, through the
24 development of the west, constitutes conclusive proof
25 of the adverse effect upon native people of our normal
26 pattern of industrialization and urban development.
27 Without attempting any unnecessary analysis of causes,
28 the results have been for the majority of native
29 people, demoralization, misery, disease and a
30 shockingly low life expectancy. More specific examples

1 | Labor.

2 | (WITNESSES ASIDE)

3 | MR. WADDELL: Mr.

4 | Commissioner, our next brief is from Bill Wilson who's
5 | an executive committee member of the Union of B.C.

6 | Indian Chiefs. I understand he is also presenting a
7 | brief for the B.C. Association of Non-Status Indians.
8 | Mr. Bill Wilson

9 | BILL-WILSON, sworn;

10 | THE WITNESS: Thank you very
11 | much Mr. Commissioner. I had a rather extensive brief
12 | prepared previous to coming here this evening, but I
13 | notice that the people before me have chosen to use most
14 | of what I had to say. I do have however, some scribbled
15 | notes here but first of all, I would like to commend you
16 | and your Commission on the job that you have done not
17 | only in the north but in generating publicity in regard
18 | to the Indian question and the land question here in the
19 | south. On behalf of the Indian chiefs here in the Lower
20 | Mainland one of whom is present with us here today, I
21 | would like to welcome you to our land.

22 | We accept no responsibility
23 | Mr. Commissioner for the plastic palace we find
24 | ourselves imprisoned in presently.

25 | I'd like to begin my remarks Mr.
26 | Commissioner by making some comments about how I view the
27 | question of the Northwest development in regard to our
28 | history as a country, in regard to what kind of people we
29 | are, and it's my belief that we should have been able to
30 | learn from history and not repeat the mistakes that

1 all the scum and the grease rises to the top and
2 controls everything, and the meat and good bone sinks
3 to the bottom and gets burnt.

4 For Canadians and for me as a
5 Canadian, I consider the question of the Northwest
6 Arctic Gas application and the pipeline and the
7 development in the north and our treatment of the
8 native peoples in the north to be a question of our
9 morality. What am I as a person and how are the values
10 that are inherent in me reflected in the conduct of my
11 country, reflected in the conduct of my government,
12 reflected in the conduct of the corporations supposedly
13 set up to serve me?

14 What am I as a Canadian and
15 what are we as a country? What I would like to see Mr.
16 Chairman, I'm a strong believer perhaps in miracles and
17 you, to a certain extent for some of us, represent that
18 kind of a thing. What I would like to see is a country
19 where the individual values are respected; the culture
20 of a people regardless of what it might be or where it
21 might come from is respected and allowed to survive. I
22 would hope that somewhere down the line a hundred years
23 from now, when my children are talking about the Berger
24 Inquiry, when my children are talking about the
25 Northwest Territories and land claims issue, when we're
26 looking back on this as part of our history, we will
27 not see it as a mistake that we have repeated but will
28 see it as progress. Progress in the sense of our
29 humanity and morality, and as far as I'm concerned, it
30 will be a cornerstone in the question of what kind of a

1 | country we are.

2 | I would hope, being the rightful
3 | owners of the land on which this country is developing,
4 | that it will develop consistent with the philosophy that
5 | I just announced.

6 | I thank you very much Mr.
7 | Berger and your staff for Indian organizations here in
8 | the south as I'm sure for organizations in the north;
9 | your activities in the face of what we always
10 | considered to be uncaring government bungling,
11 | represent to us some hope. I would hope that the non-
12 | Indian people would share those values with us and I
13 | would hope also that 100 years from now, I'll look
14 | different than you will as I do tonight and my children
15 | will look different from your children and yet they
16 | will be able to stand together as equals in a country
17 | that appreciates where it came from and how it was
18 | born.

19 | Thank you very much.

20 | (WITNESS ASIDE)

21 | MR. WADDELL: Mr. Commissioner,
22 | our next brief is from a Mr. K. G. Farquharson.

23 | K. G. FARQUHARSON sworn;

24 | THE WITNESS: Good evening

25 | Mr. Commissioner. My name is Ken Farquharson. I am
26 | here to speak solely for myself, not to represent any
27 | group. I am an engineer by background and I think the
28 | problem that we are addressing with the Mackenzie
29 | pipeline is not really a technical one or an
30 | economical. one, but an ethical one.

1 I believe the pipeline could
2 be successfully built. I am -- haven't got the fervor
3 of a Bill Wilson but I would like to state my reasons
4 of why I think it is an ethical problem.

5 It has been my fortune to
6 travel through the northern Yukon and not the
7 Territories and to have some experience of the
8 conditions there. In my view, it will be the Indian,
9 the Inuit and the Metis who eventually develop the
10 north for they are the only group to whom it is home.
11 For them to move from their homelands, is not simple
12 for it means the loss of an ethic and a way of life and
13 adoption of the southern culture, therefore most will
14 stay as residents.

15 It's probable therefore that
16 the native and the Metis will continue to form the
17 majority of the permanent residents of the Yukon. As
18 has been clearly expressed by many natives, their
19 culture is different from that of the south and they
20 have a strong attachment to it. The stresses of
21 attempting to adapt to the southern culture are severe.
22 In fact, so severe that there is now a stronger desire
23 amongst natives to retain their own culture and advance
24 from that base. Despite this move, it is still
25 doubtful in my opinion if the native cultures can
26 withstand the twin forces of an administration at both
27 Territorial and Federal levels and an economic system
28 that are oriented to the southern culture.

29 The emphasis of the native
30 people has been recognition of their land claims. To

1 | administrative system and to replace it with one
2 | reflecting the bi-cultural society of the north.

3 | The lesson of decolonization
4 | is clear. Once a colonized peoples want equal status
5 | in a social sense, there, is nothing that can stop
6 | them. Why can we not move now to make these
7 | adjustments before there is further bitterness,
8 | mistrust, oppression and native violence?

9 | The planners in Ottawa may
10 | see the pipeline in terms of the geopolitics of energy.
11 | It also has a human side. My request is to urge your
12 | consideration for the latter and to ask for structural
13 | political and social reform in the north before massive
14 | development starts.

15 | To end, having seen the Old
16 | Crow Flats, the Eagle Plains in the North Slope of the
17 | Yukon Territory, I would be very against penetration of
18 | that area by a gas pipeline for environmental and
19 | social reasons. If it is desired to move Alaskan gas
20 | overland through Canada, I believe the best route would
21 | follow the Alaska highway through the Yukon and join
22 | the present gas pipeline system near Fort Nelson in
23 | B.C.

24 | I would like to thank you and
25 | the Commission for allowing me to make this
26 | presentation. Thank you.

27 | (WITNESS ASIDE)

28 | MR. WADDELL: Mr.
29 | Commissioner, our last brief for the evening are from
30 | Mr. Arthur Pape and Michael Lewis of Vancouver.

1 far already; a road we do not fully understand but
2 which we know increasingly is not the road we should
3 have taken.

4 It's not, as several of the
5 people have said here and I'm sure you'll hear across
6 the south, it's not our individual decisions as
7 consumers, as car buyers, that will affect the energy
8 consumption patterns in this country; it's our whole
9 lifestyle. It has to do with where power is situated
10 and where power is not, what kinds of research is done,
11 what kinds of social and political decisions are made
12 and where power is concentrated.

13 The very sovereignty of this
14 country is an issue in the question of whether or not
15 to build that energy corridor and that affects us all.
16 It's difficult to envisage an energy corridor which
17 will go to mid-continent as
18 you said and which it seems to me somewhere below the
19 49th parallel. An energy corridor that the Americans
20 have declared a priority for them which would therefore
21 demand of this country a further give away of our
22 sovereignty to another country.

23 The decision on whether or
24 not to build that energy corridor will determine again
25 and on a very large scale our situation in the world
26 and where we stand in relation to the people in the
27 world who have decided that those of us born in North
28 America and western Europe must participate in
29 reordering the world economic order or they will try
30 and force us to do so.

1 know that we want to follow this process more closely
2 than we've been able to and when you're finished, we
3 hope you'll come back south and help us start the
4 process in the south because we need the same
5 experience here in the south because our greatness as a
6 people may be a little further back in our history, a
7 little harder for us to find and share but it's there
8 and if we have a chance as a people to share the
9 democratizing experience, we'll work with the people of
10 the north and build a country and then we'll know what
11 to do about an energy corridor.

12 Thank you very much.

13 (WITNESSES ASIDE)

14 THE COMMISSIONER: Thank you
15 Mr. Pape and Lewis. In a moment I am going to ask Mr.
16 Scott to outline the procedure for the remainder of the
17 evening but before I do that, let me say that having
18 heard the briefs that have been presented tonight, I
19 want to express my thanks to those who've presented
20 briefs because they were of great assistance to me.
21 Let me make it clear that my job in this Inquiry is to
22 listen to what the people who come before it have to
23 say, and I feel that I can learn something from each
24 one of you.

25 Let me comment for just a moment
26 on the remarks of Mr. Pape and Mr. Lewis. I think that
27 you should remember that the Government of Canada
28 established this Inquiry. It was the Government of
29 Canada that gave to this Inquiry a mandate unprecedented
30 in our history. This Inquiry was told by the Government

1 of Canada to examine the social, economic and
2 environmental impact of the construction of a gas
3 pipeline and energy corridor in our northern territories.

4 The Government of Canada, on
5 my recommendation has provided funding to native
6 organizations, environmental groups, northern
7 municipalities and northern business to enable them to
8 participate on a equal footing at the hearings with the
9 industry representatives of the two companies that want
10 to build the pipeline; Arctic Gas and Foothills Pipe
11 Lines.

12 The Government of Canada has
13 also supplied to Mr. Scott, Commission Counsel, all of
14 the studies and reports that the Inquiry has asked the
15 government to produce. Let me also say that the
16 pipeline companies and the oil and gas industry
17 generally have cooperated fully with the Inquiry. The
18 Inquiry has also had the full cooperation of the native
19 organizations and the environmental organizations and
20 the other parties at the Inquiry.

21 It think it's fair to say
22 that the representatives of the industry, the pipeline
23 companies, as well as the rest of us, have regarded our
24 hearings in the north as a learning experience. The
25 companies have been represented at every hearing and
26 have been there to listen and answer questions. The
27 president of one of the companies spent a week
28 travelling with me in the north last summer at the
29 hearings. I want you to understand that all of the
30 people and organizations connected with the Inquiry

1 | tomorrow evening.

2 | The second point, again may I
3 | repeat, if there is anybody here who has not given us
4 | notice that they desire to make a submission, we would
5 | much appreciate it if they would let either Mr. Waddell
6 | or I know and we will make an effort to find an
7 | appropriate time for them in the next two days.

8 | So sir, that's all for this
9 | evening.

10 | THE COMMISSIONER: What about
11 | the film? Is that to be shown again tomorrow night at
12 | seven?

13 | MR. SCOTT: I don't know.

14 | THE COMMISSIONER: The answer
15 | is no. All right. Well, we'll adjourn the proceedings
16 | ladies and gentlemen, and thank you for coming tonight
17 | and we may see some of you tomorrow.

18 | (PROCEEDINGS ADJOURNED TO MAY 11, 1976)

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