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)

Toronto, Ontario
May 26, 1976

PROCEEDINGS AT COMMUNITY HEARING

Volume 59

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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,	for Northwest Territories Indian Brotherhood, and Metis Association of the Northwest Territories.

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Toronto, Ontario
May 26, 1976.
(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)
THE COMMISSIONER: Well, ladies and gentlemen, I'll ask that our hearing come to order this morning.
The Mackenzie Valley Pipeline Inquiry is holding hearings in the main centres of Southern Canada to consider what people who live hare in Southern Canada have to say about the proposal to build a Mackenzie Valley Pipeline.
There are two companies that are competing for the right to build a pipeline to bring natural gas from the Arctic to markets in Southern Canada and the United States, One of these companies.
Arctic Gas, proposes to bring natural gas from Prudhoe Bay along a pipeline route that would extend across the Arctic coast of the Yukon Territory and then across the mouth of the Mackenzie Delta. There the line from Alaska would join a line carrying gas from the Mackenzie Delta and then the main trunk pipeline carrying Alaskan gas and gas from the Mackenzie Delta would travel along the route to the Mackenzie River south carrying Canan gas to Canadians in Southern Canada, and Alaskan gas to American markets in the lower 48.
The Foothills proposal is to build a pipeline that would simply carry Canadian gas from the Mackenzie Delta south along the Mackenzie River to Alberta, and there the pipeline would join the Alberta

Gas Trunk Line system and gas would be fed into the Westcoast system in B.C., the Alberta system and into the TransCanada Pipeline for delivery to Eastern Canada.

Now, this Inquiry has been considering the impact of these pipeline proposals at hearings in Northern Canada for 14 months, There we have held formal hearings where we listened to the views of experts -- experts from the industry, from the government, from the universities. There we provide an opportunity for lawyers who represent the two companies that want to build the pipeline, the native organizations, the environmentalists, northern municipalities and northern business to cross-examine the experts. Witnesses are called from all over the country and from the United States and elsewhere to discuss northern conditions and the northern environment.

At the same time the Inquiry has been to 28 cities, towns, villages, settlements and outposts in the Canadian north, communities where the people who live in the north spend their lives white people, native people, the people whose lives will be most affected if a pipeline is built; and we have been to all of those communities so that those people can tell us what their own life and their own experience lead them to believe the impact of a pipeline will be.

We have been examining the impact on the northern environment. The Northern Yukon is the habitat of one of the last great herds of

caribou in North America. There is a population of 5,000 white whales in the Beaufort Sea that come into the Mackenzie Delta each summer to have their young. The Mackenzie Delta and the perimeter of the Beaufort Sea are the breeding and staging areas: for millions of birds that fly north from all over the Western Hemisphere each spring. All of these environmental considerations are before the Inquiry. We're wrestling with the question: Can we proceed with pipelines and oil and gas development and still enable these species to survive?

We're examining the question whether the land claims of the native peoples of the north -- Indian, Metis and Inuit -- should be settled as the native peoples of the north urge, before a pipeline is built. We're considering the question, if a pipeline is built, how can native peoples and other northerners be enable to find meaningful employment on the pipeline? How can they develop skills that will be of use to themselves and to the north after pipeline construction is over? We have been looking at the question: Bow can northern business be enabled to obtain contracts and sub-contracts from the pipeline? What about the unions? What measure of control should they have over pipeline construction? What about the impacts on Municipal Government in the north? The increased cost of police and fire and local services that will ensue if a pipeline boom takes place in the north,-- we are examining all of these questions and we're here spending a month, after 14 months in the

north we're spending a month in the main centres of Southern Canada to see what you think about all of this.

I think I should just say that the Federal Government in the pipeline guidelines that were tabled in the House of Commons has made it plain that we are not to consider this proposed gas pipeline in isolation; we are to proceed on the assumption that if a gas pipeline is built, then an oil pipeline will follow. So what we have under consideration is an energy corridor bringing fossil fuels from the Arctic to the mid-continent, and it is the social, economic, and environment impact of that proposed energy corridor that is under consideration at this Inquiry.

The questions of gas supply, how much gas is there in the Mackenzie Delta and the Beaufort Sea, questions of Canada' s own gas requirements.

What volumes of gas will Canadians require in the years that lie ahead, questions relating to export of gas, all of those are matters for the National Energy Board of Canada.

Finally, it will, be for the Government of Canada, when all is said and done, to decide whether a pipeline should be built and an energy corridor established, The Government of Canada will have the report of this Inquiry, which will deal with the impact on Northern Canada of the building of the gas pipeline and the establishment of an energy corridor; it will have the report of the National Energy Board

dealing with Canada's gas supply and gas requirements, and then weighing up all of those considerations it. will he for, the government, the people elected to govern, the people-elected-to make decisions on these questions of high national policy to decide what is to be done.

At any rate, we :are here to give you, whose patterns of energy consumption and whose appetite for oil and gas have given rise to proposals to bring fossil fuels from the Arctic, an opportunity to make your own contribution to this process.

I think that I perhaps should add that throughout this Inquiry's hearings in Northern. Canada a unit of broadcasters from the C.B.C. has been broadcasting each evening for 4n-hour over the C.B.C.'s northern network to people throughout the north in English and the native languages, and those broad-. casters are accompanying the Inquiry on its -tour of Southern Canada this month, and broadcasting each evening over, the Northern Network to the people of the north about the things that have been said at these hearings in southern centres as we move across the country. Those broadcasters who are with us today are Whit Fraser, who broadcasts in English; Jim Sittichinli, who broadcasts in Loucheux; Joe Toby, who broadcasts in Chipewyan and Dogrib; Louis Blondin, who broadcasts in Slavey; and Abe Okpik, who broadcasts in Eskimo.

I'll ask Mr. Goudge to outline

our procedure this morning.

MR. GOUDGE: yes, sir. I should say first that the procedures we propose to follow has been agreed to by all the full-time participants who are participating before you in the Inquiry as it conducts its hearings at Yellowknife, and they are obviously designed to allow as full a participation by those who wish to say something here to you as is possible, given the exigencies of time.

The Inquiry advertised some time ago in the major papers across Southern Canada and asked for written briefs to be filed with the Inquiry office in Ottawa by May 1st. That was to allow us to plan the time we have available in Southern Canada in the most efficient way, and those who responded from Ontario have been scheduled here over the 3 1/2 days we propose to sit in Toronto by Mr. Waddell. Any of those who did not file briefs with our office in Ottawa but wish to make submissions would be advised to speak to Mr. Waddell, who is seated on my right, and I know he'll do his best to fit you into the schedule we have here. It may not be possible. We have had a long list of participants who are anxious to speak in Toronto, but Mr. Waddell will do his best.

The procedures are really very simple. The first we propose is that there be no cross-examination of people delivering briefs at these hearings, but if it should appear desirable that there be further questioning of the people giving evidence

here, we will attempt to arrange that that be done at a mutually convenient time and place.

The second is that we've agree I that the full-time participants before your Inquiry will have the opportunity at the end of the session to respond briefly to what has been said here today.

Thirdly, we will ask each witness to take the oath or to affirm. This is the procedure that we have followed in the north, and it's indicative, I think, of the importance that the Inquiry places on what is said here.

Those are the procedures, sir. Now I'll ask Mr. Waddell if he will, call the witnesses

MR. WADDELL: Mr. Commissioner. on the list of briefs this morning we have Pollution Probe, Noranda Mines, the Canadian Gas Association, Mr. Norman Zlotkin representing a number of groups, the Interior Chamber of Commerce, Union Gas, the Ontario Federation of Labour, the London Conference of the United Church of Canada, Mr. Patrick Scott, and Miss Joyce Young. So we'll get going on that list.

I would call first Mr. Monte Hummel, who is with Pollution Probe.

MONTE HUMMEL sworn:

THE WITNESS: Thanks very much. Good morning.

In the past, Pollution Probe has spoken up fairly often about the environmental impacts of the Mackenzie Valley Pipeline. I hope the

Commission will not be disappointed if we don't focus on this again today. Frankly, we don't have anything new to say along these lines. We feel that environmental concerns have been acknowledged as having a much higher priority now than five or six years ago, and the Beaufort Sea decision notwithstanding, we intend to make sure that government, industry, and all parties involved are committed to preparing high quality environmental impact statements before physically intervening in the Arctic and sub-Arctic environments.

The other point we have raised repeatedly in the past is the need for extensive public participation leading to local and broadbased consensus about how, when, or whether the pipeline should be built, This still concerns us, though the establishment of these hearings and the way they have been conducted are a very positive move on the part of the Federal Government. However, we are uneasy about three matters:

· that approval might be given or construction begin before native land claims have been resolved;

· or before this Commission's recommendations are submitted;

· or before the National Energy Board hearings have been completed. In the haste to get moving with the pipeline, all three of these possibilities have been hinted at, and we would be absolutely opposed to any step in this direction.

We obviously still feel

strongly about these points, but what I've said so far, we've really said before. For the rest of my brief, then, I would like to outline some of the more recent-concerns we've had. You'll notice that these concerns have led us to ask not how the project might go ahead, or how it might be modified to meet various social or environmental factors, but whether it should be built at all.

Perhaps this over-simplifies the matter but we still can't get a straight answer to this question: Why risk the social and environmental fabric of the Arctic for what is at best only an interim solution to our energy problems?

THE COMMISSIONER: What was the question again?

A The operative word?

Q Yes, what was the operative word?

A "Interim".

Why risk the social and environmental fabric of the Arctic for what at best is only an interim solution to our energy problems? The pipeline has no long-term potential whatsoever, In fact it only delays taking more meaningful steps to ensure that we have an adequate supply of energy. We haven't found anyone who disagrees with this, including government energy planners and some senior executives of Canada's energy and resource industries. In light of this, I would have thought that this pipeline, along with many other northern oil and gas developments,

would be proposed as tentative or holding pattern kinds of strategies, transitional strategy, a sort of holding pattern or in-between step allowing us to get down to the more long-term job. of planning and implementing a more lasting solution based on more efficient renewable forms of energy. Yet We haven't seen one shred of this kind of thinking, not from the industry (at least not publicly stated) and not from the public statements of our Federal Government, especially in its latest energy policy statement, It seems to us that Canadians would be foolish to undertake a project of this size without a clear understanding of where it fits in in these terms, In other words,. let's hear where it fits in, and then decide whether it makes sense to go ahead. Or more strongly put, what business do we have contemplating going ahead without knowing where it fits in? Our hunch is that when you think backwards, that is when you look at where our society wants to be with respect to energy supply by say 2025, and consider what must be done now to make sure that we get there, then the Mackenzie Valley Pipeline may not fit in at all.

A second concern is that this scheme fuels a demand for energy which is irresponsible and must be reexamined, especially here in the south where the largest part of that demand originates. It would be a difficult matter it would be a different matter if we were using our current supplies wisely and efficiently with serious efforts at energy conservation, but we aren't. Pollution Probe can't

understand an energy strategy that proposes to give more pablum to an overweight baby who's throwing what he's already got all over the floor, especially when he's old enough to learn not to overeat in the first place and eat what he does get properly. To add insult to injury, proposals like the Mackenzie Valley Pipeline ask us to worsen our net energy ratio., that is to invest more and more energy for each B.T.U. which we get back, or use. Until we remedy both of these situations and begin to set our own house in order, I certainly wouldn't want to have to explain to northerners that we in the south need the Mackenzie Valley Pipeline.

A third and related concern is that it's now clear that it costs less to save energy, thereby knocking back demand, than it does to increase supply by the same amount, Why not do the same amount of work with less energy and have some left over for new demands, especially when that strategy costs substantially less than continuing to waste what we now use while looking for additional supplies through projects like the Mackenzie Valley Pipeline? Everyone agrees that we're wasting energy. Both the Science Council of Canada and the Office of Energy Conservation have undisputed data on the economic advantage of the conserving strategy over increasing supply. In other words, we're not sure that Canadians would be following their own best advice by undertaking the pipeline.

A fourth concern is that even

if the energy demand were justified, by building this project we opt for one source of energy, namely gas, and as you have said, an ensuing oil pipeline, without having seriously explored the practicability of alternative sources, particularly renewable sources such as solar, wind and biomass. By heavily capitalizing the more conventional sources, we are foreclosing the development of renewable resources of energy this in the face of worldwide acknowledgment of the fact that fossil fuels have only short-term potential. Energy Probe's preliminary research indicates that renewable forms of energy are very practical for Canada, and that they are more efficient because the energy source is closer to the load and because they provide a greater form of energy that more closely matches with end use. Also, we suspect that renewable energy is now competitive and in the future will undoubtedly he cheaper than conventional sources, especially when costed over time and coupled with meaningful conservation efforts. So even if we leave aside the question of whether or not demands are justified, which is probably more properly a question for the National Energy Board, we must ask what constitutes the best supply mechanism, whatever the demand? In either case, we seriously question the value of the Mackenzie Valley Pipeline.

A fifth concern is that we have not yet priorized the various uses to which oil and gas reserves might be put. On what rational basis, for instance, have we decided that the best use of natural

gas is to simply burn it for its energy content? What is the petrochemical and plastics applications for petroleum derivatives? Pollution Probe doesn't know the answer to this question. But who does? If the answer, as we suspect, is "Nobody", then I repeat I wouldn't want to have to explain why it is that we need the Mackenzie Valley Delta gas now.

Perhaps our Sixth and final concern is really lust a summary of what's already been said here and by Energy Probe, It is that the Mackenzie Valley Pipeline generally symbolizes in our judgment a wrong-headed energy strategy. It accepts present demand, trying to meet rather than question it. It's enormously expensive. It has harmful social and environmental impacts. It provides increased centralization of energy technology 'with its attendant wastage through transmission and technological distancing in terms of public understanding. It has the air of being pre-planned by industry and government, then sprung on the Canadian public; and it is based on nonrenewable resources, therefore posing no long,-term solution to what is unquestionably a long-term problem. In contrast, we think it's still within our grasp to implement a very different strategy that is less expensive, more efficient, decentralized, understandable, low in environmental impact, less demanding in terms of social adaptation, and based on our energy income -- that is on renewable sources of energy that are with us every day.

I'm sure you've noticed that

perhaps unlike the past, this brief has not been exactly loaded down with numbers and statistics. Rather it has tried to offer a plain-Stalk logical framework within which anyone can ask, "Why build the Mackenzie Valley Pipeline?"

That's not to say that we don't have numbers and technical data on our side. In fact, some of Pollution Probe's strongest supporters and best advisers are senior energy experts within government and industry, here, south of the border, and abroad. But this brief reflects our belief that the Mackenzie Valley Pipeline issue, and the string of conventional energy developments waiting in its wake will not be resolved so much by one man's numbers versus another's, as by a sore deep-seated feeling for what kind of future we want.

Thank you.

THE COMMISSIONER: Thank you, Mr. Hummel.

(SUBMISSION BY POLLUTION PROBE M, HUMMEL MARKED EXHIBIT C-439)

(WITNESS ASIDE)

MR. WADDELL: The next presentation, sir, is from the president of Noranda Mines, Mr. Alfred Powis. Mr. Powis, will you go up there, please?

ALFRED POWIS sworn:

THE WITNESS: Mr. Commissioner, Noranda Mines is a public company incorporated in the

Province of Ontario, and is engaged at various locations throughout Canada, directly or through its subsidiaries and associates, in mineral exploration and mining, metallurgical processing, metal manufacturing, production of chemicals and fertilizers, oil and gas exploration and production, and forest products. Approximately 31,000 people are employed in the company's domestic operations, 94% of our issued shares are held by residents of Canada.

About 60% of annual sales revenue of the Noranda group of companies is derived from domestic markets, where we supply a wide range of raw materials and secondary products to industrial users, Sales of export products, including copper, zinc, potash, pulp and lumber, exceeded $460 million in 1975.

As a major energy user the equivalent of some 75 million cubic feet of gas a day, Noranda is highly conscious of the need to maintain an adequate supply of hydrocarbon fuels for all sectors of the Canadian economy, both over the short and longer term. Noranda is co-operating fully in joint government-industry effort to promote conservation of energy. Direct industry use of energy accounted for about 40% of the total approximate 7,9 quadrillion B.T.U.s consumed in Canada in 1975, the remaining 60% meeting the needs for residential, commercial, and transportation uses, it is still too early to establish how effective energy conservation measures will be in the industrial sector; current predictions

are for no greater than a 5 to 15% reduction in energy consumption, if all waste is eliminated.

Even if this range of conservation is achieved, or if it can be significantly exceeded in the other user areas, it appears that energy supplies available from all existing domestic sources will be insufficient to meet requirements for reasonable expansion of the Canadian economy through to 1990.

Therefore we believe even if optimum results are achieved in the area of energy conservation, significant new supplies of hydrocarbon energy must be found, developed and transported to user areas in order to maintain a healthy economy and provide an adequate living standard for all Canadians.

Noranda is participating directly in the search for new hydrocarbon reserves.

We have exploration and production operations in the western provinces, and an interest in an exploration program in the Arctic Islands.

However, with respect to the proposed Mackenzie Valley Pipeline, this company has no participation in any of the applicant groups, nor does it hold gas reserves in the Mackenzie Delta or the Beaufort Basin, Nevertheless, as a major energy user, we support the view that all, new sources of future energy supply should be made available without undue delay. On the basis of information made available to date, this pipeline appears to be justified from the supply and techno-economic standpoints. Within the scope of the hearing conducted before the National

Energy Board, Noranda Mines is registered as an intervenor supporting Canadian Arctic Gas.

We are familiar with the mandates of this Inquiry and we have no independent data to submit on the issues raised in the Inquiry's hearings to date. We feel obliged to comment, however, on the suggestion put forth that the Mackenzie Valley Pipeline be delayed until all matters are resolved to the satisfaction of northern residents, We understand the concern regarding the environmental and socioeconomic impacts of this proposed pipeline on the north, Nevertheless we hope that in addressing this particular proposal, all parties involved recognize the points to be resolved really apply to all forms of development in the northern region.

Also, in any major development undertaking, wherever located, there has to be a certain amount of disruption and adjustment to new conditions. We're confident that through the process of this Inquiry adequate opportunities have been given to arrive at an equitable solution, whereby this pipeline could proceed with the least possible disturbance to the environment, and result in substantial socio-economic benefits to northern residents, It appears to us that any decision involving prolonged delay or indefinite deferral of the proposed pipeline would not resolve the key issues involved in all future development of the north. On the other hand, this Inquiry represents an opportunity to help solve these particular problems in a way that would be

immensely beneficial to the future of the northern people. We fail to see why starting construction of the Mackenzie Valley Pipeline should be dependent upon the settlement of long-standing native land claims.

Certainly there should be a show of good faith by both the Government of Canada and representatives of the native people. A discussion of those claims should at least be started prior to commencing pipeline construction. However, we can't see the logic of delaying the pipeline until a final settlement is reached, particularly when such a delay could eventually prove to be highly detrimental to both the northern and southern people of Canada.

We suggest that any consideration of delaying the pipeline should give due weight to the following points which affect the people of Canada as a whole:

1. Despite all efforts toward energy conservation and increasing supply of hydrocarbon fuels from existing producing areas, it appears highly doubtful that Canada can maintain adequate domestic supplies over the next ten years without production from at least one frontier area. if the Mackenzie Valley Pipeline is unduly delayed, the country could be faced with a prolonged energy shortage.

2. In the event of a form of energy rationing being instituted to counteract the domestic supply shortfall major industrial users would be forced to curtail operations accordingly. The resulting reductions in

employment and production of goods would drastically alter the living standard of all Canadians, and force decreases in many export sales areas on which our economy is highly dependent. 3. If an energy shortage is to be rectified by increasing imports of foreign crude oil, related effect on our balance of payments and our currency exchange rates would add to an adverse situation throughout the Canadian economy.

We're very grateful for this opportunity to present our views here, Thank you.

(SUBMISSION BY NORANDA MINES A. POWIS MARKED EXHIBIT C-440)

(WITNESS ASIDE)

MR. WADDELL: The next brief, sir, is from Mr. W.H. Dalton, president of the Canadian Gas Association. Mr. Dalton?

WILLIAM H. DALTON sworn:

THE WITNESS: The Canadian Gas Association, formed in 1907, is the non-profit national trade association representing 646 corporations and individuals drawn from every segment of Canada's natural gas industry.

We are aware, sir, that the terms of reference of your Inquiry are to study the social, environmental and economic impact on the Northwest Territories and the Yukon of the construction operation and subsequent abandonment of any pipelines from those regions to southern markets. In performing

your task, you have heard a considerable body of opinion regarding all aspects of the impact of the development of an energy corridor from the Arctic to the mid-continent and the increased oil and gas exploration and development that will result in the Mackenzie Valley, the Mackenzie Delta and the Beaufort Sea.

These matters and others within your terms of reference can have a profound effect on, not only the northerners but all Canadians. In considering ways to maximize the benefits of such development for northerners and minimizing any undesirable consequences, this Inquiry will be directly involved in shaping the manner in which Canada's gas reserves in the Mackenzie Delta area are delivered to consumers in Southern Canada.

For this reason, as the national trade association for the industry, we would like to very briefly comment upon the natural gas industry and what natural gas means to the Canadian way of life.

Eight million Canadians today use natural gas in their homes to meet at least part of their daily energy requirements. The vast majority of these people are located in cities, towns and hamlets scattered across Canada from British Columbia to Quebec, although a few thousand people in New Brunswick also use natural gas which is produced in la small quantity within their province.

26% of all energy used in Canada is, or is derived from, natural gas. Today the use of this clean burning fuel exceeds the combined

consumption of coal, coke, hydro and nuclear electricity. In short, natural gas has developed into an essential fuel for Canada due in part to its pollution-free characteristics, its safety, convenience and efficiency.

THE COMMISSIONER: You're taking residential and industrial use into account in making that comparison between the use of natural gas and other fuels?

A I am, sir, yes.

Currently there are 2,100,000 households which are heated and otherwise served by gas; twice the number of 15 years ago. In addition, 220,000 commercial and institutional customers use gas, while more than 15,000 industries employ this fuel, many of them because it is the only fuel they can use to produce the materials and products in demand across the length and breadth of the country and for export markets.

Collectively, these customers paid more than $1.3 billion for the gas they consumed in 1975. Almost half of this was paid by industrial customers, while residential users across the country accounted for 'about one-third of these expenditures. 57% of the $1.3 billion outlay originated in Ontario.

One of the concerns which has been mentioned in some quarters is the substantial year-to-year increase in domestic gas consumption. For example, the volume of gas purchased by Canadians has quadrupled between 1960 and today. This has precipitated some statements about wasteful consumption

of this premium fuel. The Canadian Gas Association shares in this concern and we can assure you that our members are vigorously pursuing research and development and conservation programs aimed at the more efficient utilization of natural gas.

However, it should be pointed out that one of the chief reasons for this substantial increase in gas consumption since western gas became available nationally is simply that Canada's population has enlarged considerably during the same period. There are more people using more energy than ever before, and a sizeable percentage of them are using natural gas. The number of customers has doubled since 1960, and the use of gas has gone up fourfold as these customers use more gas appliances in their homes and factories.

Canada is one of the world leaders in pipeline technology, and its 75,000 miles of buried gas-gathering, transmission and distribution lines rank in the forefront for safety, efficiency and reliability.

Having mentioned at the outset that the Canadian Gas Association is composed of all sectors of the gas industry, we would like to stress that our members include every major utility company in Canada which collectively has the responsibility of delivering this fuel within over 2,000 communities. Our member companies have an unusually knowledgeable appreciation of the gas requirements in these communities. They have accordingly played a significant role in the formulation of C.G.A.'s position with respect to the proposals for a

Mackenzie Valley natural gas Pipeline.

The Association has concluded that there is an urgent need to connect the Mackenzie Delta gas reserves to the market place at the earliest possible moment, The C.G.A. is extremely disturbed by the shortages which have been experienced in certain parts of Canada, particularly in Winnipeg and Southwestern Ontario. We view with alarm the effects this situation might have on Canada if it is allowed to continue and grow. While it does not support one of the applicants now appearing now before the National Energy Board over the other, the Canadian Gas Association strongly urges the building of a pipeline to bring natural gas from the Mackenzie Delta area to the Canadian markets as economically and speedily as possible

Having said that, Mr. Commissioner, we fully recognize the need for responsible development of these northern resources -- development which will serve the people of northern regions in addition t6 those of us who already rely on supplies of natural gas. The interests of development as it applies to the people and environment of Northern Canada and the interests of those of us who would use the energy for which the pipeline is designed, are not mutually exclusive. There is a great deal of interdependence, as you have stated in the past, sir.

The Canadian Gas Association supports the building of a pipeline to bring natural gas from the Mackenzie Delta to market. We believe that with the cooperation of industry, government and concerned groups and

organizations, the needs and aspirations of all Canadians can be meaningfully met by this undertaking.

THE COMMISSIONER: Thank you, Mr. Dalton.

(SUBMISSION BY CANADIAN GAS ASSOCIATION W.H. DALTON MARKED EXHIBIT C-441)

(WITNESS ASIDE)

MR. WADDELL: Next, sir, is Mr. Norman Zlotkin, who appears on behalf of the Law Union of Ontario, the Native Studies Collective, the Anti-Reed Group, and the Group to Arrest Dryden-Minimata Disease.

NORMAN ZLOTKIN sworn:

THE WITNESS: Mr. Commissioner, ladies and gentlemen, this submission is being presented on behalf of four organizations: The Law Union of Ontario, the Native Studies Collective, the Anti-Reed Campaign, end the Group to. Arrest Dryden-Minamata Disease.

The Law Union of Ontario, a coalition of progressive lawyers, law students, and legal workers, believes in the development of a collective strategy for social change and in working as an effective political and social force in the service of the people.

The Native Studies Collective is a group of people who are working together to develop an analysis of the native movement within Canadian society and who work with other organizations and individuals on specific projects in support of native

peoples and their struggles for self-determination and for control of their own lives.

The Anti-Reed Campaign was formed by a group of individuals who are concerned about the destruction caused by the activities of the Reed Paper Company. Not only has Reed dumped hundreds of tons of mercury into the rivers of the north, but also it is planning to build the largest forestry complex in Ontario, a project which threatens permanent damage to thousands of square miles of northern forest -- the home of native-peoples' and the wildlife they depend on.

The Group to Arrest Dryden Minamata Disease was a co-sponsor and major organizer of the visit of the Japanese victims of mercury poisoning to Canada in September, 1975. It is currently organizing a symposium at Habitat Forum in Vancouver on the effects of mercury in Canada.

I myself am a lawyer working with native people and native organizations in Northern Ontario, including the Grand Council Treaty No. 9 (which shall be making a submission in Ottawa) and the White Dog and Grassy Narrows Band Councils.

Mr. Commissioner, the first part of the Mackenzie Valley Pipeline Inquiry's mandate is,

> "to consider the social, environmental and economic impact regionally of the construction, operation and subsequent abandonment of the proposed natural gas pipeline in the Yukon and the Northwest Territories."

In predicting the impact of the proposed pipeline, it is instructed to study the effects of similar developments in other regions of Canada and the rest of the world, Mr. Commissioner, as you have crossed the country, you have heard many submissions describing the effects of development imposed on native people, As I work .primarily with native people in Northern Ontario, I will restrict my comments to that region.

Like the Northwest Territories Northern Ontario is an area o which little is known in the south. When you say you are going up north, people think of Muskoka or Haliburton; some even think of Sudbury or Thunder Bay. But people do not think of Big Trout Lake or Sandy Lake or Fort Albany or Ogoki, and people do not think of the Ojibway and Cree people in Northern Ontario.

There are many similarities between Northern Ontario and the Northwest Territories. By "Northern Ontario" I mean that area north of the northern C.N.R. line, most of which lies within the Treaty 9 area. Both cover huge expanses of Canada; Northern Ontario covers 200,000 square miles. Both the Northwest Territories and Northern Ontario contain many native communities which are only accessible by air. There are 30 such native communities in Northern Ontario. In both regions, native people constitute the majority of the population, and in both, English is not spoken by the majority of that population, nor is English the working language of the people.

Just as the Northwest

Territories may be seen as a colony of Canada with a colonial form of government, Northern Ontario may be seen as a colony of Southern Ontario with a form of governmental control which is colonial in many aspects. The Northwest Territories is governed by the central government in Ottawa, thousands of miles away. Decisions are made by colonial administrators of the Department of Indian Affairs & Northern Development, who have never been north of the Gatineau, and who dance to the tune of multinational executives with whom they rub elbows in the bars of the Chateau Laurier and the Skyline Hotel. The elected Council of the Northwest Territories is only an advisory body to the Commissioner (the Canadian word for "colonial governor of the Territories. All land use planning, exploration permits, oil and gas leases and other such licences to exploit the natural resources are granted from Ottawa. There is very little local decision making.

The same may be said for Northern Ontario, which is governed from Toronto, also over 1,000 miles away. Instead of the Department of Indian Affairs & 'Northern Development, we have the Ministry of Natural Resources, the Ministry which controls land and, resource development in Northern Ontario, When the multinational corporations of the pulp and paper and mining industries want licences to exploit the resources of the land, they do not need the permission of the local people, who are the native people, but they obtain the consent of the colonial-like bureaucrats of the ministry of Natural Resources in

Toronto. Just as, in the Territories, Northern Ontario is governed to the benefit of southern interests.

Development for the benefit of non-native interests can have a disastrous effect on native people, even if that development appears to take place some distance away from their communities. Now the experience of White Dog and Grassy Narrows, 'two reserves north of Kenora, graphically illustrates the destructive effect of industrial expansion on native economies.

White Dog is a community of 600, to which sportsmen once travelled from across North America. Grassy Narrows, north-east of White Dog, has a population of about 500. It is scattered across an area where many streams and channels converge, where fish and game could formerly be found in abundance.

20 miles north of White Dog lies One Man Lake Reserve. The people who once lived there are now at White Dog. Today One Man Lake is populated by one old man, who is joined by a couple of friends from time to time. Most of the area which was once reserve land is now under water, and all that remains of the reserve are three tiny islands and a corner of the river shoreline.

Until 1958, One Man Lake was a healthy community that was accessible only by boat or plane, and had few white visitors, 16 families lived there in the traditional way -- rice harvesting, trapping and fishing were the main sources of cash income. The land was rich and shortages were rare, Most

of the families had large gardens. Every family had at least one boat for commercial fishing, as well a all the necessary canoes, tools and equipment for hunting, trapping, fishing and harvesting wild rice. There were no serious so dial problems and, no need for welfare.

In the spring of 1959 and almost without warning, the waters around the One Man Lake settlement began to rise, and within a matter of days, nearly everything was submerged, Ontario Hydro had closed a new dam up downstream. The people lost almost everything. They made their way to White Dog and attempted to settle there, but the White Dog economy could not support many additional people. After the flooding the people discovered their old means of livelihood had been destroyed. The rice beds and trapping areas were submerged and it was impossible to fish commercially because the lakes were full of debris. This band lost its land and its livelihood, so that the industries of Kenora could have cheap hydro power. The effect of the hydro project also extended up-river to the Grassy Narrows Reserve. There too, the commercial fishery and the rice and fur crops were flooded out. The damage is permanent. The changed water levels and the natural fluctuations created by the power dam will not allow creation of new rice beds or the reestablishment of the beaver and muskrat, whose houses are built at water level.

The economy of this reserve was heavily damaged by Ontario Hydro. But ironically it

was not until 1975 that electricity was made available to Grassy Narrows, and even then it was expensive and difficult to obtain.

Even if the debris is ever flushed out of the system, commercial fishing cannot be re-established. The waters are poisoned with mercury pollution and the fish have been declared unfit for human consumption, Grassy Narrows and White Dog are the two native communities which have been most affected by the mercury pollution which contaminates the entire English River-Winnipeg River systems, and probably extends much further. Fish has always been an important food source far these people and despite warnings, some native people still eat the fish. When people have barely enough to live on, they cannot eliminate the chief available source of protein from their diet.

Mercury pollution has also resulted in the loss of over 100 jobs for the people of White Dog and Grassy Narrows, These people who had been working as guides at tourist camps, lost their jobs when the camps closed because of mercury in the fish. The 25 Indians still working at camps in the river system risk contracting mercury poisoning or Minamata disease, for they are forced to eat fish with the American tourists every day or lose their jobs.

At the White Dog Reserve, annual welfare payments went from $57,000 in 1959 to almost triple that amount in 1974. At Grassy Narrows. payments went from $29,000 in 1969 to $122,000 in 1973. Unemployment is running over 80%. Furthermore, Minamata

disease or methyl-mercury poisoning, has begun to affect the people of White Dog and Grassy Narrows.

Mercury poisoning caused by industrial pollution of the environment, is an intoxication of the central nervous system, also affecting the other body organs and systems. As nerve cells cannot regenerate, there is no cure. The effects on the body vary according to the degree of contamination, At Grassy Narrows and White Dog, symptoms of chronic type Minamata disease are being found. This causes a slow, malingering disability and early death, and is usually associated with some intake of mercury over a long period of time. People will show some or all of the following symptoms, with varying severity: Sensory disturbances, constriction of the visual field, loss of motor co-ordination, and auditory and speech disturbances. If pregnant women eat poisoned fish, the child is poisoned before birth and in extreme cases may have symptoms similar to that of cerebral palsy wit severe retardation, but in mild cases show only slight retardation.

In 1962 the Dryden Chemical Company, now owned by Reed Paper Limited, began using the mercury cell process ii its plant at Dryden, 50 miles upstream from Grassy Narrows. It is estimated that 20 pounds of mercury were dumped into the Wabigoon River each day for an 8-year period from 1962 to 1970, and lesser amounts have been done between 1970 to 1975. Although the Provincial Government finally discovered the dangers from Reed's high mercury discharge, this

information was withheld from the public and from the Indian people most seriously affected thereby, until the following year.

To date there is no known way to safely remove the mercury from the sediments of the Wabigoon River, without causing greater problems by stirring up the poison. If left alone, it has been estimated that it may take between 70 and 100 years for the mercury levels in the fish to return to normal.

The people of White Dog and Grassy Narrows have demanded that action be taken to remedy their situation. They have demanded that the river systems be closed to all fishing, including sport fishing and fishing for food. They have demanded that the Governments of Ontario and Canada provide compensation for the destruction of community life, the loss of livelihood and damage to health caused by the dumping of mercury. They have demanded that the Provincial Government take legal action to gain compensation from Reed Paper, and they have demanded compensation directly from Reed itself.

Yet neither the Provincial Government nor the Federal Government nor Reed Paper have shown any inclination to meet these demands. The voices of Grassy Narrows and White Dog are not usually heard at the far-away decision-making centres of Toronto and Ottawa. Reed will not pay compensation unless ordered to do so by a Court or by legislation; neither is likely in the near future. Reed is British-owned and not interested in the well-being of Indian communities

in the Canadian north.

Industry and industrial pollution will also follow the pipeline to the Northwest Territories. Already there are signs of arsenic, cadmium and mercury problems from the mining developments near Yellowknife.

The fact that the pipeline, or an industry serving the pipeline, is not directly adjacent to a native community does not guarantee that the community will be safe from the adverse effects of pipeline development. The Reed Paper Plant at Dryden is 50 miles upstream from Grassy Narrows and even further away from White Dog. Yet the Town of Dryden flourishes because of the activities of Reed Paper, while the two reserves face the destruction of both their economic and community life from an invisible poison dumped 50 miles away.

Industrial development in the Northwest Territories should not occur unless the native peoples, the majority of the population, choose to take the risks that must follow.

Only if the Dene and the Inuit control their land can they be free to make. such decisions. If control of the north continues to remain in Ottawa, and if decisions continue to be made in the interests of the multinational corporations that seek only to exploit the natural resources without concern for the social effects of their activities, then it appears inevitable that the tragedy of White Dog and Grassy Narrows will be repeated in some form in the

Northwest Territories

It is not sufficient to say that there must be no pipeline before the land claims are settled. We take the position that the native peoples must control their land and their destiny. Only if and when the native peoples decide that the pipeline is to their benefit, should such a project be allowed to proceed. The people and governments of Canada must recognize the rights of the Dene nation as stated in its historic manifesto of 1975.

"Our plea to the world,"

and I'm quoting part of the manifesto,

"Our plea to the world is to help us in our struggle to find a place in the world community where we can exercise our right to self-determination as a distinct people and as a nation. What we seek then is independence and self-determination within the country of Canada. This is what we mean when we call for a just land settlement for the Dene nation."

"The Dene find themselves as part of a country. That country is Canada. But the Government of Canada is not the government of the Dene. The Government of the Northwest Territories is not the government of the, Dene, These governments were not the choice of the Dene. They were imposed upon the Dene. What we, the Dene, are struggling for is the recognition of the Dene nation by the governments and peoples of the world."

Thank you, Mr. Commissioner.
(SUBMISSION OF LAW UNION OF ONTARIO ET AL - N. ZLOTKIN MARKED EXHIBIT C-442)
(WITNESS ASIDE)
MR. WADDELL: The next brief, sir, is from Mr. J.A. Meakes of the Ontario Chamber of Commerce.
R. MEAKES, Sworn:
THE WITNESS: Mr. Commissioner, the Ontario Chamber of Commerce is an autonomous federation of over 180 community-based Boards of Trade and Chambers of Commerce located throughout the Province of Ontario. Individual membership of these organizations, numbers in excess of 46,000 persons involved in the total spectrum of the provincial business community, from sole proprietorships to multinational corporations
In addition to the above, over 1,200 Ontario-headquartered corporations are fee-paying but non-voting members of the Ontario Chamber of Commerce in their own right.
This unique blend of both community and corporate thinking provides the basis of the following, submission, and is represented throughout the views expressed herein.
The submission, although, it is a distillation of thought, is made therefore, Mr. Commissioner, fully mindful of the lay person's concern in the public debate regarding the proposed Mackenzie Valley Pipeline.

We refer first to the economic import of Ontario. Canada is basically a trading nation, and within its confederation, Ontario is no less a trading entity exchanging goods and services with other parts of Canada, as well as with lands beyond our national borders. In this connection, sir, reference to "Ontario Statistics 1975" published by the Provincial Ministry of Treasury, Economics & Inter-. governmental Affairs, indicates that Ontario presently is responsible for approximately 48% of all Canada's commodity production, while exporting over one-third of the nation's total exports to our principal trading areas. This province therefore containing 36.11 of the total Canadian population, is ever-conscious of both national and international trade. Such trade clearly requires transportation systems, and their essential role is very evident.

In serving as spokesman for this vast provincial community, the Ontario Chamber is deeply sensitive to not only the economic but also the social, well-being of Ontario, the north, and all of Canada. A constant and assured supply of energy is, in our belief, essential to these matters.

I direct your attention to native rights. Your Inquiry, sir, has dealt at length during these hearings with the topic of native land claims, and we share with numerous Canadians the requirement for an early and equitable settlement of justified claims of the affected native groups.

We as responsible citizens,

support the desires of the native peoples,: and the obligations of the government to ensure each member of society fair treatment and an equal role. We recognize in addition that the social and economic well-being of our nation requires in the near future development of additional supplies of domestic energy.

Your efforts therefore, sir, to deal effectively with both of these difficult and important issues, will no doubt be supported in the main by the people of Canada.

In a recent publication of your Commission you state that indications of the nature and extent of land claims will enable the Inquiry to be, in your words, sir:

> "in a position to indicate to the Minister of Indian Affairs & Northern Development, the Honourable Judd Buchanan) what measures ought to be taken to ensure that the native peoples, in their negotiations with the government, do not find themselves at any disadvantage owing to the building of the pipeline, and looking to the consummation of negotiations, what measures ought to be taken to ensure that whatever the extent of native interest that may ultimately be recognized by any settlement, it will not be diminished by the construction of the pipeline in the meantime."

In your pursuit of this objective, sir, you are assured of the support of the Ontario Chamber of Commerce and we trust that all

parties concerned will deal with this matter in the spirit intended.

We would refer now to the socioeconomic impact on Ontario. Ontario as a major consumer of energy, must have assurance of a secure and constant energy supply, if it is to continue its role as a major provider of goods, jobs and services.

Present forecasts indicate that even if Canadians strenuously practice conservation of energy in every form, domestic supply presently available will be inadequate in the early 1980s.

Any untoward delay in assuring provision of sufficient supply in the limited time frames remaining prior to the period mentioned, will obviously seriously impede the ability of this province to continue to meet its responsibilities to the nation, or to its own citizens.

Economically, the national annual deficit on current account, that is trade involving all goods and services, has been approximately $750 millions in the 20 years prior to 1974. In the year 1975, Canada's current account deficit reached an all-time high of $5.5 billions. It, now appears that by the late 1980s the deficit on oil alone may reach some $6 billions.

The current negative trade balance that Ontario is experiencing is having significant effects on the province's development. These effects will be gravely aggravated by the compounding petroleum deficit, and the relationship between economic

and social difficulties is well recognized.

We touch on environmental impact. This Inquiry is concerned deeply with the possible environmental impact resulting from the development of the pipeline project.

The Ontario Chamber of Commerce understands that these aspects have been studied extensively and in great detail by the Federal Government and the companies concerned. Further, we are advised that these important deliberations have resulted in identification and solution of many major environmental problems, and that co-operative efforts towards solution of remaining problems need not further delay commencement of construction.

In summary and by way of conclusion, sir, in this brief submission we have attempted to touch on a number of areas of specific concern relative to the development of the proposed Mackenzie Valley Pipeline.

Additionally,, we feel obliged to stress that should this project not proceed in the most expeditious manner, there are a myriad of further negative implications to this province and to all of Canada. Among these are:

· the obvious decline in economic and employment opportunities in the north;

· the negative impact on the economic well-being of Southern Canada resulting from the need to import energy supplies at future world prices, thus removing present economic advantages in domestic energy prices; · the

nullification of one of the few competitive advantages currently available to Canada's manufacturing sector;

· the decline on related revenue flow to the federal coffers which will decrease the ability of the government to provide appropriate assistance to northern peoples and communities;

· and finally, for Ontario to be substantially dependent on imported oil is fraught with political complications.

Therefore, Mr. Commissioner, in the light of these matters and those other considerations outlined, we believe that the Mackenzie Valley Pipeline should proceed.

The feasible alternatives, nuclear, energy, the development of the Tar Sands, the development of coal, as prime energy sources, have factors of time, cost and environmental concerns against them.

So in conclusion, may we submit that:

1. Immediate and rapid development of the Mackenzie Valley Pipeline project is urgently required to ensure maximum opportunity of obtention of seriously needed supplies of natural gas to this province by the early to mid 1980s.

2. This pipeline can be constructed while giving due consideration to the legitimate concerns of our northern citizens and their chosen environment.

3. The social, economic, environmental and security aspects of the national interest demand that all

Canadians ensure the viability of this project with the minimum of delay.

The Ontario Chamber of Commerce and its community and corporate membership thank you for the opportunity you have afforded to this presentation, and commend you, sir, for your dedicated efforts in this vital matter of national concern.

Thank you.

(SUBMISSION OF ONTARIO CHAMBER OF COMMERCE J.R. MEAKES MARKED EXHIBIT C-443)

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner. I wonder if we could break for coffee now and take a short I'd underline "short" coffee break. We have a number of briefs outside.

THE COMMISSIONER: All right, we'll adjourn for coffee.

(PROCEEDINGS ADJOURNED FOR A FEW MINUTES)

(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

THE COMMISSIONER: Well ladies, gentlemen, we'll come to order then and Mr. Waddell can advise us who is to present the next brief.

MR. WADDELL: Yes Mr. Commissioner, the next brief will be presented Mr. Glen Caughey who is the vice-president of Union Gas, Chatham. Mr. Caughey?

R. GLEN CAUGHEY, sworn

THE WITNESS: Good morning Mr. Commissioner, ladies and gentlemen. It is a pleasure to appear before you sir, and I am representing Union Gas Limited.

Union Gas. Limited is one of the 15 member consortium entitled "Canadian Arctic Gas Study Limited" and to date this study group has spent more than $100 million on various studies and materials associated with the proposed Mackenzie Valley Pipeline. Union's share of these expenditures to March 31, 1976 amounted to some $4.7 million.

Union recognizes and acknowledges the importance of this inquiry and supports the consideration of northern and native interests. As evidence of this Union has supported expenditures by Canadian Arctic Gas Study Limited of almost $20 million for the study of environmental matters and socio-economic factors related to the project.

Union currently believes that the Mackenzie Valley Pipeline project as proposed by Canadian Arctic Gas Study Limited offers the most

viable, economic and timely method of supplying much needed additional energy input to Canada. Canadian and U.S. markets. Union Gas Limited is a fully integrated natural gas company engaged in production, purchase, storage, gathering, transmission and distribution activities. In addition, we sell and rent gas appliances and provide equipment service, Our service territory lies within southwestern Ontario, extending from Oakville on the east to Windsor on the west and from Lake Erie in the south to Owen Sound on the north. We serve more than 400,000 customers, However, the population of our service area is some 2 1/4 million people, most of whom are affected directly or indirectly by our ability to provide natural gas service.

During the fiscal year ended March 31, 1976, we made the following sales by category: To residential customers of which we have about 361,000 and of course there is more than that number of people involved as there are between 2 1/4 to three people per household, we sold about 46 billion cubic feet for an aggregate value of some $83 million. In our area we some 39,000 commercial establishments and of course these people employ many more than that and serve many times that number. To this category we've sold some 39 billion cubic feet for an aggregate value of $57 million.

Industrial accounts amounted to some 4,300 and Once again, the people affected

through employment and product availability are many times this number. Many hundreds of times this number. The volumes sold amount to some 142 billion cubic feet for an aggregate value of some $157 million.

In total, we've served about 404,500 customers during the year, sold an aggregate volume of some 234 billion cubic feet with a value of some $304 million. The purpose in mentioning this, sir, is to show that there is a great deal of economic activity associated with energy and particularly natural gas within our area. So Canadians are affected by this source.

Most of union's natural gas is sold directly to end users. However, we also wholesale gas to other distributors for resale and store and transmit gas for TransCanada Pipelines Limited, the Consumer's Gas Company, North Sand Energy Resources Limited, among others. To demonstrate the growth and extent of our business and the urgency which we attach to early delivery of Mackenzie Delta-Beaufort Sea supplies, we have enclosed herewith a copy of our 1975 Annual Report, a transcript of our submission to the House of Commons Standing Committee, a natural resources and public works, an energy study which we conducted in 1975 and a more recent study projecting energy requirements to the year 2000, This material, sir, has been left the counsel and while it is fairly voluminous, I hope you will at least glance through and have a look at some of the graphs and charts. They are very interesting.

We will also forward to you a copy of our Annual Report for the year ending March 31, 1976 later this week when it is available from the printers. From this material and the graph appended, Schedule A, you will be able to see the importance to southwestern Ontario of the early availability of additional supplies of natural gas from the Mackenzie Delta and ultimately from the Arctic Islands as well.

Even if these frontier supply sources are connected in a timely and expeditious manner, serious shortfalls between supply and potential requirements are going to occur. The curve also indicates the seriousness and magnitude of the shortfall even assuming a one percent per year compounding effect due to reduction in demand through conservation and as others have said sir, we find it very difficult to put an accurate handle on just how far conservation will go. We know that it's essential, We know that both our Federal Government and our Government in Ontario are practicing what they preach, I noticed on the 401 highway for instance last night federal vehicles travelling at 55 miles an hour. I was going faster I might add.

Obviously, gas from frontier areas is vital to the future success of Union.

THE COMMISSIONER: There is no 55 speed limit here.

A No but in order to conserve energy I believe there has been a federal

advice to some of the Army vehicles for instance and others.

Q Oh yes, I understand that but you haven't in Ontario adopted a 55 --

A No, it's 60, sir.

Obviously then, gas from the frontier areas is vital to the future success of Unions but more to the point and purpose of this hearing, the magnitude and timing of deliveries of Mackenzie Delta gas will have a significant bearing on the future well-being of hundreds of thousands of families, businesses and industries throughout southwestern Ontario and across Canada.

Through the years, these Canadians have come to depend on adequate long-term supplies of natural gas. Thus, it is absolutely essential that the northern pipeline and other related facilities be approved and constructed as expeditiously as possible. If the line is not built in a timely fashion, then homes, industry and commerce in the south will become even more dependent and reliant on offshore energy sources with resultant serious increase in Canada's balance of payment deficit and a possible lowering of our standard of living.

We very much appreciate, sir, the fact that although your mandate is to review the impact of any proposed pipeline through the Northwest Territories and the Yukon and to protect the interests of our native peoples, you have scheduled hearings all across southern Canada. We interpret this as an

indication that you intend to give consideration. to the position of the consumers, employers and taxpayers in this most important undertaking. We commend you for this as the consumer, industry and general public have not received much attention up until now despite their vital role as the ultimate source of the funds needed to build the line and all the money needed to pay for the Canadian frontier energy which will ultimately flow through and from it.

In conclusion sir, I would like to say that this presentation is not intended to reduce or distract from the native land claims or environmental issues which we know you will deal with adequately and fairly in your report to our Federal Government.

This inquiry as I said last night sets a bench mark for democratic involvement and participation by Canadians with diverse views interests and opinions. The students of Canadian history in the future will be the ultimate judges of our success in attempting to grow together as a unified nation.

Thank you sir.

THE COMMISSIONER: Thank you sir. Thank you very much.

(SUBMISSION BY UNION GAS - R.G. CAUGHEY MARKED EXHIBIT C-444)

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner, I call upon Miss Shelley Acheson of the Ontario Federation of Labor.

MISS SHELLEY ACHESON sworn:

THE WITNESS: Mr. Commissioner, it is with great pleasure and great hope that the Ontario Federation of Labor presents this brief to your Inquiry. We have watched the proceedings of the Inquiry with interest, have admired your methods and patience and understanding throughout. At the same time, we have listened with mounting trepidation to the words of Indian Affairs Minister Judd Buchanan in regard to native land claims and the recent decision of the Cabinet to allow offshore drilling in the Beaufort Sea.

We are concerned that the drilling decision represents a continuation of the commitment of the government to development and energy retrieval in the north in the absence of a national energy policy, full environmental study or concern for the irreversible impact on the native people. We are fearful that the attitude of Mr. Buchanan represents the continuation of the government's colonial mentally toward native people which has effectively kept them economically and politically powerless.

The case of the native people is a unique and exceptional one. Until very recently the solving of their grievances has been hampered by serious weaknesses in communication, cultural misunderstanding and a deaf ear approach on the part of governments. It is a very sad commentary and a very incriminating thread that runs throughout Canadian history that the native people have been so

shabbily treated.

The range of solutions to the Indian problem has been vast, from forcing them to assimilate, live in cities and become white men to total neglect and indifference. In between these extremes have been hand-outs of welfare, education programs, housing programs, all under the paternalistic hand of the Federal Government, all conscious or unconscious attempts to make them like us. Nobody was listening when they said that wasn't what they wanted for the native people were not aggressive and had no power, and nobody cared about the frozen and forbidding land they occupied which was the basis of their culture, their lifestyle and their sustenance.

The discovery of oil and gas in the north has transformed that land into dollar signs. Now it has value in the eyes of society in a totally different way than it has had for the native people for centuries. This basic misunderstanding or ignorance of what the land means to northern inhabitants is the crux of the pipeline debate. It is so very, very rare that an opportunity arises such as this one to reverse the attitudes of the past and to ensure that our historical relationship with the native peoples is set aright.

Could we continue to call our country a democracy if we did any less? It is democracy which entitles each of us to participate in the decision-making processes, democracy which brings dignity to us all. It is a share in this democracy

and dignity the native people have been denied. This is what the Dene Declaration is all about and if that is gobbledygook, then the Minister of Indian Affairs and Northern Development should not have the privilege of serving the Canadian people who uphold these rights.

It is very clear to us that the question of aboriginal rights and control of the land must be settled as a precondition to any development in the north. The legal question of who controls the land over which any transportation system or energy corridor must past must be determined first, Canada has never yet come to any final determination on aboriginal rights, yet the native people have lived on and with that land for centuries, Not to listen to them now, now when there is such a unique opportunity to be fair and just to give the native people a chance to participate seriously in the economic development of the north would be an intolerable abrogation of the legal and moral duty of the Federal Government. We are amazed at the patience of the native peoples of the north.

We are particularly amazed when we read the following words from the Earl of Elgin, Governor General of Upper Canada in 1854.

> "The time seems to have arrived when the machinery so elaborately devised with the object of protection may be modified in some details. The original. intentions never can have been to retain this people in a state of permanent minority and always

This page is missing in the original transcript at Vancouver Public Library.

north but rather as a people with a vested interest in the land who have knowledge and manpower and skill to add to the planning of the future of the north which so immediately and drastically affects their lives. This is why it is so important that -- their rights to the land be finalized first, to ensure that the native people have a place and a say in the decision-making process which may mean their survival.

The Ontario Federation of Labor represents 800,000 unionists in Ontario and our affiliated unions have developed and supported OFL policy in these matters consistently. At the annual convention of the OFL last November, a major policy paper on human rights was unanimously passed by the 1,200 delegates present who represented over 500 local unions. This policy paper which is attached advocated immediate just and equitable land settlement with the native peoples of Canada with full cognizance of their aboriginal rights. The importance of this policy to the delegates was evidenced by the number of unionists who spoke to the issue with knowledge and feeling.

THE COMMISSIONER: Excuse me, that was at your convention?

A Yes, our annual convention: last November.

In addition, during Northwest Territories Land Settlements Week this past March, many of our unions and labor councils planned or participated

in public forums or meetings, utilized native speakers, and showed their support for the Dene and Inuit positions. Subsequently, resolutions were passed urging settlements of native land claims. The Canadian Labor Congress will also have dealt. specifically with the Mackenzie Pipeline issue at its convention last week.

We mention this activities, Mr. Justice Berger, because we wish to stress the, active and continuing support of the unionists for the position of the native people in the north. As union members, we know what it is like to negotiate, to have deal on situations where the rights and the power are on the other side of the table.

The labor movement was born out of the fight against oppression, against any denial of basic human rights and we are here today in continuation of that fight.

The OFL is aware that your mandate to ascertain the impact of an energy corridor on the north. However, it is very difficult for us as southerners, as consumers of copious quantities of gas and oil not to discuss the impact of such a corridor on the whole of Canada.

The many issues which arise around such a mammoth undertaking will critically affect all Canadians and must be considered. For example, the vast quantities of capital necessary and the implications to the Canadian taxpayer, the extent of foreign ownership of the oil industry and its affect

upon Canada, the possible adverse affects on our balance of payments and value of the dollar, the less than adequate financial returns from oil and gas exports, the extent of oil and gas exports to the detriment of Canadian consumers, the lack of a national energy policy or industrial strategy for Canada, the capital intensive rather than labor intensive nature of resource development. Such concerns are vital to Canada and help to answer the crucial question, "At what cost are we opening up the north?"

The OFL does not wish to appear alarmist in these matters but if have become distrustful, cautious and pessimistic, it is because the government's record in the energy field is pitifully bad, strewn with error and misguided policy, and characterized by that apparently Canadian trait which ensures that the interests of Canada always come last. Perusal of federal decisions and documents on energy over the last seven years attest to these-remarks.

It is important to realize that the original reasons for extracting natural resources from the north were based on false assumption about our energy supply and needs and that even though a more realistic appraisal of Canadian energy needs is available today, that the pipeline is still being advocated in the same manner for the same purposes.

The policy was wrong then, It is more wrong now. Participating in a continental

energy policy, straining our proven reserves of gas and oil by long-term contracts with the United States, urging a Mackenzie Valley Pipeline to link Canadian resources to United States markets at cheap prices were and are policies promoted by and for industry. We now have our own energy problems and must re-evaluate. It is not change itself that is disastrous, but the failure to react to it in time.

Because of a lack of a national energy policy, we are into a situation of sharing energy shortages with the U.S. We are bound by export contracts which are difficult to escape from without fear of severe retaliation from the U.S. and other sectors. We find ourselves with possible rationing of natural gas, as we continue to supply the U.S. with their energy needs.

It is hard to imagine a more inane predicaments when Canada is such a resource rich country.

The proponents of, the pipeline claim that it will sole these short-term energy problem I3. We feel it will create more problems than it cures. The pipeline (or more accurately the corridor)will cost billions, billions which will have to come from private Canadian or American sources if American then what would probably be the most ambitious development venture in Canada would be controlled by foreign interests unconcerned with Canadian priorities for Arctic development.

As well, the massive inflow of

American capital, coupled with other capital intensive projects such as James Bay would create serious upward pressure on a Canadian dollar. As a result, our exports would suffer on the world market and industrial production and jobs in Canada would be lost. If the pipeline was financed in Canada, Canada's industrial potential again would suffer as Canadian capital would be diverted into the corridor project.

It is clear that the primary benefit from building the Mackenzie Pipeline at this time will fall to the international petroleum companies who own almost all leases and exploration rights in the Canadian Arctic mainland and to the U.S. Consumers. We consider the Federal Government's policy of rapid exploitation of non-renewable resources to be foolhardy. Such a policy promotes the expansion of foreign owner ship in Canada) is based on improvident estimates of the reserves of oil and natural gas and Canada's needs, and ignores the native peoples. It cannot therefore be a policy which serves the national interest. Opening up the north in this way is merely postponing the inevitability of finding other renewable sources of energy.

A further consideration and one intrinsically linked both to the economic impact of an energy corridor and to the impact on the native people is that of the environment. We are by no means expert in this area but our research on these issues have uncovered unanimous agreement from government, native people and industry that the northern environment

is fragile, based on the maintenance of. a precarious natural balance and that some damage to this system is inevitable.

What is of primary importance to recognize is that because of the elaborate intricate system of checks and balances in the northern environment, any damage will have devastating repercussions. One expert from the energy companies will say there is a thousand to one chance of a serious oil spill. Another will say ten thousand to one. It is a moot point. There is only one Arctic, only one northern ecology. We can only destroy it once and with it the land, the animals, the people, all of which exist interdependently.

The company experts deal in statistics, formulas and probabilities. We are not playing economic, social, environmental roulette here.

We are dealing with a real place, real people. To knowingly take chances when peoples lives and the lives of future generations are hanging in the balance would be criminal.

In conclusion, it should be remembered that in Canada, the natural resources are owned by the people, not by the private interests who extract and process them. The energy consortiums' which will profit most from early and extensive northern development do not represent the Canadian people, Rather, what would most benefit the Canadian public would be a comprehensive investigation of all the options which would clearly delineate all the

social, environmental and economic costs and benefits for the entire country. This could only he accomplished within the context of a national energy policy that is geared first and foremost to Canadian needs, based on utilizing all our resources with a view to the needs of future generations, conscious of environmental considerations and fitting into a national and provincial industrial strategy that includes a coordination of resources, manpower, investment and planned development. At the same time, we must gradually cut back exports to the United States, develop a strong conservation policy and allocate more capital into research on renewable sources of energy.

The OFL believes that there are alternative policies, that there is time. We ask you, Mr. Justice Berger, to stress to the Federal Government that no decision on the development of an energy corridor in the north be made until a full. settlement is reached with the native people in the north and until a comprehensive energy policy is formulated which analyzes what sorts of energy should be used, where and when, based on as accurate an assessment as possible of our resource potential and need.

There are many choices possible. The choices made will affect all Canadians, native and non-native alike. We urge wisdom and care in the making of these choices.

Thank you very much.

(SUBMISSION BY ONTARIO FEDERATION OF LABOR - MISS S. ACHESON MARKED EXHIBIT C-445)

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner, we have three more briefs to hear from this morning.

They are short briefs, but I think we wanted to end a little earlier this morning. Perhaps we could end now and we could put these people on first thing this afternoon at two o'clock, if that's convenient to you, sir.

THE COMMISSIONER:. Well, it sounds like it is. Well, we'll adjourn now and reconvene at two o'clock this afternoon. Thank you.

(PROCEEDINGS ADJOURNED TO 2 P.M.)

(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

THE COMMISSIONER: Well ladies and gentlemen, we call our hearing to order this afternoon.

The Mackenzie Valley Pipeline Inquiry is holding hearings throughout the main centers of southern Canada to enable people who live here n southern Canada to express their views about the proposal to build a Mackenzie Valley Pipeline to bring natural gas from the Arctic to the mid-continent.

We've had the advantage already of hearing a number of briefs here in Toronto, and we're looking forward to hearing from more of you this afternoon.

I think that those of you who are here have a pretty good understanding of what the inquiry is all about. We're to look into the consequences of building a pipeline and establishing an energy corridor in the north, the social, economic and environmental consequences.

The National Energy Board looks into the whole question, how much gas is there up there, how much do we need here in the south? Then the Federal Government, with my report about the impact on the north with the Energy Board's report regarding gas supply and gas requirements before it, the Government of Canada can then make its own judgment on the question.

This Inquiry doesn't decide anything. Our job is to gather the evidence, establish the facts as best we can, to enable the Government of

Canada to make an informed decision, to make an intelligent judgment on these questions of fundamental national, policy.

So, to give you an opportunity of saying what you think about these matters, we are here in Toronto today, and I'll ask Mr. Waddell to let us know who we're about to hear from now.

MR. WADDELL: Yes Mr. Commissioner. Our first brief this afternoon will be from the London Conference of the United Church of Canada given by Reverend Morley Clarke and Reverend Glen Wright.

REVEREND MORLEY CLARKE
REVEREND GLEN WRIGHT sworn;

WITNESS CLARK: Mr. Commissioner, on behalf of the United Church of Canada, London Conference, I want to say how pleased we are to have this opportunity of making our presentation to you this afternoon.

At the annual meeting of the London Conference of the United Church of Canada held at the University of Windsor, May 18 -20, 1976, the attached resolution regarding native land claims and northern development was passed.

Our conference includes the counties of Oxford, Perth, Huron, Middlesex, Floin, Kent, Lambton, Essex together with the District of Algonta. In this area, we have approximately 203,000 persons under pastoral care related to some 397 local churches.

Nationally our denomination participates in and gives financial support to Project North, an ecumenical organization concerned with native land claims and northern development. We also have our own National Northern Coordinating Committee which works in close conjunction with the Anglican Primate's Committee on the North. The moderator of. our church, Dr. Wilbur Howard, has taken initiative in organizing a listening conference involving the National Indian Brotherhood, the Native Council of Canada, the Inuit Tapirisat -- I always stumble over that one - and several Christian denominations.

Along with a great many aware Canadians, our church has a deep concern that the future development of the Canadian north be based on social justice and responsible stewardship of resources. We respectfully submit the attached resolution with the hope that it may contribute to this end.

Sir, the resolution that we give is a brief statement of which a larger amplification is to be found in the current issue that our church has put out entitled "Land for the North; Native Land Claims" and with your permission sir, I would like to place this on file with our presentation.

THE COMMISSIONER By all means!

WITNESS WRIGHT: A resolution passed at the London Conference has also been submitted to the Prime Minister and Cabinet by the following people on March 2nd of this year. This is an ecumenical group including the president of the Canadian Council of

Churches. I'll list them. The list is fairly short.

This was presented by the Most Reverend G.E. Carter, president of the Canadian Catholic Conference, Dr. P.C. MacDonald, general secretary of the Administrative Council of Presbyterian Church in Canada, Dr. R. Nostbakken, president of the Lutheran Council in Canada, the Right Reverend Wilbur Howard, moderator of the United Church Canada, The Most Reverend F.W. Scott, primate of the Anglican Church of Canada.

This is the resolution that was passed at our London Conference which is really an endorsement of what has already been submitted.

"We therefore urge the Federal Government to:

A. Introduce a moratorium on major resource development projects in the Northwest Territories for the purpose of providing sufficient time to achieve the following objectives:

1. A just settlement of native land claims.
2. Native peoples' programs for regional economic development.
3. Adequate safeguards to deal with environ mental problems like oil spills, well blow outs, etc.
4. Adequate programs to regulate domestic consumption and export of energy resources. Independent studies now indicate that gas reserves south of the 60th parallel are sufficient to make such a moratorium feasible.

B. Re-examine current policy positions on the extinguishment of aboriginal title in view of the fact that the Nishga, and the Dene and the Inuit of the Northwest Territories are in various ways asking for a formalization of their aboriginal rights. A more creative position might go a long way towards reducing tensions and assuring more constructive negotiations. Following the 1973 split decision in the Supreme Court (Calder versus the Government of B.C.) the Prime Minister stated that the concept of aboriginal title was a valid one and that the political settlements must ensue.

C. Provide assurances that:

1. No approval will be granted for the building of a Mackenzie Valley Pipeline until the Berger Commission has submitted its final report and serious attention has been given to its findings and recommendations.

2. No right of conveyance will be granted to any pipeline company or other resource companies in the Northwest Territories at least until there has been an agreement in principle signed on all native land claims in the Northwest Territories.

3. The proposed Polar Gas pipeline or any other major energy projects will not proceed until public inquiry similar to that of the Berger Commission hearings is conducted."

That concludes our report.

THE COMMISSIONER: Thank you

very much gentlemen. Thank you.
(SUBMISSION OF THE LONDON CONFERENCE, UNITED CHURCH OF CANADA MARKED EXHIBIT C-446)
(WITNESSES ASIDE)
MR. WADDELL: Judge Berger, our next brief is from Ms. Terry Green of the National and Provincial Parks Association.
TERRY GREEN sworn
THE WITNESS: Mr. Commissioner, ladies and gentlemen, I am Terry Green, the staff person of the National and Provincial Parks Association of Canada and I am appearing before you today on their behalf.
The Association is a charitable educational citizen's organization with a membership of 2,000 and has been in existence since 1963, The mandate of the group is to promote the benefits and preserve the values of Canada's national and provincial parks and public lands.
Over the past 13 years, the Association has fought to preserve the integrity of certain parks threatened by development or overuse, contributed, to formulation of policy relating to parks and land use and participated in the planning of parks and certain public lands.
In searching for the words to put across our concerns to you, I could not help but think of the activities of the past two years, listening, not only to words but to feelings and to currents of thought. The way in which you have gone

about this listening has set some very important precedents in public participation in this country. Public access to information and full disclosure of information sources, provision of a forum for all who are concerned to speak in their own way and in their, own language, funding for intervenors and allowance of lead time for preparation of submissions; all of these were insisted upon as part of the Inquiry's broad interpretation of its mandates and as a tribute to your conviction, Justice Berger, that it's got to be done right.

The appointment of the Berger Inquiry was a milestone in Canada and an indication of sincere government concern for the ecological and social effects of a project which will undoubtedly have great impact on future development of the north and the way of life of northern people. The work of the Inquiry has been carried out in the true spirit of just that, Inquiry, and its recommendations, whatever they may be, will a challenge to the government; a government which has recently contradicted its spirit of concern for the north and its people by allowing drilling in the Beaufort Sea without assurance that technology exists to clean up a possible spill.

The Association is represented here today to convey its concern for the north and its basic aim of protecting renewable resources such as wildlife in the north. We are well aware of the previous phases of the Inquiry and of the extensive discussions of the physical environment, living

environment., human environment and of the engineering and construction problems of pipeline construction. The Association, not surprisingly I think, does not have specific and new information to offer you relating to the potential effect of a pipeline on special areas. What we can offer is this, the conviction that the pipeline proposals should not be considered in isolation, but as one of the various proposals which could have profound effects on the north and its inhabitants.

The influence which the pipe line would have on the area it is routed through and the people in that vicinity is one thing. Its effects on the north as a whole is another, and also a very critical element. Will damage to ecosystems in the delta area subtract significantly from the Arctic resource in its totality Will there be a loss of habitat or wildlife or features which are not found elsewhere in the north? These are the sort of question which we wish to pose to the Inquiry.

The Association, as a group mainly composed of southern Canadians, cannot know the land of the north as the natives do. We can only respect their views which have often been expressed to you and. add to them our belief that on ecological and social grounds, we would support maintenance of environmental conditions in the Arctic which would provide for continued evolution o a traditional Inuit culture. e can however, and we do, promoted conser-vation programs for the north which will extend the aims

of the National Park Program in the south, preservation of important and representative landscapes. There is no question that the institutional arrangements for reservations of such areas in the north will differ from those in the south.

For example, the National Parks Act allows for traditional native hunting and fishing activities in parks. We are in sympathy with this, but are concerned that research and management methods be developed to safeguard the wildlife and the renewable resources in the conservation areas.

There is absolutely no question that national parks, I.B.P. areas and conservation areas are needed in the north and on a very large scale. The Arctic is huge, a land and water mass of thousands of square miles containing numerous different environments. Parks Canada Land Classification System suggests that ten or more national parks alone should be established to represent these regions. Many of these reserves would be vast in terms of our southern thinking if the environments were to be properly protected and managed. Thousands of square miles is certainly not unreasonable

The Association strongly supports a comprehensive Arctic renewable resources conservation program, with emphasize on a strong federal role and an extensive system of zoning and conservation areas as well. In southern terms, the need will be for very large national parks or conser-vation zones as I have said, due to the low carrying capacity of much of

the Arctic, relative to the south.

The identification of such areas and the development of a zoning and land management system which would center on critical renewable resource areas will require a major resource effort, although the limit Tapirisat of Canada has already done some work on the identification of such system through their renewable resources study.

Not only exploration and development activities but also the potential impact of wildlife harvesting techniques and of poorly planned tourism and recreation programs could cause severe problems in the north. It is the concern of this Association that action be taken to ensure that it will be possible to reserve large and representative tracts of land in the north for conservation purposes. This land use option cannot remain open if decisions are made piecemeal regarding development proposals in the north.

We urge you to include in your report recommendations, development of an extensive system of national parks, I.B.P. areas, and other conservation areas in the Arctic. We see the establishment of such areas as genuinely being in the common interests of native peoples and of all Canadians.

Thank you very much.

THE COMMISSIONER: Thank you.

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner, our next brief is from Mr. Douglas C. Matthews, Mr.

Matthews?

Well then I call upon Mr. William Kashton of the Communist Party of Canada to give his brief please.

WILLIAM KASHTON affirmed:

THE WITNESS: Mr. Commissioner, the Communist Party of Canada has given careful consideration to the questions your Commission is called upon to deal with on the basis of its terms of reference.

As we understand it, it is one of determining the effects of a Mackenzie gas pipeline on the native peoples, the environment and the ecology. Underneath these questions, is a more fundamental one, that of the future of the north. This includes the question of energy supplies for Canada in the foreseeable future, questions of ownership and control of these resources, the role the native people should and must plan decisions affecting their rights, their livelihood and their way of life.

It is with this in mind that the Communist Party of Canada advances its views on the pipeline.

1. The north, as has been said more than once, is Canada's last frontier. We need, to make sure it does not become Canada's lost frontier by virtue of being taken over lock, stock and barrel by the United State's multinational corporations in the same way they, have taken over other parts of the Canadian economy with the

complicity of Federal and Provincial Governments.

If a similar sellout takes place today, if united State's imperialism through these multinational corporations is allowed to control the energy and natural resources of the north, it will in fact control the whole of the Canadian economy.

The north as we know is rich in oil and gas and it also has tremendous resources of iron ore, copper and other precious minerals. These constitute important reserves for the future and for the development of Canada. To deplete them now, apart from a major question of the rights of the native peoples, problems of ecology and the environment, means to deplete them in the interests of the United State's multinational corporations, in the interests of industry in the United States and not in the interests of Canada.

Canada has other sources of energy at this time which can and should be used for its development and further industrialization. The present reserves of gas and oil can he left in the ground for future use at a time and at a pace that coincides with the best interests of Canada, her people and the peoples of the north.

2. It is this which determines our basic approach to the construction of a Mackenzie gas pipeline at this time. Construction of such a pipeline should be held up until there is assurance of Canadian control and ownership of the pipeline and energy resources and their use for Canadian development. Construction of the pipeline at this time would not serve the Canadian

interests. It would serve the United States's interest primarily. This is so because its main purpose would be to guarantee the wholesale export of Canadian resources to the United States.

In this sense, the construction of the pipeline by the Canadian people at great cost to themselves would he a form of subsidization of the United States. Alberta would become a corridor like the Panama Canal for the shipment of natural gas and oil to the United States, and all this guaranteed by Canada.

The pretense that Canada could shut the tap later on if it wished to is so much nonsense. We have the experience of the Columbia River sellout and other sellouts to show this will not I be the course of development once ownership lies in the hands of the United States's multinational corporations, once the energy is used mainly to satisfy the United States' market and becomes indispensable to the United States, it will mark the end F a Canadian resource and a Canadian asset.

3. What is involved here is not only the construction of a pipeline. The core of the problem is the development of the north and its resources. By whom, for whom and under what conditions? The myth is being spread that building a pipeline constitutes northern development? This is not so. A pipeline may constitute a part of northern development, but this is not basic to northern development.

The claim is being made that a Mackenzie gas pipeline would have a similar impact on Canada as the building of the TransCanada railway. system many years ago. This is manifestly false. The railways sought to unite Canada from the Atlantic to the Pacific. It was part of the concept of a national policy:

> "...advanced by the then Prime Minister of Canada John A. MacDonald, the aim of which was to build one market in Canada, help stimulate industrial development and protect it."

This is not the concept of the Mackenzie gas pipeline. Its primary purpose s to serve the United States, not Canada. It will move Alaskan gas to the United States and sell Canadian gas to the United States and at a pace which will deplete this resource and preempt its use for Canadian development.

Its aim is not the national interest but maximum profits for the multinational corporations and their subsidiaries in Canada. The pipeline will not bring wealth to the north, it will siphon it away from the north and leave only ugly scars in its place. No solid economic base has been proposed which will have permanent value to the north and its people.

The north is looked upon as a hinterland, a supplier of raw materials such as gas, oil and minerals, a kind of colony and not an area which ought to he developed in a way which will serve the north and its people and at the same time serve the

interests of Canada and the people. Where then is the comparison between a national policy which serves to unify Canada and a policy presently proposed which is geared primarily to serve the United States, not Canadian development. There is no comparison and those that try to make it so are guilty of hoodwinking the Canadian people.

4. Northern development cannot be separated from recognition of the justness of the land claims of the native peoples. The native peoples have made it clear in their representations to your Committee and the statements to the press and mass-media generally, that they are not opposed to the development of the north. They want to establish their land claims first, they want to have a say over development of the north, They want to be the beneficiaries of such development, not its victims.

They want to protect their culture, their identity as a people, their fishing and hunting rights. All these are just demands which cannot and must not be ignored. Tokenism here cannot and must not substitute for recognition of these basic rights. What must he established is the recognition by the Federal Government and of Provincial Governments also of the national identity of the native peoples as distinct peoples. The government ward status must be abolished where it exists and full, political. equality established for the native peoples including the right to decide on all matters pertaining to their distinctive

development.

The Dene Declaration which Mr. Judd Buchanan so cavalierly rejected must not be ignored by the Canadian people. Mr. Buchanan sees it as a separatist document, when in fact is the expression of a distinct people who, due to historical circumstances, have not yet emerged to full nationhood. The task of the Canadian Government and certainly of all democratic Canadians is to recognize this and draw conclusions from it.

The colonialist mentality towards the native peoples was most crudely expressed by Mr. David Searle, Speaker of the House in the Northwest Territories when he undertook a wholesale attack on them as a people. One is reminded of other Mr. Searle who tell us that:

"Some of my best friends are Inuits".

What is evident from Mr. Searle's proposals is that he is prepared to do almost anything except get off the backs of the native peoples. Mr. Searle is quoted as saying:

"We are a sick, sick society".

How true. Only such a sick society and such a sick person could advance such a sick point of view.

It seems to us that with, such an attitude, Mr. Searle ought to retire as Speaker, of the House in the Northwest Territories. He is unfit to hold that high office. Unfortunately for the Northwest Territories, there are other rednecks around holding

similar views. Is Mr. Buchanan so much better when he refuses to face up to the basic rights of the native peoples? The time is all past when the rights of a people can be ignored, sat upon or spat upon.

In our program, The Road to Socialism in Canada a program we adopted in November 27, 1971 we state:

> "A socialist Canada will take meaningful measure to compensate the native peoples for the historic injustices perpetrated upon them by the British and French colonizers in Canada and continued under the rule of monopoly capital. Such measures will include full recognition of their national identity and development of their native cultures, full power of decision-making on all questions pertaining to their affairs as native peoples, the rooting out of all vestiges of racism and discrimination, full equality before the law and our society, a massive economic and social program to bring their living, health, housing education standards; training and job opportunities up to acceptable Canadian standards.
>
> The Indian and Inuit peoples will enjoy regional self-government and full rights to their language and culture."

We are convinced that only on such a basis can the national rights of the natives peoples, their identity, language and culture be guaranteed within the framework of a true north, strong and free.

We call upon the other political parties in Canada to end their evasiveness and ambiguity and clearly enunciate their positions with respect to the basic rights of the native peoples.

The core of the problem is the necessity of a treaty with the native peoples of the Northwest Territories which clearly defines the question of development of the north, the role of the native peoples in decision-making and all of the questions pertaining thereto.

The Federal Government which has complete control over northern development from the Yukon to the Northwest Territories must first of all come to a principle agreement with the northern and native peoples with respect to their national rights and land claims, as well as with due regard to ecology and environmental control, before in any way proceeding with the Mackenzie gas pipeline, and a railway or other developments of a like kind.

Such a principle agreement should include the recognition of the necessity of preferential treatment of the native peoples. Indeed, it is only through preferential treatment that the native peoples can be assured of ecTual treatment, Any other approach would be discriminatory and downright harmful to the immediate and long-term interests of the native peoples. Such preferential treatment should find its reflection in housing education, medical services and in training programs. Such treatment must go alongside the guarantee of their rights as a people

with respect to language and culture including their right to have an effective voice on all questions having to do with northern development and the protection of their vital interests

Moreover, nothing done by way of development must interfere with their hunting and fishing grounds. What must be established in principle as well, is that the native peoples receive priority in jobs and the right to highly skilled jobs based on adequate training. As can be seen the debate around the Mackenzie gas pipeline raises questions much larger than the pipeline.

The underlying issue involved is whether Canada shall continue the role of supplier and reserve our raw materials and energy for the United States with is attendant regional inequalities under monopoly control, or strike out in a direction assuring Canadian development and controls through public ownership.

The challenge before Canada is to reverse the trend of building up the industries of the United States with Canadian resources and embarking instead on a course which could transform Canada into a great, independent industrial state pursuing an independent foreign policy and developing extensive and mutually satisfactory two-way trade with the socialist and newly developing countries including the countries of Latin America.

Canada needs an all inclusive energy policy based on an inventory of energy resources

Such an inventory is essential before questions of export of gas and oil can he considered. Such an inventory is absolutely essential now when statements are made about an alleged shortage of energy. The National Energy Board blows hot and cold about shortages whenever it is deemed necessary to carry out certain objectives. Today we are informed of a shortage of energy so as to compel agreement by Canadians that prices should be raised with the benefits accruing to the multinational corporations in the way of additional profits

Is there a shortage? No one really knows, but it seems more than coincidental that the alleged shortage has been announced just recently, precisely when decisions have to be made about a Mackenzie gas pipeline. Canadians should ask who is behind this claim of an alleged shortage and for what reasons. In any case, be there a shortage or no an inventory is required of all our energy resources in Canada and the prospect of their utilization so that Canadians know the scope of the problem and how to solve it and point of fact, Canada has no shortage of energy. It is one of those fortunate countries in the world which has an ample stock. It is also one of those unfortunate countries in the world in which this irreplaceable resource is in the hands of others due to short-sightedness, due to the effort to make a fast buck at the expense of independent economic development of the country.

Energy is too precious a

commodity to be left in the hands of the multinational corporations or under the sole control or ownership of this or that province. Energy is an all Canadian resource which ought to be used for all parts of the country for the benefit of all Canadians, irrespective at of where they live and"a cost which would ensure continuing long-term development and growth.

To ensure this, these invaluable resources and assets must be taken out of the hands of the multinational corporations and made public property. This is the only way to ensure it will be developed in the national interest. A fully integrated all-Canadian energy policy based on public ownership under democratic control is therefore essential to the achievement of these aims and to balanced economic development, job opportunities, rising standards and Canadian independence.

In summary, the Communist Party of Canada proposes:

1. The land claims of the native peoples. must be resolved to their satisfaction This must be incorporated in a treaty with the native peoples of the Northwest Territories.

2. Economic development in the Northwest Territories must be based on agreement with the native peoples. This should include }e question of a pipeline, railway system, protection of the environment and ecology of the north.

3. As part of any agreement, the principle of Preferential treatment for the native peoples must be

clearly established.
4. It follows from the above that the Mackenzie gas pipeline should not be built at this time,
Thank you.
(SUBMISSION OF THE COMMUNIST PARTY OF CANADA - W. KASHTON - MARKED EXHIBIT C-447)
(WITNESS ASIDE)
MR. WADDELL Mr. Commissioner I call next Mr. F. R. Jones, the president of Steep Rock Iron Mines from Atikokan, Ontario,

F. R. JONES sworn;
MR. WADDELL: Mr. Commissioner while Mr. Jones is being sworn in, I would like to file with Miss Hutchinson, the inquiry's secretary three briefs -- short ones, one from Kapuskasing Industrial Committee, Kapuskasing, Ontario, another from Mrs. Ruth Stuart, Hamilton Ontario and finally from Mr. Selwyn Dewdney, D-e-w-d-n-e-y, from London, Ontario.
(SUBMISSION OF SELWYN DEWDNEY MARKED EXHIBIT C-448)
(SUBMISSION OF RUTH STUART MARKED EXHIBIT C-449)
(SUBMISSION OF THE KAPUSKASING INDUSTRIAL COMMITTEE MARKED EXHIBIT C-450)
THE WITNESS: Mr. Commissioner I think my talk is probably going to differ from the last one in at least two regards: One that it probably has a different viewpoint and secondly that it isn't going to he as long. The latter at least will be beneficial.
THE COMMISSIONER: Order.

A Please, I am not being derogatory to the previous speaker but I am bragging about the shortness of mine.

I could he rightly accused of bias because of the position which I occupy in the mining industry and I recognize that. However, I would like to say that perhaps the amount of bias I could be accused of would be mitigated a little bit, inasmuch as I am retiring from this industry in two months time, and one of the main reasons is that I want to devote a lot of leisure time to enjoying what I hope will be the unspoiled, untarnished, outdoor places of Canada, and mainly in the northern part of Canada, although I have never been to the extreme north and I hope also to get there sometime.

THE COMMISSIONER: Mr. Jones, don't feel obliged in any way to apologize because you have a particular point of view based on your own experience and your own business interests, whatever they may be. You know, everybody that comes here to speak has a point of view and whether you want to call it a bias or not is something that doesn't particularly concern inc. People that come here to speak come because they have a point of view that they want to express, so feel free, sir.

A Thank you Mr. Commissioner, I was attempting to say I hope my bias has not influenced what I am going to say. We try to he objective. We sometimes fail.

Now, Steep Rock Iron Mines has

operated an iron ore mine and associated beneficiation plants at Atikokan, Ontario since first production in 1944, Steep Rock's shares were widely owned by the public until recently, actually last February, 1976 when Canadian Pacific Investments purchased approximately 68% of the issued shares. Currently 86%, of Steep Rock's shares are owned. by Canadian residents and we're proud of this particularly because in the resource industries as has been well brought out, is not always so. Steep Rock employs 600 people. That's direct employment and there's a large community -we say large, 6,000 people which is perhaps more than 50% dependent upon Steep Rock for its economy.

Our present operation derives ore from an open pit mine and converts the raw ore to iron ore pellets for sale. Most of Steep Rock's 1.4 million ton per year output goes to the blast furnaces of the Algoma Steel Corporation at Sault Ste. Marie, Ontario.

In processing its iron ore for sale, Steep Rock uses substantial quantities of natural gas and the present consumption is about 3.2 billion cubic feet per year, all of which is purchased from Northern & Central Gas Corporation Limited who draw their supply via a branch line off the Trans Canada system.

Now Steep Rock has since 1956 owned the mining rights to a large deposit of low grade magnetic iron ore on the south shore of Lake St. Joseph, about 180 miles north of its Antikokan

operations. For those not familiar with that part of the geography of the country, Atikokan is about 250 miles or so east of Winnipeg and 130 miles west of Thunder Bay so this places this operation about 180 miles north say of the Highway 11 and closer to Thunder Bay than to Winnipeg.

This iron ore deposit is unique in central North America in that it appears to be the only large deposit capable of economically producing a "superconcentrate", that is one about 70 1/2% iron. Now from this superconcentrate, oxide pellets grading 68% oxide and less than 2% silica can be produced. These oxide pellets can be reduced to metallic iron or sponge iron to provide a source of melting stock for the electric furnaces of central North America.

I have to include some of these technical things which I am sure are not, of interest to a great many people but it is part of the context of the point of view. Now, except for 1975 when there was no significant growth in the industry, the electric furnace steel making industry in Canada, over the last 15 years, has been growing at an average rate of 12% per year, or more than twice as fast as the Canadian steel industry in total.

Electric furnaces require metallic iron as feed stock, and historically have been dependent upon a supply of steel scrap. The scrap supply appears now to he fully utilized in North America and Canada has for some time been scrap deficient. This

thing of course goes in waves. In most of 1975 there was a scrap surplus because of the depression in the steel industry but it seems that a normal condition is that there just is not enough scrap for expansion of this portion of our industry. So in order that our electric furnace industry may expand, an alternate source of melting stock is required and pre-reduced iron ore is the only such alternate feed that is known, let's say, to present technology.

The Steep Rock is well advanced in its planning to base an operation on the Lake St. Joseph iron ore deposits and to produce both oxide pellets for blast furnace feed and reduced pellet; for sponge iron for electric furnace feed, The planned operation will require about 15 billion cubic feet of natural gas per year, availability of which is dependent: on the delivery of gas from the Arctic. In other words I don't know whether there's a gas shortage or not, but I know we can't get any. No other suitable fuel for the-production of sponge iron is know to today s technology.

Now it is our belief and contention that the interests of the citizens of our north and the interests of those of our mid-north and of our south are inseparable. The life-style adopted by the inhabitants of the Arctic is heavily dependent upon the human resources of the south for its tools, transportation and shelter. I say that with a great confidence. I haven't been there but I think probably -- I hope it's a true statement. The inhabitants of the

south are dependent upon those of the mid-northland north for raw materials including fuel. The inhabitants of the mid-north depend on those of the south for manufactured items and markets for their products.

Now the maintenance and improvement to our standard of living is well accepted as desirable. I know that we can argue that one back and forth but I think generally speaking, it is well accepted as desirable. Now the term "standard of living" undoubtedly means different things to different people. A dictionary definition is: "The way of living that a person or community considers necessary to provide enough material things for comfort, happiness, etc." The etc. is included in the dictionary as part of the quote. Provision of those material things for an every growing population demands expansion of resource development. Now, that's just to maintain the present standards of living. The emphasis of course is greater if we are going to improve it.

It is a fair assumption that resource development, for the good of all, had best be done by those best qualified to do the work efficiently It is inevitable that some of us suffer some inconvenience because of the work of the developers and this inconvenience must be kept to a minimum. Where it is unavoidably otherwise some suitable form of compensation becomes mandatory. It also behooves us, if we believe in developing our resources for the good of all citizen that inconvenience caused the developers

be kept to a minimum. Otherwise, our developers will incur higher costs and all of us who require the products, higher prices.

Steep Rock's project at Lake St. Joseph is planned to supply a basic need of all our citizens, the iron to make the steel that will be used to provide our tools, transportation and shelter. Natural gas is required for the project. It is important that suitable means be devised and implemented to bring that gas to such resources as Steep Rock's ore deposits.

The alternative is that citizens of north and south alike face a future without the tools, means of transportation or shelter or with fewer and more expensive ones. Time, our antagonist, is rapidly out-distancing our decision making processes. Let the right decisions be made, but let the race not be irrevocably lost while making them.

Thank you sir.

(SUBMISSION OF STEEP ROCK IRON MINES MARKED EXHIBIT C-45l)

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner I next call upon Professor Donald MacKay of the Institute of Environmental Studies, York University the University of Toronto.

DONALD MacKAY sworn;

THE WITNESS: First I would like to outline my experience. I am on the staff of the Department of Chemical Engineering and Applied

Chemistry at the University of Toronto. I am also associate director of the University's Institute for Environmental Studies,

My main research interests are in oil pollution and clean up in which I have published a number of papers and reports, several relating to the Mackenzie Valley and Beaufort Sea and in the Canadian energy situation. I have undertaken research for the Department of Indian Affairs and the Environmental Social Program, Northern Pipelines on terrestrial oil spills at Norman Wells, Inuvik, Tuk and Richards Island. I have acted as consultant to part of the Beaufort Sea Project at Cape Parry.

I have grants and contracts from Environment Canada, the Environmental Protection Service, the Inland Waters Directorate and the Atmospheric Environment Service, from PACE, the Petroleum Association for the Conservation of the Canadian Environment, the Ontario Ministry of Energy and the National Research Council.

My comments fall under several headings: some introductory comments on the energy situation, a discussion of spillings of oil and hazardous materials, the need for a better environmental impact assessment procedure, a few comments on the gas pipeline construction and operation, the social impact of Arctic developments and finally I will draw some conclusions and make some recommendations.

My theme is that it is imperative that we exploit Arctic oil and gas soon and

that with proper planning, this can be done in an environmentally acceptable manner but it will need an improvement in our present performance.

First, the Canadian energy situation. I am convinced that by the early to mid-1980's Canada could face a severe petroleum energy shortage. From the standpoint of energy needs alone, it is imperative that exploration proceed as fast as possible in the Mackenzie Delta and Beaufort Sea and that gas and oil pipelines be constructed at the earliest possible date.

The point which I wish to emphasize is that the longer the delay in proving reserves or constructing viable transportation systems, the more critical the national energy situation may become and the more likely it is that environmental and social factors will be disregarded. I'm thus in favor of early construction of the Canadian Arctic Gas Pipeline. I recognize that in --

THE COMMISSIONER: Excuse me, It's not that I want you to take a position on it if you didn't intend to. You said "Canadian Arctic Gas", Does that mean as opposed to Foothills?

A That's right, yes.

THE COMMISSIONER: O.K.

A I recognize that in the long-term, we must depend on renewable energy resources but there is simply no possibility of substantially decreasing our dependence on oil and gas in the next ten to 15 years. The industrial and social consequence

of a short-fall in oil and gas supply would be disastrous. I am equally convinced that it would he intolerable to proceed with these developments in an environmentally and socially damaging manner. The issue is that conflicting imperatives of accomplishing the exploration and construction objectives in the short time available and yet satisfying environmental and social factors. I believe that this can be accomplished.

Spills of oil and hazardous materials. Let me approach this issue by breaking it down into four aspects and present my opinions and conclusions. One should first strive to prevent spills

Spill-will, however occur and the next stage is to predict the likely amounts which will be spilled using past experience as a guide. Third, one should try and assess the impact of these spills and finally one should devise and have ready and tested clean-up and restoration equipment and techniques.

Let me deal with each aspect in turn. Prevention. The Inquiry could play an important role by requiring that appropriate measures by taken to prevent spills. Such measures have been discussed in earlier testimony; for example, the proper storage of fuels, lubricants and methanol. In my opinion, if the procedures recommended are followed then spilled damage should be acceptably small during construction and operation of a gas or even an oil pipeline, In areas of particular biological and social or aesthetic importance extreme precautions should be

taken to prevent oil and other spills by increasing the safety factor in design of facilities and by very careful surveillance.

Spill predictions. I believe that it is essential to prepare estimates of spill frequency, types, volumes and time of year for oil and other substances. This is difficult, but is does provide a perspective on the magnitude of the problem. Even an approximate estimate is better than no estimate. For fuels, lubricants, methanol, etc., the total amount handled obviously provides an upper limit to the amount which can be spilled. In practise, it is possible to estimate that x% of the fuel may be spilled. I have no knowledge of the precise value of x but I suspect that it will lie between about .1 and 2%. I recommend that Alyeska data be sought on this topic as well as on their experience of the most likely spill causes and the most damaging situations. We can learn from their mistakes.

The major oil spill threats will arise from the exploration, production and transportation of crude oil in this region. Various analyses of oil spill statistics have been compiled, the best being the "Outer Continental Shelf Oil and Gas: An Environmental Assessment", a report to the President by the Council on Environmental Quality, April 1974, Volume 5. The approach taken in this document is to assume a volume of oil produced and calculate how much will be spilled and in what quantities. If for our purposes we assume that this region will produce a total of about 2

billion barrels of oil over a period of 12 years, then these numbers coincide with a large find as described in that document.

Other data can be used; for example, from the Canadian Petroleum Association Statistical Yearbook, from the U.S. National Academy of Sciences study, "Petroleum in the Marine Environment", 1975, the University of Oklahoma's "Energy Under the oceans" and from the Beaufort Sea Project. I have insufficient time to go through the predictions in detail, thus I'll express only the conclusions.

During the production and transportation of this two billion barrels of offshore oil, that is assuming it is offshore oil, there will be about ten major marine spills of average volume 37,000 barrels and a large number of small insignificant spill. From the pipeline, there may be 24 spills of average volume; 10,000 barrels. The total volume spilled over 12 years would be about 600,000 barrels or 0.03% of the oil recovered or 300 barrels out of every million barrels produced.

One can also argue that if there is oil in the Beaufort Sea in these quantities, then there is about 1 in 400 chance that the first hole drilled in the summer of 1976 will blowout and will release oil. There is a higher probability that it will release gas only.

It is interesting to note that there have already been two gas blowout incidents in the Arctic Islands out of the several hundred wells

drilled. A blowout probability of about one in several hundred thus seems reasonable. The Beaufort Sea Project figure of one in a 1, 000 to one in 10, 000 is I believe, optimistic.

Prediction of spill behavior. Having established how much --

Q Excuse me, I think the Beaufort Sea Project's figure was one that they simply took on the basis of the industry's own assessment. I don't think the Beaufort Sea Project sought to assess the likelihood of a blowout in the same way that they were examining the consequences of a blowout. At any rate, carry on. I get your point.

A Yes, you're correct.

Q That's your understanding too then of what they did. Yes.

A Yes, they took industry data to arrive at this figure of one in a thousand to one in ten thousand, but it is published as part of the Beaufort Sea Project.

Prediction of spill behaviour. Having established how much will be spilled the next step is to predict the behaviour and the impact.

First, spills on land. There is a fairly good understanding of the physical behavior of oil when spilled on Arctic terrain. This work has been published by the Environmental Social Program, Northern Pipelines in which it is estimated that the average spill will probably cover a few acres which will be very unsightly, almost completely devastated of

vegetation and it will take many years to restore. The severity of the impact will depend on the season and the volume of oil spilled, but there will be a little impact outside the spill area provided that the oil is effectively contained. If oil reaches a lake, then that lake will probably be devastated biologically but again the impact will be localized. It is generally accepted that a spill into a river such as the Mackenzie will be totally uncontrollable and the oil behavior unpredictable.

Spills in the Beaufort Sea. Regarding drilling in the Beaufort Sea, I have read several of the Project reports and believe that their assessment of the impact of an oil blowout is reasonable. An impressive amount of data has been obtained on the physical and biological environment of the Beaufort Sea, but a one year study is inadequate. A minimum of three years is needed to obtain meaningful environmental data and develop understanding.

Personally, I doubt the wisdom of drilling as far offshore in the summer of 1976 and I would much prefer to have seen drilling delayed until the technology is more proved and oil spill clean-up technology developed which could minimize the environmental impact of a spill if it occurs. The ultimate effects of a major spill in the Beaufort Sea are still not well understood.

Clean-up. In the event of an oil spill, the best initial response is to reduce the impact, is to contain the oil in as small an area a

possible and prevent it reaching flowing water, then remove it by hand or recovery devices and finally promote restoration by relying on microbial degradation and other natural processes to destroy the residual oil.

As a result of observing oil spills in the Arctic it is my belief that some clean-up methods traditionally developed for temperate environments are totally unsuitable for the Arctic environment and that a specific clean-up technology must be developed for the Arctic. Certainly burning and diking the two most common methods in the south, are totally inappropriate for Arctic terrestrial conditions, especially on permafrost.

Regrettably, there has been no research to devise methods of containing and removing oil from soil underlain by permafrost. The development of clean-up technologies for the Arctic environment should receive a high priority, but the response of Environment Canada in this regard has been disappointing. After the "Arrow" tanker incident at Chedabucto Bay, those responsible for clean-up were required to show extraordinary ingenuity in devising clean-up methods.

It is unlikely that this ingenuity would be matched in an Arctic blowout. The low population density and cold climate will severely impede the clean-up effort, making a high degree of preparedness essential. I understand that testimony has been given at this Inquiry concerning the Japanese Mizushima oil spill in which vast resources were

mobilized for clean-up. Such an effort is clearly impossible in the north. An effective oil spill cleanup program may take many years to develop and it is essential to start now.

Chronic oil emissions. I would like to mention the problem that continuing emission of small quantities of oil into the environment of this region. This is less spectacular than the spill incidents but possibly as important in the long term. In the south, emissions from refineries and other sources are usually well dispersed and degraded in the aquatic environment and appear to cause few problems. A U.S. National Academy of Science's review of this situation concluded:

> "The oceans have considerable ability to purify themselves by biological and chemical actions. A basic question that remains unanswered is, at what level of petroleum hydrocarbon input the ocean might we find irreversible damage occurring? The sea is an enormously complex system, about which our knowledge is very imperfect. The oceans may be able to accommodate petroleum hydrocarbon inputs far above those occurring today. on the other hand, the damage level may be within an order of magnitude of present inputs to the sea.
>
> Until we can come closer to answering this basic question, it seems wisest to continue our efforts in the international control of inputs and to push forward research to reduce our current level of uncertainty."

I would like to suggest that there is a real possibility that the Arctic fresh water and marine environments will have a lower capacity to assimilate hydrocarbons than have temperate environments because bio-degradation rates are slower, the oil will behave differently, for example oil under ice, and some biota may be more vulnerable. Since the Arctic aquatic and marine environment is less under stood and may be more vulnerable, I believe that it is fitting that we should be prudent, proceed with extreme caution and take the utmost care to prevent discharges of oil and other hazardous materials into that environment, that we should err on the safe side.

A few comments on environmental impact assessment. I would like to suggest that a major contribution which this Inquiry can make towards satisfactory development of future northern projects is to recommend minimum and consistent requirements for environmental and social impact assessment in the north.

1. Obviously any major project in the north should receive an adequate environmental and social impact assessment commencing at least three years before approval and the start of construction.

2. The assessment should be funded and directed principally by government rather than by industry.

3. The assessment should involve scientists from industry, government, universities and research institutes, that is a cross-section of the Canadian scientific community, both interested and disinterested.

4. If the aim is to predict the total impact of an environmentally damaging event such as an oil spill, then it is essential to undertake large experimental spills preferably 1/100th, but at the smallest 1/1000th of the size of the expected spill in the actual area in question. It is noteworthy that there has been no experimental spill in the area of the Beaufort Sea where Dome will drill this summer.

5. This work must be done in a totally open manner with all data published rapidly. There should be equate time for assimilation, debate, review and decision of the findings in an independent forum, in order that its scientific validity be challenged and proved and that any gaps in knowledge be clearly identified.

Unfortunately, Canadian scientific societies, from the Royal Society of Canada downwards, have been almost totally inept in promoting such a process and have therefore had almost a zero impact. This is not the case in the U.S. Part of the excuse or reason for this is the pitiful level of funding for Arctic related scientific research in Canada.

It is often not appreciated by non-scientists that scientific data and conclusions cannot he regarded as validated until they have been thoroughly reviewed, published and subjected to the rigours of criticism by other independent scientists. This process, although sometimes slow, guarantees the validity of the data and hence the decisions made on

that data. This validation process has not yet occurred in the Beaufort Sea Project which is a good example of failure to plan adequate assessments leading to an obviously difficult and contentious Cabinet decision.

I note that about half of the Beaufort Sea Project reports are not yet publicly available, especially the overview reports and the work on clean-up or countermeasures.

I would also like this Inquiry to note the eagerness which I observe in our young Canadian students at university who seek research experience in the Arctic and who are usually disappointed principally because of failure to provide adequate research funding to universities.

Canada, I believe will be confronted with repeated crisis situations in the north in which unsatisfactory decisions will be necessary with conflicting environmental and industrial viewpoints unless our impact assessment procedures are improved. I believe that the proposed gas pipeline has received an adequate environmental assessment but that other projects such as the Mackenzie Valley highway, drilling in the Beaufort Sea and the Arctic Islands, oil pipelines and the Polar Gas pipeline have not yet been adequately assessed.

Gas and oil pipeline construction and operation. From reading the reports of the Pipeline Application Assessment Group, the Environmental Protection Board and many of the

Environmental - Social Program Northern Pipelines reports, I believe that a very thorough and competent job has been done and that if the suggestions of the Environmental Protection Board are followed, then the environmental damage will be minimal and acceptable. My main concern is that there may not be adequate inspection and control during the heat of construction o ensure that environmental protection receives the high priority it deserves. I believe that it is essential that there be an independent and competent inspectorate vested with full powers to halt construction if activities become environmentally unacceptable.

Social impact. I fully acknowledge my lack of experience in this area, but I feel compelled to comment because it is obviously so important, indeed more important than the environmental impact. In my opinion, it would be intolerable to proceed with development in the face of significant opposition from the residents of an area such as the Mackenzie Valley and delta. My impression from my limited contact with them is that the residents are not opposed to development. Rather, they are opposed to development without adequate participation by them in the decision-making process.

The contribution which the native peoples make to the Canadian identity is out of all proportion to their numbers and it would be intolerable to treat them with other than the greatest respect, acknowledging that when we intrude into their traditional environment, it should be with their

agreement and full participation.

I believe that a major social impact could occur during the construction process. One of your most difficult problems is to ensure that construction proceeds in the Mackenzie Valley without destroying the social fabric of these small communities I would go as far as to suggest that it may be necessary to control access to these communities and control construction workers in an almost military manner. It should be possible to construct pipelines in a socially orderly manner and avoid the "cowboy" approach to resource projects which is often prevalent in frontier regions.

I understand that it is the intention of Canadian Arctic Gas to control their construction labor to avoid such adverse social impact. I hope that the Inquiry will ensure that this. happens.

In conclusion, I would like to emphasize the following points.

I am concerned that if the energy situation worsens, environmental and social factors in the north will receive less sympathetic consideration.

I believe that a gas pipeline can be constructed in the Mackenzie Valley with acceptable environmental damage provided that there is effective inspection and control of all operations. This control should extend to all operations such as exploration and control over construction workers and the affected communities.

Regarding oil exploration and transportation, the situation is less satisfactory. This Inquiry should require that every effort be made to minimize spills of oil and other hazardous materials by inspection of facilities and operations, that data on spill frequency, source, nature, cause and effects should be sought from the Alyeska pipeline, and spill estimates prepared for all northern oil developments, that research should take place on the physical and biological behaviour and effects in the affected environment and that a specific Arctic clean-up technology should be urgently developed for spills on permafrost soil in the delta and in the Beaufort Sea.

Hopefully, this can be accomplished before major oil developments being, although I am not encouraged by our record in the Beaufort Sea. Until there is a much better understanding of the resilience of the Arctic ecosystems, we should err on the safe side by avoiding stressing them with chronic or accidental oil emissions.

I hope that the Inquiry will establish minimum requirements for environmental impact procedures for future projects including factors such a duration, timing, funding, involvement of a cross-section of the scientific community, openness and the provision of a forum for discussion and verification of the research findings.

Generally, I am impressed by the environmental attitude and efforts of the major petroleum companies such as Imperial, Gulf, Shell and

Canadian Arctic Gas. I am less impressed by the Federal Government's ability to plan energy supply in an environmentally and socially acceptable manner.

Finally, I am convinced that Canada has the necessary scientific and engineering skills and attitudes especially in its youth to accomplish orderly petroleum development in the Arctic. I am concerned however that these skills and resources may not be effectively deployed soon enough. My hope is that this Inquiry will ensure effective deployment of these skills and resources to achieve environmental 1), acceptable petroleum development in the north.

Thank you for this opportunity to express my views.

THE COMMISSIONER: Just a moment. It may be that since you've given evidence about some environmental questions that are very important to the Inquiry and to a number of the participants that after counsel for the various participants are consulted, one or more of them may wish you to come to Yellowknife and if that occurs, and you are able to come, we'll look forward to discussing the thing at greater length. you at that time, but I certainly appreciate your putting these things together in this way for us. Thank you.

A Thank you. I'll be glad to do anything I can.

(SUBMISSION OF D. MacKAY MARKED EXHIBIT C-453)

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner

I think we can have one more brief before coffee if possible. I'd call upon Mr. Douglas Matthews. Mr. Matthews?

DOUGLAS MATTHEWS sworn;

THE WITNESS: Mr. Commissioner, the discovery of significant reserves of hydrocarbons on the North Slope of Alaska in 1968 brought about a rush to explore in the prospective areas of northern Canada. The hitherto modest effort in this respect had consisted of a gradual but methodical northward extension of the exploration effort from northern Alberta. The greatly expanded exploration activity which engulfed the territory extending either side of the Mackenzie River and outwards to the areas offshore from that river delta, quickly spread across most of the land areas of the Arctic Islands, as well as a significant proportion of the water areas. These efforts were given new economic meaning as the energy crises of the first half decade of the 1970's unfolded.

While the search for hydro carbons focused a significant amount of Canada's effort on the high north in a compacted time span, it should recognized that since the conclusion of World War II, increased southern influence has been felt throughout the north. For example, the government program to retire Aklavik and its replacement by Inuvik, the expansion of river traffic on the Mackenzie and the several mining projects in the Northwest Territories are but some examples of the unrelenting southern pressure on the north.

For the most part, this pressure from the south is in response to a country and a world which has demands for new sources of raw materials. The pressure may surge forward at times while at others it recedes somewhat but the trend is always upward. The north is but one new area in the world where these materials are being sought. Through all of Canada, the economic consequences of finding and exploiting the increased sources of raw materials can be significant but for the indigenous peoples, the consequences are in addition, social.

The Mackenzie Valley Pipeline Project is another of the influences from "The south", albeit to date one of the most significant with long term ramifications that will affect Canada's northland. It is probable that unless the country had been faced with a project of such magnitude, with a so-called "shock treatment" that we would have undertaken a broadly based study on the impact of southern culture on the north in which case the slower, less spectacular filtering northward of these southern influences would have continued. Should the pipeline not be built, this brief suggests this osmosis situation will prevail.

I'll now speak to the north and its inhabitants. Throughout this brief, the term "the north" is used in reference to the Mackenzie River water shed northward from Alberta, extending west where the Pre-Cambrian shield surfaces to the Rocky Mountains or the Alaskan border. It also comprises the Arctic Island areas across the top of Canada, including Baffin

and Ellesmere Islands, and the water areas of the Arctic archipelago. The term excludes, in this paper, the Hudson's Bay area and others eastward.

The north is inhabited and was, at the time the rapid northern expansion commenced in 1968, by three categories of people. These are:

(a) Eskimos who historically and traditionally were spread out across the areas north of the treeline in small bands or groups. A significant trend towards the concentration of Eskimo populations had been evolving since World War II. These concentrations form more or less permanent communities.

(b) Indian peoples. The Indian peoples occupying land south of the treeline, who by 1968 had for the most part over the course of the previous century and a half, abandoned their total reliance on gaining their livelihood from the land to one of reliance on either a blend of traditional and southern civilization systems, or one where the latter prevailed.

The trend over the most recent quarter century has been almost completely one way, i.e., away from the historic, traditional aboriginal way of life.

(c) This is the third group. Others or non-natives, including Métis who, in the case -- as in the case of Indians, occupy lands south of the treeline. For the most part, these others rely, on their livelihood on the products of and are influenced by the peripheral effects of southern ways as these filter north.

Mining, forestry, trapping,

fishing, transportation, etc., serve to orient their efforts towards the activities designed to produce cash in hand which is then used to buy southern produced goods.

It is these three categories of contemporary indigenous peoples whose lives the Mackenzie Valley Pipeline will affect. The effects will be economic, cultural and environmental. The point is being made and is being elaborated upon in the paragraphs which follow that any consideration of the lives of contemporary inhabitants in the north should recognize that proportionately, more orientation away from the traditional life-styles towards western culture has already taken place.

The north, a history of southern or exotic influences. Prior to this century, the impact of southern Canada on the Eskimo in the north -- the term is defined in this brief -- was minimal except perhaps in the eastern sections of Baffin Island. Indeed, the first cultural and hen economic influences affecting the Eskimo of the western Arctic were Russian trading good emanating from Siberia rather than from North America or Europe. The earliest contacts were the explorers who, apart from giving articles as presents in order to ensure the friendship of the Eskimos, scarcely affected the native way of life.

Probably the popularity of the Arctic white fox as a fashion item in the western wend was the single most significant event to alter the

aboriginal customs, as it shifted the emphasis of the native from solely one of survival in a hostile environment to one where a cash crop was of importance. The cash crop, initially fox furs, followed by other skins, reoriented some of the individual's effort away from merely providing food, clothing and shelter to instead harvesting of a crops and with the proceeds, buying tea, flour, sugar, canvass for tents, rifles, ammunition, traps and other small useful articles; needles, cooking utensils and iron items, etc.

The influence of the fur trade created permanent settlements which in turn hastened the exposure of the Eskimo to the so-called "better" way of life. Until World War II and the subsequent related defense efforts, southern influences on the Eskimo way of life came relatively slowly. Canoes, outboard motors, snowmobiles, western weather effective clothing materials, to give only some examples, have all had an increasingly profound effect on the way of life since World War II, Social transfer payments, improved transportation methods, making southern products, including liquor, generally available, state medical benefits, the widening availability of radio and television, etc., have all combined to radically alter the native way of life.

The Indian people, in their geographic regions, were similarly affected by the exposure to western culture. Only the contact commence sooner, in the 18th century, and because transportation and communication was easier, the exposure was more

complete The fact that the contact took place before the advances of modern medical science, resulted in near disastrous sicknesses and epidemics ravaging these groups. The economic vicissitudes of the western world over the past two centuries have resulted in profound economic consequences for these peoples, especially during the troughs of such activity.

For whatever reasons, the well-being of these peoples as a group has probably deteriorated relative to that of other Canadians in approximately 110 years since the Government of Canada assumed jurisdiction over the territory from the Hudson's Bay Company, As noticed previously, in the area south of the treeline, the southern oriented activities connected with extractive industries, coupled with transportation, both surface, highway and water and air, have had a substantial impact in these areas and their inhabitants over the past 30 to 35 year. The completion of the Alaska highway some 35 years ago pioneered the way, showing that the north was not impenetrable, using modern construction equipment.

In the view of the foregoing evidence, this brief contends that to consider at least the continental areas of the north as a "last frontier" is basically unrealistic as the frontier demarcation line has already been pushed northward to the mainland coastline. Changes in the life-style of these mainland peoples is well advanced in the transitional process and we are now merely looking at their substantially westernized contemporary living modes as one frame in

the motion picture which is already half run.

Environmental considerations in the north. There is no question that the Mackenzie Valley Pipeline, by its installation, will cause environmental effects in the north. Almost any physical act of man causes some effects and it is a question of degree and the trade-offs involved. The room in which you conduct this hearing is heated or cooled, ventilated and lit through the consumption of energy in one form or another which has been won from nature. The paper on which you write your report will probably come from the forests of our country, and it is just not a single copy of the report that will be required, but thousands, to be read by the many Canadians who will want to learn of your findings.

Many cords of pulpwood will be required to manufacture this paper. If the trees that are cut to make such paper comes from a nondescript growth of conifers in British Columbia which province has many square miles of such forests, no one will raise an objection. Should however the paper maker wish to harvest a unique surviving stand of pines or firs strategically located to be enjoyed by the citizen of Canada or for the world, then we would consider the environment has been affronted. A sense of proportion is necessary.

The proposed pipeline will in aggregate affect many acres throughout its length. The significant disturbing effect however, will be restricted to a corridor, say of a mile extending at

either side of the line which corridor, as a percentage of the type of terrain effected will be inconsequential Beyond this relatively narrow corridor, other than in relatively few instances, neither the flora or the fauna nor humans will be disturbed. Certain land oriented migratory animals of which the caribou is the most mentioned example, will require that special safeguards are observed to contain the adverse effects within acceptable bounds. The human physical awareness of the project will be no more than that caused by a modern highway complex traversing the countryside. Few of us, a mile removed from such a system with bush in between, are much aware of its existence.

Obviously, special attention will have to paid to reduce the direct contamination or pollution risks to minimal and acceptable levels but the regulatory authorities, National Energy Board, Department of Transport or whomever, can be charged with this responsibility. In the industrial world of which we live today, there can never be realistically be a setting free from all risks. Indeed wars accepted, the world of yesterday was more prone to disasters caused by accidents than is the case today. For example, the great fire of London in 1666 which left only 1/5 of the walled city standing, having burned over 13, 000 houses.

Ecologists, in presenting arguments before this Commission would appear, from reading press reports, to have emphasized that the pipeline should not he permitted if there is a doubt

about the adverse effects on the environment and particularly on the animal life. It would be interesting to speculate what stand these persons would have adopted if in the last half of the 19th century when Canada and the United States, prairie lands were being broken for agriculture and fenced together with the lay-out of a rural road network, which action had the predictable effect of causing the demise of the plains buffalo, the piniated grouse, the true prairie chicken and the virtual disappearance of the long prairie grass. The question might be asked, should the west never have been settled?

In any discussion of the adverse effects of the proposed pipeline, it must be recognized that the relevant aspects of the incremental changes that the project may bring about, there already exists regularly scheduled air transportation and in season, river travel. Modern telecommunications are an established fact. While the progress of the Mackenzie Valley highway is currently indefinite , the Dempster highway. an all weather road will shortly be completed to Inuvik from Whitehorse, via Fort McPherson, A railroad is perhaps one of the few remaining links with the south yet to be put in place.

In today's world, little culture moves by rail, mostly, it is freight. The human social, economic and cultural forces will therefore for the most part be present throughout the proposed pipeline whether or not the pipeline is present. The long-term pattern of encroachment on the

north by outside influences from the south and elsewhere has been described previously. It is already too late to insulate or isolate the aboriginal peoples from exotic cultures. At best, further associations with the outside can be retarded but that this is practical is somewhat doubtful. Either for reasons of national defense or display of sovereignty, a visible Canadian presence is demanded in the northland.

Scarcely five years ago, the voyage of the "Manhattan" through the Northwest Passage caused concern that the Canadian northern claims could not be enforced. In a world apparently destined to experience increasing shortages of raw materials, it is unlikely that Canada can leave in a vacuum efforts to exploit to a lesser or greater degree, its northern areas. In fact, over the past month the Canadian Government has issued several policy statements in which an expanded developmental role for the energy search in the north has been indicated.

It is reported that world renowned sociologist, Barbara Ward, has pointed out in her book "The Home of Man", commissioned on behalf of next month's United Nations Habitat Conference in Vancouver, that Canada, as one of the richer countries will be unable to horde its resources but must share them with the world, the alternative being the risk of violent repercussions.

Setting aside the question of any further cultural impact on the north which it is suggested is inevitable, the history of the evolution

of world's populated undeveloped areas indisputably points to the inability of a people to remain insulated from the surrounding world. The appropriate approach would indicate a structured program designed to include native peoples in the contemporary world of today. If one accepts this tenet, northern Canadians of all backgrounds should as rapidly as possible have the opportunity to participate in the development of Canada in the last quarter of this century.

The Mackenzie Valley Pipeline offers a vehicle of sufficient magnitude to allow Canada to include a significant number of these people hitherto without these opportunities.

Alternative opinions. Judging) on the basis of press reports, we in southern Canada might assume that a significant number of those appearing before this Commission have spoken against the Mackenzie Valley Pipeline Project proceeding at the present time. Included in this group, are several articulate groups or individuals commonly from the ranks of academia whose professed objectives are to keep northern Canadians uncontaminated by southern influences and the landscape unmarred by the contemporary parallel of the woodsman's axe.

To those who hold opposing views, are accused of being self-serving which if the benefits accrued Canadians -- to others than Canadian citizens, additionally involves the selling out of our national birthright. Without becoming embroiled in a

lengthy argument on the advantages or otherwise of the development of Canada's resources under what conditions and by whom, it is suggested that our Federal Government is reasonably alert to the benefit and risks inherent in these matters.

While any of us as individuals may disagree with national policies, nevertheless, it is the responsibility and function of the government in our democratic society to develop and articulate what they consider an appropriate policy. Those who disagree with such a policy have their usual democratic rights at election time.

The main issues before your Commission therefore focus on the specifics spelled out in the terms of reference and should not become untracked into a debate on Canadian nationalism with respect to industry. In a similar vein, this brief is equally cynical when it comes to reasonably affluent southern based Canadians prescribing a continued sparse and stoic lifestyle for our northern citizens. It is obviously appropriate for northerners to speak for themselves in advocating a preferred way of life but it is less than relevant for these preference to emanate from the south. It has already been argued the evidence exists that an insular prescription has failed to function elsewhere, notwithstanding the intent. Perhaps those who advocate such policies can be persuaded to document their cases with appropriate examples drawn from other parts of the world.

Mr. Chairman, I've been

handed a note that my 20 minutes has expired.

THE COMMISSIONER: Carry on and complete your brief. I take it we're fairly close to --

A Yes, I've got one example using, I guess what a lot of people have done, the C.P.R. and then a conclusion.

Q Well, carry on.

A Thank you sir. The C.P.R., a historical precedent. The similarity of the deliberations Canada is facing with regard to the Mackenzie Valley Pipeline with a previous major project in this country's history, the Canadian Pacific Railroad, has been often noted. The C.P.R. linked the two coasts of North America north of the 49th parallel and ensured the west's inclusion in the nation.

The pipeline offers an opportunity to tie the north coast and the island archipelago lying beyond to the presently settled regions of the country and will facilitate continued northward integration, dispelling suggestions that the land areas extending almost to the Pole are anything other than Canadian. Each project involves the mobilization of industrial and financial resources which comprise a significant proportion of those available at the respective times in history. In both instances, frontier areas are brought within the scope of existing national infrastructure.

The socio-economic opportunities to become available to the inhabitants of

the pipeline territory probably are not much different in the order of magnitude although the character of the opportunities is dissimilar, than was the case with the C.P.R. a century previous. The environmental effects on other than the human populations represent a major difference equipped as Canada now is with the knowledge to deal with these problems in this field, coupled with the fact that the pipeline will not produce the agricultural opportunities in the affected area due to climatic considerations.

It remains to be seen, if the pipeline development proceeds, whether the country can make satisfactory use of the environmental knowledge at our disposal. Perhaps the other differences between the projects will be the time span elapsing between the conception of the project and completion, which for the C.P.R. saw 16 years pass prior to completion. If the concept of the pipeline as a project. could be said to have emerged in 1970, there still remains a few years before the year 1986 arrives.

In summary, few responsible Canadians would seriously challenge today the decision to build a C.P.R. as the country's first and all-important trans-continental link, although probably some, with the benefit of 100 years of hindsight might dispute that the terms have been appropriate. The benefits gained did not come without cost to our society, costs other than in monetary terms. Some of these costs were social and some environmental. The pipeline, if constructed will also have its share of

costs. For that matter, most projects of major scope have some draw-backs. For example, one only has to recall the dislocation problem brought about by the construction of the St. Lawrence Seaway a few years ago when farms that had been in the hands of families for over 200 years, the United Empire Loyalist descendants, were submerged under a water system.

Conclusion. The thrust of this brief has been that there are no sustaining reasons not to proceed with a Mackenzie Valley Pipeline A pipeline poses no unique disadvantages to Canada beyond those which might normally be expected to arise in conjunction with a project of this magnitude. This position assumes that as a point of departure, Canada is or will be deficient in the energy required to fuel our national effort, a premise based on the findings of the National Energy Board and one to which dispute is beyond the scope of this brief and it is understood, your Commission.

However, if you find the pipeline is inappropriate, this brief would ask the question, what alternative energy transportation system is recommended? Without such an alternative, a recommendation against a gas pipeline presumably results in the cessation of the current western Arctic exploration, reversing recently announced government policies. While it is again outside the scope of this brief, it would appear that the problems posed by an oil pipeline in the Mackenzie Valley are not less than will be experienced with natural gas. In any event, a

broadly based exploration effort designed to find hydrocarbons generally cannot be structured to favor gas over oil or vice-versa.

No attempt has been made in this brief to judge on the merits of one proposal over another amongst the several contestants for the right to build a gas pipeline from the north to southern Canada nor has any consideration been given to the merits of including or excluding Alaskan gas destined for the United States in one or more of these projects.

One further variation for a scenario to apply over the next few years involves a postponement of the Pipeline construction for the intermediate period. It is difficult to appreciate what this will accomplish, given the willingness of the various pipeline applicants to proceed at their sole risk immediately. Canadians by this time should have the confidence of the regulatory bodies involved with grant construction permits only when they have reasonable assurances that the risks of accidents remains within acceptable bounds. That public opinion is finally tuned to environmental considerations. is by now very apparent to our government.

With regard to the possible human socio-economic effects of pipeline and this brief acknowledges some will take place, it has been argued that the gains produced by the pipeline project will probably outweigh the adverse effects. Notwithstanding this contention, it is hard to perceive in what manner

the inhabitants of the area will be any better equipped to adapt to the inevitable changes in lifestyles five, ten or 15 years from now in view of the historical results of the past 50 to 100 years.

This presentation has been made by the undersigned as a private individual, one who has always lived in southern Ontario but one who considers he is not unmindful to the appreciation of Canada's problems, including those of our native peoples. It is firmly believed that no solution exists which will operate to the benefit of all interested parties. Some of them will deem themselves disadvantaged whatever the outcome. Considerable wisdom will be required in enunciating findings that, on balance, will serve Canada well.

Thank you sir.

MR. WADDELL: Mr. Commissioner, wonder if we could break now for coffee for ten minutes. Before we do, I should tell you that after coffee, we will hear from Mr. Charles Godfrey of People of our Plains and Mr. Matthew Edwards. We have additional names of people that have approached Mr. Roland and myself to give briefs if there is time and those included in the order that we have them, Garry Loeb, Joyce Young, Mrs. Ross of Thornhill United Malcolm Davidson,

Could we break then for ten minutes sir?

THE COMMISSIONER: All right.

(SUBMISSION OF DOUGLAS C. MATTHEWS MARKED

EXHIBIT C-452)

(WITNESS ASIDE)

(PROCEEDINGS ADJOURNED FOR A FEW MINUTES)

(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

THE COMMISSIONER: Well, ladies and gentlemen, we'll call our hearing to order and spend the time until five o'clock considering the briefs of those still on the list.

MR. WADDELL: Mr. Commissioner, I apologize, I left off a name or a party that was on our list and so I'm going to call him first. I'm going to call Mr. Patrick Scott of Ottawa -- or rather Torrent and Yellowknife, and then I'm going to call Mr. Charles Godfrey, and then Mr. Matthew Edwards, and some of the other people. I call first upon Mr. Scott.

THE COMMISSIONER: Go ahead.

PATRICK SCOTT sworn:

THE WITNESS: Thank you, Mr. Commissioner. Mr. Berger, I'm pleased to be here before you in Toronto where I lived for 13 years before moving west aid then moving north. I must say I'm a little uncomfortable on this side of the microphone. Fortunately, all the other cameramen have left. I feel much more secure behind the cameras instead of in front of them.

I chose to speak here in Toronto for a couple of reasons, mainly because I spent most of my life here and formed many of my attitudes and opinions, as an adolescent and as a student at Ryerson, where I started film production.

One of the things I want to make clear as I begin, both to you and to anyone who is

listening, is that I'm an independent freelancer working on contract to C.B.C., and whatever I say does not reflect anything of opinions of the C.B.C., but only of my own.

I want to talk mainly about some of the concerns I've developed since being in the north and travelling with your Inquiry into the communities, about the impact of the media in the north, I think first of all I'd like to say that the concern I have is one of under-development in the area that I work. We've heard a lot about the development of the pipeline and industrial development, and I'm rather frightened and concerned about the impact that will come alongside with the development of the pipeline in terms of mass media, and I'm concerned because I don't see the impact of the mass media anywhere in North America as being a totally positive one, and that concern is further extended because in the north we have unique cultures with specific language groups, and they have very little opportunity to develop the skills to produce their own programming.

I'd like to quote from Andrew Cowan, former head of the Northern Services of C.B.C. in an article he wrote in January. He says:

> "Television in the north is a luxury that has become an addiction, and it is now accepted as a necessity. It is the camel in the broadcasting tent, thanks largely to the demands of the white transients and to the government satellite policy. It seems hopeless to fight the effect upon

northern audiences of television programs designed largely for sophisticated, middle-class affluent southerners with advertising that feeds the rising expectations of an inquisitive property-minded consumer-oriented society. The white transients in the north have been conditioned to these programs. Liquor and candy -- like liquor and candy, their immediate appeal is universal, and they are watched with interest by native peoples. But even if the latter become conditioned to them, what can they do -what can the programs do for them in the present economic cultural and social position? The fight against the passive brain-washing of television seems as hopeless in the north as it is in the south."

I'm referring to this issue because I would like to suggest that if within the realm of possibility you could consider this problem within your report, as you consider the social impact of development in the north, I think you would be doing the peoples of the north a great service because I see the impact of media as a subtle erosion of a way of life.

Harvey Cox, in his -- one of his latest books,

"The Seduction of the Spirit, "

refers to the television as a contemporary religion of our society. It is the altar in each family's home. In older cultures there was a religious altar; today we turn to the television for our form of information, for

our form of edification, for in a sense our religious practices, our family gathers around the T.V. too, and there we learn.

Terry Ryan, the general manager of the Dorsett -- Cape Dorsett Art Co-Operative in the Northwest Territories, when he was asked what he felt the effects of television had been in the north, he said,

> "It's another attack on the culture, and a pretty all-encompassing one. I think television is very influential. Prior to television you had to physically pick up a magazine in order to become aware of something that was part and parcel of the southern culture. Now it's visual, it's right here, assailing you day and night."

Of course, good television might not be so bad; but good television to you isn't necessarily good television to the Eskimos, and I think good television for the Eskimos would be something that comes out of their culture. That really isn't too much to ask.

The only way it's going to come out of their culture and out of the Dene culture is for people who speak their language primarily to develop the skills to produce the programs; and right now there is no vehicle for that to happen.

C.B.C. does on a regular basis five minutes of programming which refers to this Inquiry's programming in television in the different languages. That isn't enough. When the secretary --

when the Treasury Board sees fit to allot to the Public Broad casting Corporation (C.B.C.) in the neighborhood of $25 million to cover the Olympics and finds it impossible to extend funding to the C.B.C. Northern Services to carry on the coverage of the Inquiry after its original scheduled finish date, I don't understand the priorities of the government. We're talking about people.

THE COMMISSIONER: You don't agree with them,

A I don't understand them either. I don't understand that kind of mentality because the Olympics is a two-week event, and no, I don't agree with them either, whatever they are.

There's something much more important happening in the north, and I feel very fortunate in having had the opportunity of being a transplanted southerner, having the opportunity to live in the north and travel into the communities and listen to the people and listen to their concerns. I remember Phoebe Nahanni saying in Fort Simpson, in her home town -- and for those who don't know Phoebe Nahanni, she's a Dene woman who works with the Indian Brotherhood -- and she said,

> "It's unrealistic to think that their culture will survive if the pipeline and the pending development that goes with it goes ahead."

I agree with Phoebe, and I don't want to be part of that destruction of that way of life because I've seen it in a very limited way, and I've listened to the people and watched the people in their lives, in their

own communities and I think about a place like Toronto where we live in high-rises and we live in what frequently is called a concrete jungle, and we know that we don't like it, and we run to our cottages in Muskoka, Haliburton, and we run to the Gatineau Hill for skiing, and we run out to the Rockies for skiing, and we run to Bermuda and Florida and Hawaii and every other place where we can find what we have in the north , and what the native people have in the north and want to continue having.

Somehow we, in our rushing around, fail to realize that it is us that is taking that away from them. When we talk about the right of a native land settlement, to me the question is it's not their right, that's understated. What right do we have to take their land away? What right do we have to destroy their culture? There's been a word used, "genocide" on the native people, we're in a very subtle way practicing genocide as a nation. It's not intentional but it's a policitized word and it's an ugly word; but sometimes when I think about it, and when I listen to the native people and know them personally and see their frustration,

I'm afraid that I have to come to the conclusion that we are destroying them. We live in a way that we say we need the energy, we're in an energy crisis, and then we fail to acknowledge the excesses we have. As an example, this hotel with heated floors in the bathroom so your feet don't get cold when you get up in the morning. That's so absurd,

it's so inane, and we're willing to live with that and at the same time we're willing to live with the knowledge that in doing that we're taking something away from someone else that doesn't belong to us but belongs to them. I can't condone that. I can't agree with it. I despise it.

I understand the kind of frustration which would -- or I appreciate, I don't fully understand -- that would cause someone like Nelson Small Legs to do what he did 'a couple of weeks ago.

I don't have very much else to say, your honor, other than I hope that the work you've done this past year and a half will not be wasted by superficial needs, by superficial demands, and by the incredible politics which goes on in every nation amongst the various interest groups.

The corporations have the power because they have the money. The native people don't have money, they have lives that are worth living and a way of life that is worth preserving. If that way of life is destroyed because of our excess I've never wanted to live in the States but I certainly won't want to live in Canada either.

To finish I'd like to quote Phillip Blake's statement, part of his statement from the Fort McPherson hearing when we were there. He said:

> "If we live in any kind of democratic system there would be no further talk of pipeline. The will of the people has been made very clear. If

the will of the people is not respected, then I appeal to you and all the people of Southern Canada to respect and support us in our efforts to re-establish democracy and democratic decision-making in our homeland."

I guess the question for Southern Canada is simply, "Which side are you on? Are you on the side of the people trying to find freedom in the democratic tradition, or are you on the side of those who are trying to frustrate our attempts to find freedom, and who instead are trying to destroy the last free Indian nation?"

Just as a final comment, I've met many of the people involved in the two applicant companies, and many of them are very fine people, and as. you have said frequently during these southern hearings, they hold different views, they come from different places. I only hope and pray that some kind of a human sane solution can he discovered and that we can take the time and that we can have the respect to allow a way of life, a people to live regardless of what it costs in an economic sense.

Thank you.

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner, our next brief is from Mr. Charles Godfrey.

CHARLES GODFREY sworn:

THE WITNESS: Sir, I am speaking today, sir, as a representative of People or

Planes, which is a citizens' organization located primarily in the eastern area of the city, but having representation across pretty well all of Metro Toronto,

From bitter experience, People or Planes is very much aware of the tendency of government to become a promoter of projects rather than a defender of the public good. More specifically, we know how iniquitous it is to shoot first and ask questions of the public to be affected after the project has been started, whether the public are the natives of the north or whether they're primitive men of Pickering, this applies equally,

In June of 1975, annual report of the Science Council of Canada, Chairman Roger Gaudry, cited,

> "The role played by two federal agencies, the Ministry of Transport in promoting the Pickering Airport and the Department of Indian & Northern Affairs in promoting the Strathcona mining venture on Baffin Island,"

as good examples of this type of activity.

We endorse Mr. Gaudry's remarks -- further remark that:

> "Information lies at the heart of all decision-making and the automatic denial of access to relevant information which has been a traditional stance in the face of protest groups does not seem to make a reasonable or defensible policy."

Our experience of four years of denial of access to all information (which was

publicly funded, by the way) to say nothing of the sham either through terms of reference or lack of suitable funded input from all sides, sham-type enquiry leads us to warn this Commission that it may well now be looking into a matter that could be described as "now that there is to be a Mackenzie Pipeline" rather than "what if there is to be a Mackenzie Pipeline?"

We commend the Science Council s advocacy of a conserver society as opposed to a consumer society; and we commend to you our view that society must take a long, slow and careful look at such projects as pipelines.

Certainly our national policy and our provincial policy have failed in the development of alternate energy production facilities. In proceeding with a pipeline we are committing ourselves to a major capital investment which is dedicated to oil as the source of energy, A serious consideration must be given to that type of commitment to an energy source which depletes national resources and may well be finite.

In our Province of Ontario which is one of the major consumers of energy in Canada, this source of energy will represent added expense to our industrial and domestic costs. Is it not wise to put in context the possibility of developing recycling facilities which would reduce the need for oil as a source of energy? The recycling of - garbage into energy is no longer an experimental matter. In several areas throughout the world it is

now feasible and economic to produce energy from garbage by pyrolysis or other types of garbage treatment. Yet nowhere in our province do we see a concentrated effort to bring this type of energy production on line. Garbage is still dumped into open fill sites and lost to, the country. Heat which is generated by burning garbage is allowed to escape to the atmosphere and lost to our purpose. Heat which is generated in the production o electricity by, for example, the nuclear power plant at Pickering, is dumped into the lake.

In Hamilton we do have a solid waste recovery unit incinerator which was constructed by that city. It is essentially a garbage disposal unit and the steam which is generated as a by-product of the disposal simply cannot be sold at a profit due to poor design and siting of the unit,

The Watts from Waste Project in Toronto produces relatively little electricity compared with the energy which is available from the garbage. In addition* a cumbersome method of pulverizing garbage at another site, trucking the garbage to the Hearn Plant with a consequent net loss of energy over the long run.

These are examples of tokenism in the production of energy which we are employing at present to meet the growing demand for the production of alternate energy sources. Yet in contradistinction in Amese, Iowa, there is a municipally owned power plant which uses refuse derived fuel and can produce this at a net profit with less necessity for the use of oil as a

prime energy source. The same story is see in many other areas in the United States Milwaukee, Akron, Baltimore, with many other units scheduled such as in Palmer, Pennsylvania, and San Diego. In St. Louis the municipality, Union Electric and the Environmental Protection Agency are operating a unit which consumes some 6, 000 tons daily with production of energy and saleable materials.

This pattern is even more developed in Sweden.

Commitment to the pipeline with its massive expenditure of funds denies those same funds towards the development of alternate energy production units. These units can be brought on line at approximately $15 million each, with a tremendous long-term saving in energy dollars and at the same time a solution of the mounting waste problem in our society, and preservation of food land which is used for dumping garbage.

We view with suspicion the failure of our government to develop an energy production source which uses waste. This suspicion is closely associated with our experience in the past in fighting the air transport Junta which inhabits the Ministry of Transport; then the query arises as to whether there is a similar oil oligarchy which wheels and deals in our government.

Because of our experience in dealing with government and airport placement agencies, we recommend that all northern development be postponed

until there is a full assessment of the possibilities for the development of energy from sources such as we have mentioned which have been proposed in the past by the self-same Science Council of Canada.

These major economic considerations must be put in context with the concern we have that the views of our native people have not been fully represented nor fairly considered and we have not reached a mutually acceptable conclusion to the native land settlements.

We urge the postponement of the Mackenzie Valley Pipeline until all the factors concerning energy production have been given a fair hearing, which means sufficient and suitable consideration of the energy potential in that which we bury, Thank you.

(SUBMISSION OF PEOPLE OR PLANES C. GODFREY MARKED EXHIBIT C-455)

(WITNESS ASIDE)

MR. WADDELL: Judge Berger, our next brief is from Mr. Matthew Edwards. Mr. Edwards?

MATTHEW EDWARDS sworn:

THE WITNESS: Justice Berger and Commissioners, I'd like to thank you for the opportunity to appear at this hearing.

I'm a bio-chemistry student and I would like to talk about some techniques which

can be used to protect northern wildlife from harmful effects of the pipeline and to manage northern animal resources.

The principal method that I'd like to discuss is tele-stimulation. Tele-stimulation is well-established in research studies in animal behaviour. Basically, the animals in these studies carry small devices which are activated upon the reception of a radio signal from a distant location. For example, radio stimulation has been used to activate a device which injects a chemical into the blood-stream of a subject animal. It has also been used to activate a transmitter carried by an animal which can communicate various bits of physiological information such as heart rate. The equivalent used in these receiver-stimulators is often model airplane control equipment which is readily available. How does stimulation apply to the pipeline? It can be used to ward animals way from locations where they would be vulnerable. These would include such points as garbage dumps, camps, compressor stations, and roads where hunting pressures would be high. As an illustration, let us consider the garbage dump problem.

Bear, wolves, wolverines and other animals are attracted to garbage dumps. The bear problem is well-known across Canada. Let's say a bear has arrived at a dump. You anesthetize him by usual dart-gun method and fit him with a device that provides an unpleasant stimulation whenever the bear is close

enough to receive a signal scent from a nearby radio transmitter.

What would be the nature of this stimulation? It could be many things, but the best would probably be the release of an offensive odor such as skunk oil, which is already obtainable in sizeable quantities. If a solution of skunk oil is stored in a small canister under pressure, then a magnetic switch can be triggered by radio to release a small amount of repellant as a spray.

Now if the transmitting antenna is located near the garbage dump, the bear would receive a dose of repellant whenever he comes within range of the dump. The device could contain an element that would give the animal some time to move out of range before the next dose is delivered. The animal would thus learn to avoid the garbage dump.

Furthermore, if the same signal is sent out from other transmitter placed at other areas of human activity, then the bear would be sensitized to all of these areas. The procedure would be required only once per animal to immunize that animal against a variety of hazards.

This system permits a great deal of flexibility. The transmitters could be made mobile, perhaps attached to a vehicle. Thus all areas of surveying and construction can be made off-limits to animals who have devices, In appearance the receiver stimulator and the repellant canister would

probably be attached to a collar around the animal's neck, as in the familiar radio tracking operations. If designed properly, the animal would not associate the bad odor with something he was carrying, and would thus not try to dislodge the device. The power requirement for the device is substantially less than that required for radio tracking operations, in which the animal carries a power-consuming transmitter. Since bears have been tracked for over one year with one battery, the device I am proposing would likely last for many years,

What would be the cost of such a system? I cannot provide an estimate, but the following points can be made,

1. As I have mentioned, the equipment is not complex and certainly less expensive than other electronic methods used by the Canadian Wildlife Service in animal studies.
2. Consider the cost of alternative procedures, Transporting polar bears by plane can he very expensive.
3. This method could have wide application in other countries where animals are endangered and where existing methods for protection are insufficient. There are hundreds of endangered species that could be protected electronically. Very few of these countries are in a position to develop this type of procedure. Canada could thus provide a useful service in this area.
4. Finally, tele-stimulation can be applied directly to

the management of animal resources in the north.

I wish to describe in some detail methods that might be used for caribou and muskox.

First, caribou. The guiding principle behind the method for caribou management is that by putting devices on a small number of caribou, the movements of a larger number can be controlled. We might have the following setup. A village or station would serve as the central hub of a system of transmitting beacons similar to those that would be used at garbage dumps. The beacons would be strung out in lines radiating from the central village, like the spokes of a wheel. If a caribou equipped with a receiver-stimulator approaches any of these beacons, he will receive an unpleasant stimulation, probably once more in the form of an offensive odor. The beacons thus serve as an invisible fence that can be extended for great distances. When a caribou enters the region between two lines of beacons, he will be progressively deflected towards the village. The area controlled by one village could be a circle 40 or 50 miles in diameter, and I've constructed a crude visual aid to show what I mean here.

Here is the village here, this circle in the middle. Here are your lines of beacons extending out from the centre, and here is a caribou coming, these red lines coming in and being

deflected by these lines towards the centre, and this whole area would be say could be of an indefinite width, but could be many miles, 40 or 50 miles.

I'll just show it to this side. This is the village, -here are the lines of beacons, aid here are the movements of caribou being governed, once they've come in from the outside, in toward the centre.

These invisible electronic barriers function in the same way as the fences used by natives prior to the introduction of fire arms. The primitive fence was made of pieces of wood placed in a line. Caribou, reluctant to cross such lines, would steer towards ambush points and snares. In the modern caribou station, animals would be directed to an enclosure and similarly trapped. The success of this technique depends on the herding behaviour of caribou. The animals who are first captured and equipped with devices in the wild, will be directed in towards the village by the beacons, drawing with them some animals who do not carry devices. These animals will then be equipped and released and would themselves draw additional animals in towards the village. Gradually a sizeable percentage of the herd would be equipped with devices, perhaps 10 to 15%, Animals drawn into the village by this 10 to 15% can then be taken for meat and skins and whatever.

Electronic control of caribou

herds has many advantages over present methods. It would provide a high level of stability to northern communities. A yearly supply of caribou is assured with radio control, whereas present communities can pass a year without seeing a caribou. The problem of transporting meat and skins from the field to the village is overcome since the animals bring themselves in. With the stability of this method, the efficiency of use of the caribou can be increased. All of the meat, and skins can be used.

O.K., muskox. Present attempts are being made to domesticate muskox in Alaska and Canada to make use of the heavy coat that these animals shed each year. Tele-stimulation could be used to keep muskoxen within a certain territory. The technique involves a graded stimulation that, increases as the animals move away from a central point, presumably the structure where the hair or fur will be collected. It might even be possible to signal the animal to come to the shed themselves in order to avoid an unpleasant stimulation.

Tele-stimulation thus ranks as a tool of powerful potential in the, north. It can be used both for the protection of endangered species, and for the management of animal resources. I would suggest that the priority lies in animal protection. Tele-stimulation provides us with an inexpensive method of treating individual animals on an on-going basis, while it protects animals from the hazards of man it allows them complete freedom to roam their

natural domain. Think of the endangered species in Canada and the world who might benefit from this procedure.

My major recommendation to this Commission is to take a lose look at tele-stimulation, to obtain the opinions of biologists and electronic. technologists, and to authorize the necessary studies to be done. It is not impossible to have these devices constructed and tested in the field before the final report of this Commission is written.

I would like to finish with a suggestion for the protection of marine life. Basically in the event of a major oil spill or blowout, I propose an evacuation of the polluted area. Since fish are critical food species in the Arctic marine biom any measure that moves fish away from an advancing oil front will have the effect of moving other species away as well, as they pursue the fish. The technique would involve the placing of oil-detecting censors at drilling platforms and at buoys located throughout the parts of the Beaufort Sea that would likely see oil in a blowout or spill. The censors could be located at surface, intermediate, or bottom level suspended from the buoys. When oil is detected at a censor, a loud or disturbing sound could be triggered from a nearby alarm. If sufficiently loud, at the correct frequency for the hearing of fish, they would move out of the area. The alarm would be continued until

the oil levels returned to safe.

Since the. underwater sonic alarm and censor are positioned together, only the area contaminated with oil s evacuated. At a higher frequency, dolphins, whales and seals would also be subject to sonic vibration and would choose different waters. For these animals there would be two forces encouraging movement away from the spill, the irritating sound and the scarcity of fish which they feed on.

The second recommendation I wish to make to this Commission is to set up a committee to receive ideas and co-ordinate research in special tactics which might be used to protect wildlife if the pipeline is built.

In conclusion, we must be as active and as imaginative in the defence of northern species as those who wish to build this pipeline. Thank you.

THE COMMISSIONER: I think I'll just remind the two pipeline companies, Arctic Gas and foothills, that they might wish to pass on Mr. Edwards' ideas for consideration by their own experts, and I see Mr. Hemstock -- at least I did see Mr. Hemstock here.

MR. WADDELL: He just went to the phone booth.

THE COMMISSIONER: And Dr. Pimlott, of Canadian Arctic Resources Committee is here and I have no doubt he will take this theory of tele-

stimulation under consideration.

So thank you, Mr. Edwards, wherever you are.

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner, Mr. Edwards made reference to a chart and we're going to mark that as an exhibit,

(CHART BY M. EDWARDS MARKED EXHIBIT C-454)

MR. WADDELL: I call upon we have time for another brief - I call upon Mr. Garry Loeb.

GARRY LOEB affirmed:

THE WITNESS; Mr. Commissioner I'm very pleased to have the opportunity to present this brief to you. One of the beauties of this Inquiry is that it gives concerned citizens a chance to make their views 'known.

I have chosen to speak to you not as a member of any organization or groups but as a person who cares about the north and its people. Mr. Commissioner, I have followed the progress of this Inquiry throughout the country and read of the evidence given by many witnesses. Through this often confusing deluge of information and counter-information I have become sure of one thing: That as yet there is no adequate proof for the need to build a Mackenzie Valley Pipeline. Thus far the reports in favor of construction have cone from groups whose motives are, to say the least, highly suspect.

1n evaluation of existing resources and thoughtful examination of possible future needs by an objective body would seem to be an intelligent, logical and necessary next step. It would aid in ascertaining whether or not such a vast project is feasible and/or desirable. We really don't know yet and until we do it would be tragic to push blindly ahead when so much is at stake.

It made me glad to share your trip down the Mackenzie River before the beginning of the Inquiry's hearings in the north. A friend of mine made the same trip two summers ago, and has shared the beauty and sadness of what he saw with me. I sin a canoe-tripper and back-packer, and have spent much time in the wilderness places of this and other provinces. During the past summer I canoed down the Yukon River, meeting many of the people who live along it and on the land of that territory, which will also suffer if selfish and thoughtless development comes to the north on a larger scale.

By no means am I an expert, but I feel I know something about the wild places, enough to care about them and to be shocked and worried about the plans that threaten them.

Once a person appreciates these places he must also admire the way of life of the people who dwell there, and who have for thousands of years, I have been following the affairs of Canada's native people for some years now, and I am ashamed at the record of our government, large corporations and

even of average Canadians in this area.

It is no wonder that native people are hesitant to trust the white man, I am revolted by the behaviour of the Quebec and Federal Governments during rich of the James Bay tragedy which finally saw the Cree and Inuit of that province pushed into a corner where they could only take what was offered. It is my fear that this will happen again if we are not careful. I am further angered and worried when the Minister of Indian Affairs and Northern Development calls the Dene Declaration "gobbledygook", and whose government has said that it may not wait for the report of this Commission before the decision to build is made,

Yet the very existence of this Inquiry gives one reason to hope against hope that good sense will prevail. The land of the north still belongs to its first inhabitants and if the white man wishes to use it, he must deal honorably with its owners. Manifest destiny must finally and firmly be laid to rest. A chance now exists to right the wrongs of the present, if not of the past, and to set a precedent for co-operation and honesty in our future dealings wit native people something that is long overdue.

I hope you have not thought me presumptuous in presenting this. I feel that individuals have a responsibility to speak out against injustice, whether it concerns land or people. It is my hope that you will recommend that further study be

done before a decision is made, and that if a pipeline is deemed to be absolutely necessary, that native land claims will be dealt with before construction begins with a view to reaching a just settlement that would include native partnership in all northern development.

I trust your honesty, sir, and your sense of fair play, and I hope your recommendations will be heeded.

Thank you for your time. I wish you well.

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner, you heard me say earlier that we had additional names, additional briefs that wanted time, or people that wanted time. We've heard from one of them. I think I'm afraid we don't have any extra time this afternoon, and I believe there are some comments from the participants.

MR. SCOTT: I understand, Mr. Commissioner, that of the participants who are here, Pimlott wishes to exercise his right to comment on the briefs for ten minutes, or up to ten minutes.

I should indicate to the persons present that Dr. Pimlott represents the Canadian Arctic Resources Committee, the environmental consortium that participates regularly in the formal hearings at Yellowknife.

DR DOUGLAS PIMLOTT resumed:

THE WITNESS: Mr. Commissioner, at Winnipeg I referred briefly to some aspects of the energy equation and I think that the hearings in Toronto have again brought some of the important elements of that to the foreground, and I'd like to briefly talk to one point that has been brought to your attention on a number of occasions, and at least twice today, and that's sort of and I think I could refer to it as a conservation and environmental viewpoint on the need to inventory petroleum resources, and I think that reference to this could soft of be sub-titled "The dilemma of the petroleum solution to short-term energy needs."

I have been in aspects of ecology and management for a long time and it's difficult to quibble with the need to inventory a resource, as a basic process in forestry and fish and wildlife management, in agriculture, and in all of these cases inventory is essentially a neutral "process that's absolutely vital to the resource. Mr. Gillespie has referred to this need on a number of occasions and it's referred to in the new document on national strategy -- national energy strategy for Canada.

But as I said, inventory in these cases is done by government agencies and it does not effectively pre-dispose of what will happen to the resource; but this is the area in which it's entirely different as far as petroleum resources are involved. Petroleum is inventoried by industry, it's a very

costly process, and immediately substantial reserves are found they must be developed.

In the 1973 presentation to the National Energy Board, one of the points that was made by Imperial Oil was that it was tantamount to development of energy sources that reserves be produced quite quickly after they were identified. So part of this dilemma in a short-term sense is that if we did make elephant finds in the Beaufort Sea, they would predispose the whole national picture to looking for this short-term solution in the use of these energy resources; and last night you had that effective presentation by Energy Probe discussing the possibility of alternative sources, the possibility of using waste sources, and the need for conservation.

But if we were able to work to this solution and if we did work very effectively and succeed in finding these major resources, I think that there is a real danger that the long-term interests of Canada would not be well served. It seems an incredible thing to say, but I think when you see and look at the way that petroleum resources are found, the need to recover capital and then the capital requirements for economies in scale of transportation indicates that this is far from a neutral process and wherein many doubts are raised about Canada's capability of coming to terms with long term renewable sources if we seek our solution simply through the petroleum route. That's I refer to why I refer to this as a the dilemma of the petroleum solution to Canada's

energy needs on a short-term,

Thank you.

THE COMMISSIONER: I see your point. You're saying that if we were to discover large volumes of petroleum in the Beaufort Sea, it would distract us from examining alternate solutions to our long-term energy needs. I take it that's the point?

A Yes, that's the basic point because as I know I have said before, before your Commission that I consider -- and as others have said -- this great need to consider petroleum resource both for petrochemical feed-stock and as the basic resource for fertilizer production, and I fear that if we are to satisfy this apparent national need, to meet the short-term, to get a short-term solution this way, that it will have a serious effect on our long-term resolution of the energy problem as far as Canada is concerned.

I think that this is a kind of message that the conservation and environmental organizations we represent would want to have made at this time, because it's so attractive to look for this short-term solution but it does pose a very large dilemma.

(WITNESS ASIDE)

MR. SCOTT: Mr. Commissioner, that concludes this afternoon's activities, and we'll resume, if you please, at eight o'clock tonight.

THE COMMISSIONER: All right.

I think I should just say to counsel that Mr. Veale of the Council of Yukon Indians made a motion before we left Yellowknife, and he was supported by Foothills and others, urging that the Inquiry hold hearings in the Yukon to consider the impact of' the proposed Fairbanks pipeline.

I have received a letter from the Yukon Chamber of Commerce supporting the Council of Yukon Indians. I'll bring the letter down and let you all have copies of it this evening, and I would be prepared to rule on the whole matter tomorrow rather than wait till we return to Yellowknife so that you can be aware of my present view as regards to the way the matter should be disposed of. That's only subject to this, that if we can telex whatever my ruling is to Whitehorse concurrently with its delivery here as a matter of courtesy so that they know what I've said without relying on what might be fragmentary evidence over the radio. I think that's all.

So we'll adjourn till eight o'clock tonight.

(PROCEEDINGS ADJOURNED TO 8 P.M.)

(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

THE COMMISSIONER: Ladies and gentlemen, we'll call our hearing to order this evening.

The Mackenzie Valley Pipeline Inquiry is holding hearings in the main centres of Southern Canada to consider the representations that people like yourselves have to make about the vital issues of national policy that lie before us all. As you know, two companies, Canadian Arctic Gas and Foothills Pipe Lines, are competing for the right to build a pipeline to bring natural gas from the Arctic Ocean to markets in Southern Canada and the United States,

The Federal Government has appointed this Inquiry to consider the social, economic and environmental impact that the building of a pipeline would have in Northern Canada, Now the Federal Government has made it plain that we are not to consider this proposed gas pipeline in isolation, The Federal Government takes the view that we should proceed on the assumption that if a gas pipeline is built, an oil pipeline will follow. So we are examining an energy corridor from the Arctic to the mid-continent.

The Inquiry has been holding formal hearings in Yellowknife for many months and there we have been considering the evidence of the experts, the scientists and engineers, the biologists, the sociologists, and anthropologists, the economists,

1 people who come from the industry, from government,
2 from the universities, who have made it the work of
3 their lifetime to study the north and northern peoples,
4 and the northern environment. At those formal hearings
5 in Yellowknife representatives of all parties have the
6 opportunity to challenge what is said by any of these
7 experts, and to cross-examine them.
8 At those hearings the two
9 companies, Arctic Gas and Foothills, are represented by
10 counsel. The native organizations are also represented
11 by counsel. The environmental organizations, which are
12 led by Canadian Arctic Resources Committee, are
13 represented by counsel when the Inquiry is considering
14 environmental questions. The Northwest Territories
15 Association of Municipalities is represent d now that
16 we are considering the impact that the building of a
17 pipeline and the establishment of an energy corridor
18 would have on northern municipalities, and the
19 Northwest Territories Chamber of Commerce, which
20 represents northern business, will be represented when
21 we return to Yellowknife next month to consider the
22 impact on northern business.
23 So we are considering a great
24 many issues, having to do with the northern
25 environment, the northern economy, but most important
26 of all, northern people.
27 In the Mackenzie Valley, the
28 Mackenzie Delta and down the perimeter of the Beaufort
29 Sea and in the Northern Yukon we have four races of
30 people -- white, Indian, Métis, and Inuit and because

those are the people who will be most affected if we proceed with the pipeline and energy corridor, the Inquiry has been to virtually all of the communities where those people live. We've been to2B cities and towns, settlements, villages and outposts in the Canadian north, and there we have heard from more than 700 witnesses of all races who have told the Inquiry and through the Inquiry have been telling the government and tiling all of us what their own lives and experiences lead them to believe the impact of a pipeline and energy corridor will be on them and on their communities and in the north.

So we have spent 14 months in Northern Canada holding hearings; and now we are spending a month travelling to the main centres of Southern Canada to consider what you have to say because it is, of course, the patterns of energy consumption of people who live here in Southern Canada, your own appetite for oil and gas that have given rise to proposals to build pipelines from the Arctic.

That being so, we felt it only right and given the multitude of requests we had from all over Canada by people who wished to make representations to the Inquiry, that we should bring the Inquiry to the main centres of Southern Canada,

I think that I should leave it at that for now, and ask Mr. Waddell to let us know who we'll hear first from this evening.

MR. WADDELL: Yes, Mr.

Commissioner, I should say that our procedure is to hear from a number of briefs of people that have indicated to us before May 1st that they would that they were anxious to present a brief here tonight. After we have heard from that list, if we have some time we will try to fit in any additional briefs.

Our first brief tonight, sir, will be from the Canadian Friends Service Committee, the Quaker Committee for Native Concerns, Mr. Richard Broughton.

Mr. Commissioner, as with our witnesses in our northern hearings, we will ask the witnesses here tonight to swear or affirm before they give their briefs.

THE COMMISSIONER: Yes, sir?

RICHARD BROUGHTON sworn:

THE WITNESS: Thank you, Mr. Commissioner. Since I am called on to speak first,

I would like to thank you for your opening remarks and on behalf of all of us, for the opportunity of presenting our points of view.

In this particular case, my brief on behalf of the Quaker Committee for Native Concerns is of a general nature and it isn't technical and I would like to go ahead and read it accordingly,

"The earth is the Lord's, and the fullness thereof, "

Any study of the Bible will reveal how many times this sentiment is repeated, in

different ways, but always stressing that the earth, the ultimate resource, is meant to be shared among all the creation and today our modern concepts of land ownership, by either states or individuals, require reconsideration in that light.

We have stood by with misgivings while the provinces have developed Urge hydro resources on the Columbia and Peace Rivers, and while vast tracts of land near James Bay and the Nelson River are scheduled for changes so vast we cannot envisage the consequences with anything less than profound dismay and alarm.

We do not believe that the consequential damage to the way of life, the environment and the ecology of those living in the Northwest Territories is justifiably for the short-term benefits of a pipeline, and we urge upon the Federal Government the duty to set others a good example by respecting the native people's concepts of the inviolability of mother earth.

We appreciate that energy is now very expensive and new sources of energy are hard to come by, but now is the time for a last stand against monetary opportunism.

Canada is fortunate in having vast spaces of territory, but we ask the government to believe these last resources should be used for the benefit of all mankind and not for the narrow benefit of a privileged few. We therefore take the side of the native people of this land, not

because we believe that the land belongs to them, but because we believe that the pipeline would be nothing better than a misuse of the land upon which they are entitled to live, and which in their centuries of occupation they have never destroyed but kept for us all in perpetuity and in trust.

It is impossible to guess the damage that may be done by oil spills, but we do know that they occur so frequently that the wreckage of a tanker in Spain this month, spilling 70, 000 tons of oil, hardly makes the news, let alone the headlines.

The damage of these incidents is cumulative and the seas are in serious danger. Climatic changes are certain following the completion of the James Bay project. These developments do little or nothing to improve our desperate unemployment, and Goldsmith's lines come to our minds:

> "Ill fares the land to hastening ills a prey
> Where wealth accumulates and men decay."

We therefore object to the pipeline and to northern development generally on the grounds that they are dangerous, non-productive, and opportunistic.

It is a far cry from Ottawa, Toronto and Montreal to the tundra of the north, and therefore the bulk of our people tend to be apathetic, on the grounds that they cannot be concerned with what is proposed. It is, however, the duty of the government with the good of its people at heart to make a stand against this sort of development and not to

support and condone it.

You, Mr. Commissioner, have had the benefit of close contact with the north and its people, and we believe you have reached some of the conclusions as set forth in this brief. We therefore request the Commission to remember its contacts with the north and to adhere to broad principles for the benefit of our people, not of those who may seek to exploit any part of them, particularly since the people most vitally concerned are generally inarticulate and not equipped to defend themselves from the encroachments now suggested as beneficial in the name of energy, but malignant in the name of the best of our long-term interests, and particularly so to those generations who succeed us, because surely it is of them and not of ourselves for whom we should be most concerned,

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner, I would like to add to our list a short brief before we go on to Miss Gallop, and that is the Canadian Council of Liberal Congregation Youth. The brief will be read by Michael Abramsky, A-B-R-A-M-S-KY. Mr. Abramsky? I should say that many of these young people are here at our hearing tonight, sir.

MICHAEL ABRAMSKY affirmed:

THE WITNESS: Mr. Commissioner, we, representing Canadian Reform Jewish Youth across Ontario and Quebec, are pleased to be able to address

the Commission. It is hoped that by adding our voice to that of other concerned Canadians, we can show our support for the native people of the Northwest Territories.

We are a people who know well the importance of land. Our ties to our land are ancient, and celebrated in history. So, too, are the ties of the Dene and Inuit.

We are a people who know the face of hatred too well. Too often have we seen our fate decided by insensitive governments.

We are a people who care about and worry over preservation of our culture. We know what it is to watch traditions passed from parent to child, and from child to grandchild.

We feel that we can empathize with the native people of this country, and understand their hopes and desires.

Therefore we respectfully urge this Commission to recommend that the government truly listen to the wishes of the Dene and Inuit and that no pipeline be built before a just and equitable land settlement is made with the native people of the Northwest Territories.

We hope, sir, as Canadians and as Jews, that this will be the last time that the rights and culture any group will be threatened by thoughtlessness and insensitivity. Thank you.

(SUBMISSION OF CANADIAN COUNCIL OF LIBERAL CONGREGATIONS I. ABRAMSKY - MARKED EXHIBIT C-356)

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner, I'd like to file with you two briefs that have been left with me. One is from Joyce Young, I believe from Toronto; and the other one is from the Spadina-Bloor-Bathurst Interchurch Council, and I'll file these with the Inquiry secretary, Miss Hutchinson,

(SUBMISSION OF JOYCE YOUNG MARKED EXHIBIT C457)

(SUBMISSION OF SPADINA-BLOOR-BATHURST INTERCHURCH COUNCIL MARKED EXHIBIT C-458)

MR. WADDELL: The next brief, Mr. Commissioner, is from Miss Winona Gallop, and with her is Mr. David Powell,

MISS WINONA GALLOP

DAVID POWELL sworn:

WITNESS POWELL: Mr. Commissioner, as concerned Southern Canadians, we appreciate this opportunity to present this brief to the Commission.

We are opposed to the building of a Mackenzie Valley Pipeline at this time for two reasons:

1. Is that the decision to build a pipeline should be delayed until the land claims of the native people are settled. Any decision to build must recognize this settlement, and the rights that it confers on the native people to adequate involvement in such a decision.

2. Is that there are too many unanswered questions about the pipeline regarding its economic and

environmental impact, the necessity of acquiring northern: n gas and oil in the first place, and the quantity of northern reserves that are available. It is in the best interests of Southern Canadians to take the time required to answer these questions satisfactorily before a decision is made.

Turning to the land claims issue, let me begin by stating what we believe to be a basic assumption about the human condition · This is that it is vital to the health and well-being of both individuals and groups within society that they exercise a meaningful measure of control over their lives. This control may be political, economic, legal, social or cultural, and it differs for different people and different societies.

If an individual or group has been denied what it perceives as meaningful control, that individual or group will become frustrated. This frustration may lead to anger, manifested in rebellion and even violence in an attempt to gain control; or frustration will give way to pacifity, helplessness, dependence, and eventually despair, , Human history provides countless examples of these responses to a lack of control.

How does this assumption apply to this issue? The native peoples, the Dene and Inuit, have cultures which are deeply rooted in their relationship to the land. In order to have meaningful control over their lives, the native peoples must maintain their traditional access to the land. Loss of

control over access to the land would mean loss of control over their lives, and loss of control over their lives would mean a breakdown of their traditional way of life. The appalling history of such social breakdown in Canada since the arrival of the white man, because of a lack of access to the land, speaks for itself.

Therefore in order for the native people to maintain control over access to their land in the face of impending northern development, it is essential that there is a satisfactory settlement to their land claims. This settlement should provide the legal controls necessary to protect their interests.

The settlement of native land claims will take time. It is obvious that to decide to build a pipeline or any other northern development scheme , before this settlement and without proper negotiations with and approval of the native peoples would be legally and morally wrong; and yet there is disturbing evidence that we are unwilling to wait. Our rush to build this pipeline is based on the assumption that we will face serious energy shortages within a few years if we do not act right now.

However, there is no agreement that this is the case. In fact, it would appear that our haste to acquire northern gas and oil is prompted not by the threat of great sacrifices in our material well-being, but merely out of a reluctance to change the way we do things, to conserve our energy and develop energy alternatives now. We push forward

on pretty flimsy ground.

The manner in which Canada handles the native land claims and northern development issues will say much to the rest of the world about our nation and its priorities. We live in a world of increasing population, of increasing demands on an ultimately finite pool of natural resources, and of justifiably rising expectations among the majority of the world's peoples who do not have an adequate share of these resources. Rich countries such as Canada will be under greater and greater pressure to curb their consumption and share their wealth and knowledge, even to the point of a reduction in living standards.

If we as Canadians are unwilling to adapt our way of life to protect the cultural integrity and rights of peoples within our own borders, what will be our response to the demands from other nations? The future demands trust and co-operation among rich and poor nations if serious confrontations and destruction are to be avoided, If Canada fails at home, how can we hope to succeed internationally?

Thank you.

WITNESS GALLOP: Thank you for hearing us, Judge Berger.

As David has said, our basic hope is for a healthy human society. It is our belief this hope is dependent in large part on the respect afforded individuals and minorities, in exercising control over their own lives. I support the native peoples of Canada north in their insistence that the

use of their land be determined by themselves. I urge the support of the Canadian Government in the cause of a healthy human society of which those in the north are a part, as are we in the south.

I see the settlement of native land claims to their satisfaction to be in my own best interests. It may be argued that the building of a pipeline through the Mackenzie Valley to transport gas and oil to the south where I live is in my best interest. I hate the cold, and value the quick , easy, cheap and abundant heat of my gas furnace. So my initial response would probably be one of agreement, Pausing for a moment, however, there are some questions about my best interests over the longer run, and my general hope with society.

First of all, how will the decision be made to build or not to build? And if it's to build, who will do the work? Will there be consensus between differing interests so that no one group wins entirely to the loss of another? Or there will be a power squeeze out of which the loser is left with no option but sabotage, violence, or death.

My next question has to do with cost, as I am certain to be involved as a Canadian taxpayer, like it or not. The financial outlay is said to be the largest investment ever. How much is it going to cost to get how much back? The same question of dollar value must be asked of the resource itself. Is the real energy return sufficiently high to warrant the energy expenditure that we must make to discover

and transport Arctic gas and oil? Supplies of fossil fuels are finite and we must not be profligate with the remainder of the resource. There does not seem to he a firm analysis of what we can expect to discover in the north, and because of the unusual nature of the terrain through which the pipeline must pass, the building techniques and requirements must also be nebulous. This does not sound like a blue chip investment to me.

We all know that Canada and the United States have a great appetite for gas and oil. You said it, Judge Berger · That at least is one certainty in a swarm of unknowns. This brings me to my final question in assessing my own best interests with respect to the pipeline.

If sooner than later my appetite is going to be sharply regulated by available supplies, I would like to know it now before I become even more hopelessly addicted by the easy-come easy-go consumer lifestyle. The society I am part of spends energy resources literally as if there is no tomorrow, and I would like to believe there will be one.

The writing is becoming clearer on the gas bills that things are changing. The heat from my gas furnace no longer seems to quick, easy, chap and abundant. Some of us are beginning to consider the possibilities of conserving what is left of the fossil fuels by being more careful about our consumption so there will be something left to develop alternative sources of renewable energy with. It will take fossil fuel energy to construct even the simplest

of wind or solar generator. It's no good thinking we can clean our energy-cupboard bare and then switch instantly to a new diet.

What my best interest seems to come down to, Judge Berger, is time. These hearings individuals over the last year where and minorities are being given time to express their views are a bona fide mechanism for northern people and for me to exercise some control over our lives. Control in this case may simply be the time it takes to talk, Because it takes time to consider the complexity of elements in the Mackenzie Valley Pipeline issue, gas and oil are stalled from becoming immediately available for us to guzzle our way through.

In short, Judge Berger, I believe the time it takes for us to get the feel of a little scarcity to begin making the connections between cheque book, Cadillac, pipeline and oil source is a good thing... This time may save us the necessity the of learning/harder facts of cold, darkness and hunger, the certain result of a technological society gone broke in one last mad energy binge.

Thank you,

(WITNESSES ASIDE)

MR. WADDELL: Sir, the next presentation is by Mr. Ronald Lougheed, vice-president, Consumers Gas Company.

RONALD S. LOUGHEED sworn:

THE WITNESS: Mr. Commissioner,

my name is Ronald S. Lougheed. I am vice-president, gas supply, of the Consumers Gas Company. On behalf of Consumers I should like to express my appreciation for the opportunity to present our submission to this Inquiry.

The Consumers Gas Company, sir, directly and through subsidiary corporations, is engaged in the distribution of natural gas to residential, commercial and industrial customers in areas of central and eastern Ontario, principally greater Metropolitan Toronto, the Niagara Peninsula, Ottawa and Brockville, and in addition the City of Hull, Quebec, and adjacent municipalities and the St. Lawrence County in northern New York State, Consumers is one of Canada's largest distributors of natural gas, with sales of 311 billion cubic feet to 491,000 customers during its 1975 fiscal year. The areas served by Consumers in Ontario and Quebec have a population exceeding four million people, more than 18% of Canada's total population, and include the greatest concentration of industry, people and purchasing power in Canada.

In addition, directly and through associated corporations, such, as Home Oil Company Limited and its subsidiaries and associates, Consumers is engaged in the exploration for and the production of and transportation of crude oil, natural gas and natural gas liquids, and in the underground storage and marketing of natural gas liquids, and in the underground storage of natural gas. Both Consumers and home oil are members of Delta 5, which is participating in a drilling program in the Mackenzie

Delta and the Beaufort Basin area.

Consumers is wholly dependent upon Canadian sources for its natural gas supply, al most all of which it purchases from TransCanada Pipeline Limited, At the present time Consumers is not able to obtain contracts for volumes of natural gas over and above the 1974-75 contract levels. In Consumers' opinion natural gas from frontier areas such as the Mackenzie River Delta and Beaufort Basin must be connected to the markets of Consumers and others as soon as possible if the natural gas requirements of those markets are to be satisfied.

The necessity of securing an adequate future supply of natural gas at a reasonable cost, to satisfy the growing energy requirements of its market areas, led Consumers to join the Gas Arctic Northwest Project Study Group in December, 1972. Consumers believes that the Arctic Gas proposal represents the most viable and economic transmission system presently advanced to connect Mackenzie River Delta and Beaufort Basin gas reserves to markets in Southern Canada in an orderly and timely fashion. Consumers has conditionally agreed to invest up to $68 million in the equity of Canadian Arctic Gas Pipeline Limited, to aid in financing the Canadian portion of the Arctic Gas system.

As an intervenor in the hearing now being conducted by the National Energy Board and the Federal Power Commission to consider the Arctic Gas and competing proposals, Consumers recognizes that

questions of natural gas supply and requirements, as well as those of economic feasibility and of public convenience and necessity, are matters for those tribunals to determine.

The Mackenzie Valley Pipeline Inquiry has been charged by the Government of Canada to enquire into and to report upon the terms and conditions that, in its opinion, should be imposed in respect of any right-of-way granted across Crown lands in the Yukon and Northwest Territories for the purposes of the proposed pipeline. If Canada is to continue to grow and prosper, to the benefit of all Canadians, the natural gas reserves in its north must be connected to the markets in its south, which require that new source of energy. If the terms and conditions recommended by this Inquiry are unduly onerous, for example as to the timing and method of construction and operation of the proposed pipeline, Consumers fears that the feasibility of the project will be eroded or even destroyed to the detriment of Canada and all Canadians, whether they be resident in the north or in the south.

Consumers appreciates that this Inquiry is to have regard to the social, environmental and economic impact in the Yukon and the Northwest Territories of the construction, operation and subsequent abandonment of the pipeline. The impact of the pipeline on Canada's north is indeed of concern to all Canadians, and the great preponderance of the evidence adduced before this Inquiry has dealt with that subject. Concern for the north, however, should

not and must not prohibit an equally full and complete assessment of the impact of the pipeline in Southern Canada. One area of this country must not be viewed in isolation, to the benefit or detriment of other areas, In Consumers' view, a full and complete assessment must include consideration of the consequences to Southern Canada of failure to construct this pipeline in an orderly and timely fashion.

It is Consumers' opinion that the continued growth and prosperity of Canada as a whole is dependent upon the availability of adequate supplies of energy at a reasonable cost. Connection of the Mackenzie River Delta and Beaufort Basin gas reserves to southern markets via the Arctic Gas system, at the earliest possible time, will aid Canada's balance of payments position by generating transmission revenues from the United States and decreasing Canada's dependence on foreign hydrocarbon energy supplies, thus enhancing continued growth of Canada's economy to the benefit of all Canadians.

Consumers' market areas, with a population of more than four million people and a great concentration of industry, are reliant upon energy for their continued welfare. A large segment of those energy requirements is provided by natural gas in all sectors of the market -- residential, commercial and industrial. Recognizing that imprudent and inefficient use of all energy sources must be discontinued, Consumers has implemented programs designed to encourage all classes of its customers to conserve natural gas.

It is, however, too early to measure the impact of conservation on the historic level of energy consumption. Change to a conserver society will not be immediate, no matter how great the motivation. Indeed, any abrupt change in energy consumption patterns would have a severe repercussion on both economic and social. Even with conservation, as Canada's economy expands, energy requirements will grow This fact remains, if Canada is to maintain and hopefully increase its economic well-being, the new source of energy contained in the gas reserves of the Mackenzie River Delta and Beaufort Basin area must be connected to markets in Southern Canada at the earliest possible opportunity. Furthermore, timely access to Markets is a fundamental prerequisite to continued exploration for and development of hydrocarbons in that area, to provide a continuing source of energy for Canada.

It is apparent to Consumers that terms and conditions for the pipeline designed solely to serve the interests of Canada's north, without regard to the interests of other Canadians, will not benefit and may severely harm Canada as a nation and all of its people. The desire of native people and others resident in the north to protect and maintain their lifestyle and to secure a just and reasonable settlement of land claims is no more legitimate than is the desire of those residents in the south to protect and maintain their lifestyle and to secure adequate supplies of energy at a reasonable cost.

THE COMMISSIONER: Order. Carry

on.

THE WITNESS: Resolution of one must not impair resolution of the other.

In summary, sir, Consumers believe that expeditious construction and operation of the Arctic Gas Pipeline under terms and conditions which reasonably satisfy the legitimate concerns and interests of both north and south, is vital and necessary to serve Canada as a nation and to benefit all Canadians.

Thank you, sir.

(SUBMISSION BY CONSUMERS GAS COMPANY - R.S. LOUGHEED - MARKED EXHIBIT C-459)

(WITNESS ASIDE)

MR. WADDELL: Sir, the next witnesses are Anna Bulpitt and Mary Gunn, representing the Student Christian Movement of Canada.

MISS ANNA BULPITT

MISS MARY GUNN sworn:

WITNESS GUNN: Mr. Commissioner, first of all I'd like to thank you for being able to speak this evening.

This brief is being presented by the Student Christian Movement of Canada, in conjunction with the Student Christian Movement in the University of Toronto. While this brief represents the views of these two groups alone, other Student Christian government (or S.C.M.) units are involved in presenting briefs of their own, The S.C.M. is a student-run organization, located on 15 university campi across

Canada, and with a national office here in Toronto.

The Movement was founded in the 20s after a decision to dissolve the Y.M./Y.M.C.A. on campus and establish an autonomous Christian group, The S.C.M. is financed by Canadian churches, university faculty, and friends and graduates of the Movement.

The S.C.M. emphasizes the biblical tradition, which consistently describes God's Presence with the poor and oppressed, and their struggle for justice. We believe that Christians today must be responsible for actively concerning themselves with situations of injustice wherever they exist.

Within this Christian context, however, we refuse to be confined simply to a moralistic response to the issue of native land clams in the Northwest Territories and a proposed Mackenzie Valley Pipeline. Rather, we speak out of specific economic and political concerns which will be developed in our brief.

The historical treatment of native people in Canada has reflected patterns of colonialism and economic exploitation.

In light of their historical experience, Canada's native people have come to realize that their future as a nation depends on their right to self-determination and local control.

The two viewpoints that we as Southern Canadians wish to express are:

1. As consumers and 2. As citizens.

As consumers we have many doubts and questions about the information available

concerning reserves of oil and gas. The discrepancies in statistics reflect a deliberate attempt to manipulate public opinion.

> "In 1971, Joe Greene, then Minister of Energy, Mines & Resources, told the Canadian people that Canada had 923 years' supply of oil, and 392 years' supply of natural gas, and that we had better expand our exports before alternative energy sources made this fuel obsolete. In 1974 just three years later, the National Energy Board was telling us that we would have to start importing oil by 1982."

In 1972, the oil market in the United States was opening up. In order to obtain permits to export, oil and gas companies in Canada had to ensure that there were ample reserves in Canada for at least 25 years. To create a need for northern oil and gas, both industry and the National Energy Board have reported that reserves are presently insufficient. Both industry and government rationale for a pipeline has been to meet Canadian needs. We question whose needs this pipeline is meeting.

> "Up to 1974, U.S. utilities and gas distributors had advanced several hundred million dollars for recent exploration in Canadian frontier areas (as well as Alberta) in return for a first call on all or a part of any discovered gas."

In return for these advances, gas from the Arctic has already been promised to U.S. firms up to the tune of some 30 trillion cubic feet.

How will Canadian consumers be further affected by this type of economic development? The Federal Government and the media have blamed rising inflation on increased wage demands by labor. Little attention has been given to the effects on the rate of inflation of a mass influx of foreign capital. The millions of dollars involved in foreign financing of such resource development result in increased inflation and a worsened position for Canadian exports abroad.

As citizens, we are concerned with the social and environmental costs which would result from the proposed pipeline. There has been little research conducted into energy conservation or the ecological costs involved. The nature of the Arctic environment is little understood. What are going to be the environmental guidelines and safeguards placed on oil and gas company operations? What would the consequences of massive pollution be to a people whose livelihood depends on hunting, trapping and fishing? We feet that it is in the public interest to have adequate answers to these questions prior to any further decisions about northern development.

At an S.C.M. Conference in December, 1975, Professor Michael Ash of the University of Toronto -- of the University of Alberta -- warned of negative social implications of the pipeline. The social structures of the north are potentially fragile with the people scattered in small, isolated communities. The presence of a labor camp of 3,000 southern skilled workers would have serious consequences

for a native community of 150 people.

In the Dene Declaration, the Dene of the Northwest Territories define a just land settlement as,

> "independence and self-determination within Canada, "

The Dene believe that living off the land is still a viable option in the delta region. To protect their traditional way of life, the Dene must be recognized as a distinct nation within Canada, with the right to self-determination. This must include control over resource development, government, and education of their children.

With respect to this presentation on the issue of land claims and a proposed Mackenzie Valley Pipeline, we wish to make the following recommendations:

1. That there be a moratorium on resource development in the Northwest Territories until native land claims have been recognized and settlements made to the satisfaction of native people.
2. That the native people have total control over future resource development in the north in order to build an economy based on their own needs and experiences.
3. That there be a reevaluation of national energy policy with full public participation to determine energy needs and alternatives.
4. That there be full public disclosure of any future resource development schemes including their social and

environmental costs.

Thank you.

(WITNESSES ASIDE)

MR. WADDELL: Sir, the next submission is by the C.J.L. Foundation presented by John Olthuis and Gerald Vandezande,

JOHN A OLTHUIS
GERALD VANDEZANDE sworn:

WITNESS OLTHUIS: Mr. Commissioner, my name is John Olthuis. I am the research and policy director of the Committee for Justice & Liberty Foundation. With me is Gerald Vandezande, the executive director.

The C.J.L. Foundation, Mr. Commissioner, is a non-denominational Christian public interest group of 1, 100 individual Canadians. We attempt to make a contribution to the ongoing political economic and social discussion in Canada on the basis of the Christian Biblical principles of justice, compassion, love and stewardship, and by "love" we mean love for our neighbors down the street, love for our native northern neighbors, and love for peoples around the world.

Our brief, Mr. Commissioner, represents the -- some of the results of a research project that was directed towards drafting a just energy policy for Canada, Many C.J.L. members and interested Canadians have contributed to that brief through workshops, conferences, and responses to written

material. Unfortunately, due to the length of the brief, we will only be able to summarize it this evening, but we do hope, Mr. Commissioner, that you will have the opportunity of reading the brief in its entirety.

Mr. Vandezande will now present a summary of the written submission.

WITNESS VANDEZANDE: Mr. Commissioner, the Committee for Justice & Liberty Foundation believes that the Government of Canada would make a colossal blunder if it approved the construction of the Mackenzie Valley Natural Gas Pipeline. The construction of this pipeline would lock Canadians into a pattern of northern development that will enforce the very value system that has proved so destructive of our lifestyle.

Canada needs a 10-year moratorium on a decision with respect to the proposed pipeline and on all other proposals to transport frontier oil and natural gas south.

The moratorium period is required if Parliament and the Canadian public are to engage in the kind of informed discussion and thorough decision-making that this critical matter requires.

A 10-year delay need not result in domestic gas shortages, provided that the government makes responsible decisions from the available actions. Domestic gas supply and deliverability is secure for 34 years, until 2010. Therefore we won't freeze in the dark, as some politicians and the energy companies have suggested.

The National Energy Board estimates that Canada's established non-frontier gas reserves alone are sufficient to meet growing domestic demands and existing export commitments for no less than 17 years. Conservation by waste elimination and by a reduction in domestic use would add seven more years. The National Energy Board could also divert for domestic purposes 10 trillion cubic feet of gas earmarked for export to the United States, the equivalent of another seven years of gas supply at 1974-75 consumption rates.

Finally, the Alberta Government has offered to release the 30-year supply it maintains prior to exporting gas to the other provinces. Acceptance of this offer would add approximately three years to future supplies.

The adoption of this five point package is much more responsible than a panic motivated decision to immediately build the pipeline. The 10-year moratorium is critical because it would allow Canadians sufficient time to determine by which basic values they want to develop as a people.

The Mackenzie Valley Pipeline proposal and the pattern of northern development which it advocates are based on, the very economic growth values that are now being seriously questioned. The corporate value system which considers economic need of primary importance, and human needs of secondary importance, as problems to be cleared up preferably by money and preferably while the caterpillar and

trenching machines are rumbling on, is totally unacceptable to C.J.L. C.J.L. believes that the emerging human growth values should replace the economic growth ideals, which is fading. WE suggest that the meeting of a multi-pronged human need test must become the condition precedent for approval of projects like the pipeline. The test should recognize no less than eight needs, all of which should be met to determine whether or not the pipeline should he built.

The first need is the promotion of human well-being instead of economic and material advantage of the private multinational petroleum companies that control and gain excessive profits from the development of public resources. The human wellbeing of all should have priority over the economic elite whose consumption habits are fed at the expense and to the detriment of the vast majority of Canadians.

The pipeline application filed by Canadian Arctic Gas to the National Energy Board is a good example of the economic growth above all else value system. We refer you to CAGPLs own testimony to the National Energy Board, and I quote:

> "CAGPL is of the opinion that the demand-supply situation by itself provides a fundamental. basis for concluding that the proposed pipeline is in the national interest and indeed, that it should be considered a national economic priority. This is predicated on the assumption that the traditional objectives associated with achieving eco-

nomic growth will continue to prevail."

The energy companies are more than willing to accept any conditions that the government might attach to permission to build a pipeline, s long as the conditions affect the basic - do not affect the basic framework which gives priority to economic goals, and as long as the conditions can be met by the payment of money. As long as the framework remains, every project that is financially feasible will be approved, regardless of whether or not it contributes to the satisfaction of human needs. As long as conditions such as the settlement of native land claims and environment protection can be settled with money, the energy companies will be co-operative, even eager to do so, because the money will readily be provided by higher prices for fuel and more generous, tax, royalty provisions from the government, In other words, by compulsory extraction from the people of Canada.

The second heed deals with the need to determine Canada's future domestic demand for energy on the basis of stable economic growth, the conservation of non-renewable resources, and the development of renewable energy resources.

The third need is that natural gas, a non-renewable fuel, should supply an increasing 1~ smaller percentage of our total energy demand and renewable energy sources should supply an increasingly larger percentage of that demand.

The fourth need concerns the

United States, It should be encouraged to do likewise, namely, practice conservation, by facing it with a drastic reduction in exports of Canadian gas, if necessary,

C.J.L. also considers it essential that proven reserves in the north do indeed justify a pipeline, if southern reserves are actually shown to be inadequate to meet normative demand projections.

The government should also respect the needs of the native people, including their rights to a just non-pressured settlement of their land claims without extinguishment of title and within the framework set out in the Dene Declaration,

Finally, there is a need to ensure beyond any reasonable doubt that the fragile northern ecosystem will not be adversely affected by the building of a pipeline and related activities.

C.J.L. recommends that the moratorium period be used to conduct public enquiries similar to your own Inquiry with respect to the following.

1. The supply and deliverability of Canada's south of 60 conventional oil and gas reserves;

2. The competence of the National Energy Board to protect the public interest in matters of resource development;

3. The ownership, profit, tax and royalty aspects of petroleum companies that operate in Canada.

Implicit in our request for enquiries is our lack of confidence in the National

Energy Board's competence to adequately and independently represent the public interest. Our lack of confidence is justified, we believe, because the people of Canada have not been given a rational explanation of the National Energy Board's dramatic switch from its abundant oil and gas reserves pre-1974 position, to its imminent shortages post-1974 position.

What certainty is there, we ask, that the established conventional deliverability problem 1975 position will not switch to a no-establish ad conventional deliverability problem position once Canadian frontier gas is onstream? We question whether it is responsible to rely on the National Energy Board' calculations, It appears to us that the Board either relies completely on managed data supplied by the energy industry, or it is obviously incompetent to interpret the industry's raw data for the public interest.

With respect to the suggested enquiry into the petroleum companies' financial affairs, the people of Canada are entitled to a full accounting of past performance prior to entrusting the private and predominantly foreign controlled multinationals with this massive project, the largest in Canadian history.

Perhaps of most importance from C.J.L.'s vantage point is that the 10-year moratorium should be used for the development of a new national energy policy for Canada. We believe that the question or the need for frontier gas must be decided

on the basis of an energy policy which expresses conserver rather than consumption value. The question of public necessity and convenience can no longer be answered in terms of the economic growth values that have governed our country since World War II. It must be answered in terms of human growth values. We believe, therefore, that Canada's national energy policy should emerge with the following objectives:

1. A substantial reduction in the increase in the per capita growth of energy consumed in Canada through both waste elimination and demand reduction programs.

2. A concerted national effort to develop alternative sources of energy.

3. honoring the rights of native Canadians with respect to the involvement of their land and culture, in projects designed to provide fuel for southern consumption.

4. Full satisfaction that the ecosystem will not be adversely affected prior to the commencement of any energy project.

5. The setting of just royalty and tax provisions to ensure that private companies develop public resources for public, rather than private benefit.

6. The equitable use of natural resource revenues to enhance total human well-being.

7. Rapid curtailment and eventual stoppage of oil and gas exports to the United States.

8. Last but not least, the export of energy at below international prices to struggling Third World countries.

We believe this energy policy expresses a firm determination to engage in the stewardly management of Canada's natural resources. For some two years now the C.J.L. Foundation has advocated the need for a full public discussion about whether Canada should continue its unthinking commitment to the erroneous belief that human happiness increases in direct proportion to economic growth.

In addition to the rapid and wasteful depletion of non-renewable natural resources, which this one dimensional commitment to a quantity lifestyle brings, we submit it also makes a direct contribution to increasing human misery as development of inter-personal relationships and the deepening of social and cultural awareness are ignored for the sake of economic growth.

Mr. Commissioner, Canada is in a stage of transition. We must take the time to reflect on the present and to determine our future lifestyle; and time requires a moratorium on massive projects like the Mackenzie Valley Pipeline which are based on the very values that are now being questioned by so many Canadians. Accordingly, we urge you to recommend such a moratorium to the Government of Canada.

Last Monday's "Globe & Mail" said that,

> "Toronto is geographically and spiritually as far from the north as you can get."

Tuesday night you said,

> "It may well be what happens in the north and to

northern people will tell us what kind of people we are."

Tonight the C.J.L. Foundation sincerely hopes that future generations will have every reason to say, "The Canadian people of the '70s, even those living in Toronto, became a new kind of people, they adopted the new values of, justice and love, stewardship and compassion. Therefore they rejected the fading values of exploitation and materialism. They voted for a quality way of life for all people, including the native people. Therefore they voted against the pipeline which did not serve the well-being of humanity."

Thank you, Mr. Commissioner.

(SUBMISSION OF C.J.L. FOUNDATION - OLTHUIS & VINDEZANDE - MARKED EXHIBIT C-460)

(WITNESSES ASIDE)

MR. WADDELL: Mr. Commissioner, the C.J.L. Foundation has also provided me with a more extensive brief which I'll file with the Inquiry' secretary. Before we break or coffee, perhaps we could have one more presentation by Mr. Quinto Fern, other Inter-Faith Study Group.

QUINTO FERRI sworn:

THE WITNESS: Mr. Commissioner, I want to thank you for giving our group the opportunity to make this presentation.

We, the Interchurch World Development Study Group of Brampton and area, support

in general the entire brief of Project North Interchurch Report on Northern Development. This brief, sir, hasn't been presented yet. It will be presented in Ottawa in June.

We especially want to emphasize the following, that a moral decision is involved, not merely one of political or economic expediency; that a moratorium of 10 to 15 years is necessary.

With regard to the moral question we must consider that the plight of the native people is a cause for shame to all Canadians, The Dene claim is based on intensive use of the land by them and their ancestors from time immemorial. Two-thirds of the total native labor farce depend on fur trapping and caribou hunting as a primary source of cash income. These activities are endangered by large-scale development. The land has never been validly surrendered by treaty. Therefore we urge that the land claims be settled before development of the area is started.

Instead of exploiting northern resources hastily and recklessly to satisfy the demand of our consumer society, we should emphasize conservation of our current resources. The Canadian public deserve and should demand honesty from the Federal Government concerning the amount of energy still available. We question the immediacy of the need for oil and gas from the Mackenzie Delta,

It is vital that citizens have a sense of the government's responsiveness to

their concerns and objectives. Southern Canadians have been encouraged by the recognition of their concerns through the delay of the construction of the Spadina expressway and the Pickering Airport as the result of organized protests. We believe that the native people should not have to accept paternalistic decisions made by outsiders, but should have the experience of influencing government decisions.

A moratorium on development is essential to achieve several objectives. It would provide time to settle the native land claims before any construction began, to ensure that the ecology would be adequately protected, and to consult the native people of the north whose understanding of the land has never been considered, and to explore alternative forms of energy.

No Canadian will escape adverse results of unwise large-scale development, Pipeline construction could cause massive inflation. Our tax dollars which could be spent in more useful ways -- health care, education would be used to finance a questionable gigantic project with the profits going south of the border -- of our border.

In conclusion, we feel the government must listen to the native people as they demand the right to participate as equals in the future economy and society of Canada. Sir, if ever there was a time that the language of ethics should be made part of the language of politics, that time has surely arrived. Thank you.

(SUBMISSION BY INTERCHURCH WORLD DEVELOPMENT STUDY GROUP - Q. FERRI MARKED EXHIBIT C-461)

(WITNESS ASIDE)

THE COMMISSIONER: Ladies and gentlemen, before we break for coffee, let me just say that this Inquiry will not be deciding whether a pipeline is to be built and an energy corridor established, That is for the Government of Canada, for the people who have the confidence of Parliament to determine, and when they make that decision, they will have before them my report dealing with the impact -- social, economic and environmental -- of the pipeline and energy corridor on Northern Canada; but questions relating to gas supply, how much gas is there in the Mackenzie Delta and the Beaufort sea, questions relating to Canada's gas requirements now and in the future, how much gas will Canadians consume in the years to come, what -- can we afford to export any gas, all of those questions relating to gas supply and Canadian gas requirements and so on are questions that will -- that are being considered by the National Energy Board because it is responsible under the National Energy Board Act, to advise the government on those questions.

So that the government will have before it my report dealing with the impact on Northern Canada, of the proposed development, and the report of the National Energy Board dealing with Canadian gas supply and gas requirements, and then the government will have to make up its mind on the basis

of those two reports, and that is, of course, as it should be in a democratic country. Those elected to govern should determine these questions of national policy.

So we'll adjourn for ten minutes and then come back and hear the remainder of the briefs.

(PROCEEDINGS ADJOURNED FOR TEN MINUTES)

(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

THE COMMISSIONER: We'll come to order again and carry on, and Mr. Roland will let us know who's going to be addressing us now and we'll be sure to give them our full attention.

MR. ROLAND: Yes, sir, The next presentation is by Mr. Leroy Little Bear of the Centre for American Indian Studies, University of Lethbridge, Lethbridge, Alberta. While Mr. Little Bear is being sworn and preparing himself, he's also presented me with another brief which I'll file as an exhibit with the Inquiry secretary.

LEROY LITTLE BEAR sworn:

THE WITNESS: Your honour, firstly , I would like to say that I very much appreciate this opportunity to appear before your Committee and secondly, my presentation has an underlining goal: to make non-Indian people better understand and have great? appreciation of Indian culture, of the basic philosophy of native people, so that they could better understand some of the property concepts that native people have, hopefully in turn to appreciate the reasons why and the basis for some of the land claims that are being forwarded by the native people today in Canada.

Presently in Canada the issue of aboriginal rights, Indian title, and land claims by the Indian people are issues that to the people of Canada are major issues and major concerns. These issues are of a major concern not only because if

recognized as legitimate and legal, it means the payment of large sums of money by the people of Canada to the natives of this country, but they also have implications for the development and exploitation of the natural resources, especially oil and gas, and for the ecology. But so far, the Canadian Government, nor the people at large, have come to grips with these issues. It is probably more correct to say that they do not want to come to grips with these issues.

The Courts of Canada have had several opportunities to deal with the issues, but not unlike the government, they, too, have avoided dealing directly with the issues. They find one technicality or another to dismiss a case.

In regards to land, aboriginal rights includes native title, and land claims almost exclusively deals with the issue of native title. In this short paper, in this submission, the writer will attempt to present a concept of native title for purposes of educating those people who are in a position to do something about land claims.

Three recent Court decisions have attempted to deal with native title: Calder v. Attorney General of British Columbia, referred to in layman's terms as the "Nishga Case"; Kanatewat v. James Bay Development Corporation, and its sequel, James Bay Development Corporation v. Kanatewat, better known as the James Bay Cases; and In Re Paulette and the Registrar of Land Titles,

In the Calder case, the

Supreme Court of Canada held against the Nishga Indians of British Columbia. Their holding was to the effect that if the Nishgas had title, this title had long ago been extinguished by adverse acts on the part of the British Crown. The Court, also, reasoned that Indian title does not exist independent of legislation recognizing it. But the Court did not define native title.

At the Superior Court level of the James Bay cases, the judge held that Indians had aboriginal title. But the Quebec Court of Appeals reversed the Superior Court's decision, and in essence, held that there is no such thing as aboriginal title. They reasoned that no treaties had ever been signed in the James Bay area, therefore, no native title exists. But this, of course, is ridiculous reasoning because treaties are a means of extinguishing Indian title and not a means of creating it. But both Courts did not define Indian title.

In the Paulette case, the judge in handing down his decision on whether the Indians of the Northwest Territories could lodge a caveat in regards to the lands they were claiming, he held that arguably the Indians had a legally recognizable interest in the land in spite of the fact that the area claimed was covered by a treaty. He reasoned that the Treaty could not be interpreted as a total surrender and should be looked at as a peace and friendship treaty. At the Court of Appeals level, again, the lower Court's decision was reversed. The

Court of Appeals in essence held that a caveat could not be lodged against a sovereign without its permission. Here again the Courts did not define native title.

Important as these decisions are and the implications they have for aboriginal rights in Canada, the single most important decision is the St. Catherine's Milling and Lumber Co. v. The Queen. The decision was handed down by the Privy Council, The Council held "that the tenure of the Indians was a personal and usufructuary right, dependent on the goodwill of the sovereign"; that there has been all along vested in the Crown a substantial and paramount estate, underlying the Indians' title, which became a plenum dominium whenever that title was surrendered or otherwise extinguished. In other words, the British Crown, prior to the discovery of North America, has always had title to the lands in North America in an a priori sense. The results of the St. Catherine's Milling and Lumber Co. case is that the British by simply setting foot on North America and planting a rag attached to a pole on the shores acquired the title to Indian lands.

This ritual, i.e. the coming ashore and the planting of a flag and the claiming of the land for the Monarch, is sometimes referred to as "Discovery". The Doctrine of Discovery is one justification for claiming fee simple title to lands in North America. But the doctrine has been abused, misconstrued, and misinterpreted by the white man. Chief Justice Marshall of the United States Supreme Court, and one of the first to use the Concept of Discovery in his

decisions, said in the Johnson and Graham's lessee V. MacIntosh case that discovery was a doctrine meant to apply to the European powers for their own orderly conduct in dealing with the aboriginal people of North America. Hence, discovery was not meant to apply to the Indians. It was not meant to mean a fee simple ownership. To the contrary, discovery can be analogized to a 'business franchise', Just as a business franchise gives exclusive rights to the owner of the franchise to enter into business relations with people within the geographic area of the franchise, as against others from the same company and selling the same product, discovery was meant to give European power who came to the shores of North America to deal exclusively with the Indians whose territory covered or included that particular area discovered by a European power. A right to deal with people certainly does not give ownership to their property.

Just in passing, Section 91 (4) of the B.N.A. Act which states that the Federal Government has jurisdiction over Indians and lands reserved for Indians, can also be analogized to a business franchise. It gives exclusive right to the Federal Government to enter into special relationships with the Indian; 3.5 against the provinces. Section 91 (24) should not be interpreted as a dictatorial power that the Federal Government has over Indians. Such an interpretation is step backward in human rights and constitutional law.

Before moving on, I would like to consider two separate but not unrelated fundamental

questions. Firstly, in regards to the reasoning of the Privy Council in the St. Catherine's Milling and Lumber co. case, I would like to ask, "What is property?" Most authorities would define property to be the relationship that people have about a thing. Taking this definition and applying it to the statement by the Privy Council that the Crown has always had underlying title to the lands in question, how is it possible to have a relationship about a thing, in this case, land, which a people do not know exists?

In regards to the doctrine of discovery, if interpreted as giving fee simple ownership, rather than being in the nature of a franchise, then should not the doctrine have a geographic limitation, in the same way that the Royal Proclamation of 1763 has been held not to apply to terra incognita, in other words, to lands unknown? In one particular case, the Royal Proclamation has been held not to apply to lands that were not yet explored and discovered.

When it comes to a consideration of native title, most authorities reason that Indians have no concept of property ownership and there fore, how could they have title? But this is nonsense. It is high time the Government and the Courts stop using as premises false reasonings such as "personal an usufructuary right dependent on the good will of the sovereign" for stare decisis sake. At one time reasonings such as were forwarded in the St. Catherine's Milling and Lumber Co. case may have held water arid we can, at least, give them the benefit of the doubt because

1 people probably did not know any better. But we know
2 better today, and we know different. At least, we claim
3 to be one of the most advanced societies this world has
4 ever known. It is time we put our intelligence to work
5 in a way that will do justice to our claim.
6 In order to understand the
7 property concepts of any society, one must have some
8 appreciation of the overall philosophy or habitual thought
9 of that society. By habitual thought, I mean the
10 philosophical premises that are basic to a culture;
11 premises that a society uses to relate to the world. The
12 habitual thought of Western Occidental society is very
13 linear and singular. A good example of linear thinking in
14 Western Occidental society is the concept of time. Time
15 is conceptualized as a straight line. If one attempted to
16 picture "time" in his mind, he would see something like a
17 river flowing towards him and on past him. What is behind
18 him is the past. What is immediately around him is the
19 present, and the future is upstream. But one cannot see
20 very far upstream because of a waterfall, the waterfall
21 symbolizing the barrier to knowing the future. This line
22 of time is conceptualized as quantity, especially as
23 lengths made up of units. A length of time is envisioned
24 as a row of similar units.
25 A logical and inherent
26 characteristic of this concept of time is that once a unit
27 of the river of time flows past, that particular unit
28 never returns -- it is gone forever. This characteristic
29 lends itself to other concepts such as "wasting time,
30 "making up time", "buying time", "being on time", which

are unique to Western Occidental society.

There are other philosophical ramifications of linear philosophy, one of them being that there are many polarized concepts and some examples of these polarized concepts are good and bad, saint and sinner, black and white; see, these are other ramifications of a linear philosophy. Other ramifications too, or values that a linear philosophy brings up, are things like values that express themselves in, more is better, bigger is better, higher is better. These are all ramifications that come forth from a linear philosophy.

Another characteristic of this linear concept of time is that each unit of time is totally different and independent of similar units. Consequently, each day is considered a different unit, and thus a different day. Every day is a new day, every year is a new year.. From this, the reader can readily understand why there is a felt need among Western society to have names for days and months, and numbers for years. In general, Western philosophy is a straight line. One goes from A to B to C to D, where B is the foundation for C, and C is the foundation for D, and on down the line.

Now many native people think in terms of cyclicity, cycles. Time is not a straight line It is a circle. Every day is not a new day, but the same day repeating itself. There is no need to name each day a different name. You only need one name:, day. This philosophy is a result of a direct relationship to the macrocosm. The sun is round; the moon is round; a day is

a cycle--day consists of daylight followed by night; the season follow the same cycle year after year. A characteristic of cyclical thinking is that it is wholistic, in the same way that a circle is whole. A cyclical philosophy does not lend itself readily to dichotomies of categorizations, nor fragmentation, nor polarization, whereas linear thinking lends itself to all of these. Linear thinking, also, links itself to singularity. For example, "there is only one great spirit", only one true God", "only one true rule", "only one true answer". These philosophical ramifications of Western habitual thought result in misunderstanding wholistic concepts. Westerners relate themselves to only one aspect of a whole at a time, and they have a hard time looking at the total picture.

The linear and singular philosophy of Western society, and a cyclical and wholistic philosophy of most native people can readily be seen in the property concepts each society has. Firstly, British property concepts. British concepts of ownership or title are not dissimilar to native concepts of land ownership. An underlying premise of the British property system is that no one can own land in the same way that one can own a book. One cannot possess land in he same way that one can possess a book. Possession forms a large part of ownership. Since one cannot own land in the same way that he can own a book, a system as been devised by the British to give symbolic ownership. This system is known as the estate system. Under the estate system one cannot

outrightly own the land, mainly because land outlasts human beings. The land was there before the present owner, and will still be there after the present owner passes. Consequently, one can only have an interest in the land called an estate.

The British developed a hierarchy of interests or estates. And again, this hierarchy is very linear and very singular, you know, at the philosophical level. At the very top is " a fee simple absolute". It is a possessory fee simple absolute, the largest estate or interest known to the law. Even though a parcel of land has geographic bounds, when considered in terms of time, this estate is said to be of infinite duration. It is a present, freely alienable, possessory estate. There are no other outside interests. A fee simple absolute can be symbolized as A, representing a grantor or owner to B, the grantee and his heirs.

On down the line come what you call the defeasible estates. Now, there are two defeasible estates. One is called a fee simple determinable and the other one is called a fee simple subject to a condition subsequent. Now, these two property concepts are slightly lesser interests than the fee simple, mainly because, you know, a condition has been put on the fee, but basically these two property concepts are, you know, rather high up in the hierarchy of estates, but are less than a fee simple.

Another property concept too is what you call a Fee Tail, which has been phased out

of the British common law. The fee tail limits the class of heirs capable of inheriting to those who likewise answer the description of lineal descendants, in other words, when a grantor gives land to a grantee, he puts a condition on it, saying I'm giving this land, more or less, t your name, you know, to those people who are direct lineal descendants of you. When the lineal descendancy comes to an end, then the land reverts back to the original grantor.

There are a number of other interests or estates such as life estates, indefeasible vested remainders, contingent remainders, executory interests, and a number of non-freehold estates. But for our purposes, the above estates, you know, that are briefly described will suffice.

A couple of observations can b made in regards to the estate system. Firstly, the system is linear vertically. The system is also very singular. It is geared to the individual ownership of land. Secondly, an underlying goal of the system 4s to facilitate transferability of the different interests. Thirdly, the system necessitates an extensive and complicated registry. It makes possible to chronologically trace previous owners. If one went back far enough to the original source or original owner, one would discover that it is the Crown or the Monarch. In other words the source of title is the Crown.

Indian ownership of property, and in this case, land, is wholistic. Land is communally owned. Indian property ownership is somewhat akin to a

interest in the land; everybody, as a whole, owns the whole. In regards to title, to use the language of the estate system, the native concept of title is somewhat like the fee simple, the fee simple determinable, the fee simple subject to a condition subsequent, or the fee tail, or if you want to say; it's somewhat like a combination of these lesser interests, leaving the fee simple out. It is as though the original grantor of the land to the Indians put a condition on his grant, for instance "so long as there are Indians"; "so long as it is not alienated"; "on the condition that it is used only by Indians", etc. These are possible conditions that could have been put on the original grant given to the Indians. In other words, the Indians' concept of title is not equivalent to a fee simple, but is somewhat less than a fee simple. This is not to say that the Indians were not capable of conceiving a fee simple concept, If one attempts to trace the India s' source of title, one will quickly find that the original source is the Creator or the Great Spirit. The Creator in granting land, did not give the land to human beings only but gave it to all living beings. This includes plants, sometimes rocks, and all animals. In other words, deer have the same type of estate or interest as any human being. This concept of sharing with fellow animals and plants is one that is quite alien to Western society's concept of land. To Western society, only human beings have a right to land, and everything else is for the convenience of human beings. The concept of the Indians of sharing with fellow living things is not unrelated to the concept

of social contract that has been forwarded by some philosophers.

For instance, Rousseau and Locke refer to a social contract to explain the origins of society and government. But their social contract refers to human beings only. If the idea of a social contract is applied to native people, one will find that it includes not only human beings but all other living things.

An observation about the Indians' concept of land title includes a reference back to the basic philosophy. Indian property concepts are wholistic. Ownership does not rest in any one individual, but belongs to the tribe as a whole, as an entity. The land belongs not only to the people presently living, but it belongs to past generations, and to future generations that are yet to be born. Past and future generations are as much a part of the tribal entity as the living generation. Not only that, but the land belongs not only to human beings, but also to other living things; they, too, have an interest.

The question inevitably arises as to just what the Indians surrendered when they signed treaties or engaged in activities that today the government claims were actions on the part of the Indians extinguishing their title. Firstly, the Indian concept of land ownership is certainly not inconsistent with the idea of sharing with an alien people. Once the Indians recognized Europeans that came to the shores of North America as human beings, they gladly shared with

them. They shared with Europeans in the same way they shared with the animals. But sharing here cannot be interpreted as meaning that Europeans got the same rights as any other native person, because they were not descendants of the original grantees, or they were not parties to the original social contract. Sharing certainly cannot be interpreted as meaning that one is giving up for all eternity his rights.

Secondly, the Indians could not have given a fee simple in any land transactions they may have engaged in, because they did not have a fee simple. They were never given a fee simple by their original grantor. It is well known in British property law that one cannot give an interest greater than he has.

Thirdly, Indians could not have given an interest equal to what they were originally granted, otherwise they would be breaking the condition of the fee granted. Not only that, but they are not sole owners of the original grant. The land belongs to past generations, the yet to be born, and the plants and animals. In order to give an interest equal to the original grant, one would have to get a transfer from those holding an equal interest, and these would include the dead, the yet to be born, and the plants and animals. Has the Crown ever received a surrender from these other living entities?

Fourthly, the only kind of interest the native people have given or transferred is an interest lesser than what they had, for one can

always give an interest smaller than what he has. For instance, if one holds a fee simple determinable, one can always give away a life estate. From the above, one can readily conclude that the Indians did not surrender very much, if they surrendered anything at all.

Fifthly, the above philosophy, property concepts, and ramifications and implications thereof, may sound ridiculous and fairy-tale-like, but what philosophy does not? Do biblical stories make more sense? To native people they sound rather ridiculous and make-believe. Does the "Crown" as a fictitious entity make more sense? I do not think so.

Canada, as a sovereign nation, via the crown, claims ownership and sovereignty over the lands within its boundaries. But how does one gain ownership and sovereignty over a particular piece of land? One can gain sovereignty through aboriginal rights which basically means that one is the original occupier of a particular piece of land. One can gain sovereignty through conquest. One can gain some land rights through adverse possession. One can gain titles through conveyance. Lastly and unique to the Americas, and claimed to he just by Europeans, one can gain title through discovery.

If we look at Canada, and ask again, "How did she gain title to the lands within its boundaries?" It certainly cannot claim title via aboriginal rights. Only native people can claim aboriginal rights. It cannot claim sovereignty through conquest. Who did it conquer? Sure, one or two small

Indian tribes. On the contrary, she chose to enter into peace and friendship treaties with most tribes. If one tribe was actually conquered, it certainly does not mean that all Indians were conquered. Conquest has geographic limitations in the same way that the Royal Proclamation has geographic limitations.

In the Nishga case, the Court, in a roundabout way, suggests that the Crown gained title to the lands in British Columbia via adverse possession, that is, through adverse acts on the part of the Crown. But the theory of adverse possession could not apply to native people because the land was not individually owned, and the theory of adverse possession only applies to the individual ownership of the land. Secondly, adverse possession does not apply to a sovereign because an underlying assumption of the theory of adverse possession is that the adverse possessor must have his title recognized by a higher entity. In the case of a sovereign, there is no higher court.

If the Crown can claim any type of interest, it can legitimize this claim through conveyance, and only through conveyance. But as I have already shown, the interest the Indians surrendered, if they surrendered anything at all, is a lot smaller than what the government lays claim to. It certainly is not a fee simple.

The only other means by which Canada can justify its claims to Indian lands is through discovery. But then, again, I have already shown how discovery has been misinterpreted and misconstrued. the

When the Courts and the government that the Indians' title is dependent on the goodwill of the sovereign, and that the Indians' interest is a mere burden on the underlying title of the Crown, the question to ask is, "Where did the Crown get its title from? And how?"

When the Courts refer to India title, they should say something to the effect of, "the title or interest of the Crown is a mere personal and usufructuary interest dependent on the good will of the Indians." The Indians have all along had a paramount estate underlying the Crown's interest. The Crown's interest is a mere burden on the title of the Indians.

As a conclusion to this presentation, I would like to state that it is my hope that in some small way I have contributed to a better understanding of the Indians' property concepts, which in turn, hopefully, will facilitate a better understanding by those who are not familiar with Indian thinking. I also hope that, in some small way, by this presentation, I have contributed towards educating non-Indians about why and the basis for the land claims Indian people are making.

If justice and fairness are underlying goals of today's government and Court system, then the concepts and the philosophy of the Indian people should certainly be taken into consideration and given as much weight as British concepts and philosophy. But if justice and fairness are not underlying goals, then we should stop covering ourselves with a false aura of

sacredness and bring out things in the open, so every body knows where they stand. In other words, if we cannot be bothered with justice and fairness, we should, at least, be truthful. Thank you.

(SUBMISSION OF LEROY LITTLE BEAR - MARKED EXHIBIT C-42)

(WITNESS ASIDE)

MR. ROLAND: Sir, the next witness is Mr. George Akula.

GEORGE AKULA sworn:

THE WITNESS: Mr. Chief Justice Berger, members of the Inquiry, ladies and gentlemen. As a concerned and growing Canadian, I would like to take a realistic approach to the need for the construction of a gas pipeline in the Mackenzie Valley. For some time now, the Federal Government and a few public agencies, such as Ontario Hydro, have been running ads in newspapers advising all Canadians to respectively:

> "adopt your own personal programme in fighting inflation"

and to:

> "conserve energy in the home".

Ever since the energy crisis in North America in 1973 and 1974, these advertising campaigns have consistently encouraged Canadians to use the basic sources of energy, electricity and gas more sparingly and wisely. Even in last night's budget, the Federal Government has taken stringent measures to leave us with little choice in doing this.

In addition to the efforts of the public sector to make Canadians aware of the need to practise self-restraint, Mr. Commissioner, the private sector has and will continue to give impetus towards saving energy in our everyday lives.

The automobile industry today is in a gradual transition towards smaller cars rather than big ones. The motor-assisted bicycle or moped for example, introduced into the Ontario market in 1974, holds great potential for competing with or even replacing the private car as a cheap means of urban transportation.

These are just some of the ways we are becoming a much more energy conscious society than ever before, and which will help us greatly reduce any foreseeable need for an Arctic gas pipeline in the near future, It stands to reason that, if the Federal Anti-inflation and Energy Conservation Campaign does result in wiser energy consumption by Canadians, and I don't see how it cannot in light of the Federal energy-saving budget, we will be able to extend our use of southern gas and oil reserves longer than we now think possible. At this point in time, we cannot overlook the fact that our own use of energy is linked to inflation. Thus, we must all learn how to make the most of our present reserves by using less energy. We must all learn how to make the most of our present reserves before proceeding to new ones that entail greater risk to bring into production.

The two examples I have cited

to reduce any need for a northern pipeline by using less energy but still maintaining a healthy lifestyle. If a pipeline is to be built, however, I am fully convinced that for the sake of the dignity and the traditional beliefs of our native peoples, the Canadian Government must give formal recognition to recent land claims made by the northern natives and to their own self-governing entity within Canadian Confederation, so that they can deal directly with the southern economic interests who want the pipeline a reality. We cannot afford to have any serious confrontations because of the government's unwillingness to respond favorably to native demands.

The final point I would like to make, Mr. Berger, is this: We white people who populate so much of southern Canada with our strong economic motivations to push on with progress, still have a lot to learn from our native peoples. As a sociology student at the University of Toronto, I have learned that the Indians have always shown a more judicial use of resources than we have and that they do not place a high value on material possessions. Why? Because they are spiritually oriented towards Mother Nature, and their economic practices, unlike ours, do not rule or spoil nature. Their affinity with the land is something that they can teach those of us who do not yet see this.

Everybody here who has kept up with the progress of your Inquiry through the media should know now that the modern concept of progress is very harmful to our native peoples. You have had many

citizens describe to you how the simple lifestyle of Indians in Canada has been destroyed by modern economic development. This cannot happen with the Mackenzie Valley Pipeline.

Now, as a student of contemporary society, I feel there is great truth in the statement that modern man has virtually deprived himself of the simple life associated with nature and that our understanding of native ways will show us what it is to live with nature again. The starting point for our harmonious understanding of native ways can only come about when the land claims and rights to sovereignty by the native peoples are given consent by Ottawa.

Thank you very much.

(WITNESS ASIDE)

MR. ROLAND: Sir, the next witness is Miss Marisa Nichini who will speak on behalf of the Core Committee for World Peace and Development.

MISS MARISA NICHINI sworn:

THE WITNESS: Mr. Berger, we are a group of students from Holy Name of Mary High School in Mississauga. As members of the Core Committee for Peace and Development, the school club, we have become interested in and aware of the situation now facing the native people of the Northwest Territories with respect to the building of the Mackenzie Valley Pipeline.

We should like to state that we are not experts, only concerned Canadian citizens who realize the importance of the outcome of this Inquiry.

Here then, is a collection of our research and opinions concerning topics relating to the Mackenzie Valley Pipeline issue, treaty history, culture, environmental effects, energy, economics, and the Canadian responsibility. We should also like to say that this is merely a summary of our brief and that, could you please forgive any incoherence that may be found because' we just did this in the audience tonight because of the length of our brief. Thank you.

First of all, treaty history.

We would like to present to you the reasons for our belief that before any decision is made concerning the building of the Mackenzie Valley pipeline, a just land claim settlement should be made with the native peoples living in this area. The reasons for our views came from various conclusions drawn from an investigation into the treaty history of the Canadian Indians. Red Indian peoples are not of course confined to Canada, but inhabit the whole of the American continent. Upon reading of how other countries have dealt with native peoples, it would seem that Canadian authorities were very fair in signing treaties with their native Indians. Surely it was a better practice than starting the destruction of their civilization as Cortez did with the Aztecs or massacring the Sioux as the United States troops did at Wounded Knee, But was the signing of treaties with the Indians that much better? We are not so sure.

Before the Canadian Government started negotiating with the Indians, private

individual; had already been doing so. Among them was the Earl of Selkirk. The Selkirk Treaty was daylight robbery, an outright exploitation of the Indians who could not have realized what they were signing away--the whole area of the Red River Valley and the Lake Winnipeg region. To this day, many people are claiming that the treaties were seen as a guarantee for the Indians to continue their traditional lifestyle.

In the years following 1817, the Dominion of Canada became one of the negotiating parties. Among the treaties signed were the Manitoulin Island Treaty, the Winnipeg Treaty, and the Blackfoot Treaty. There are three outstanding features of the treaties that had been signed. First of all, the difference of the negotiating parties and the different cultures that came into contact during negotiations. Secondly, the fact that treaties were consistently signed only when the governments saw the need for non-native expansion and development. Thirdly, non-natives who had usually moved in. So the only choice the Indian had was to sign over the land with the treat or to lose it without one.

Two treaties illustrating the conclusions above are Treaties 8 and 11, which have been ruled by Mr. Justice Morrow to being misunderstood by the native people. The Indians believed that the treaties:

> "did not involve the succession of Indian lands but were merely friendship or peace treaties, implying a mutual respect for the lives,

rights, and way of life of both parties."
When they were signed, the Indians were urged to do so, even though they did not understand what was in the treaties. No wonder the native people did not know what was happening to them. It took us more than one reading of the treaty transcripts to decode the official jargon.

The more recent James Bay Settlement has been held up as a great step forward in native-government relations but once again, upon examining its terms and implications, it does not appear to be so great. We've tried to show, through treaty history, why we support the Dene and Inuit in their appeal for an honest land claim settlement. We cannot speak as Indians but rather as people who do not want to see the injustices of the past repeated.

The worst thing about the treaties made during the last and early part of this century is that the native peoples' views were ignored and they were allowed no control over their own future. Please do not let this happen again. It's never too late to make a change for the better, although the change in attitude towards the Canadian native peoples is almost a hundred years overdue. According to the Honourable Alexander Morris, onetime Lieutenant-Governor of Manitoba and the Northwest Territories wrote, in 1880:

> "it is the desire of this work to suggest a possibility, nay the certainty of a hopeful future for them, the native Indians"

Secondly, we have culture. The culture of native people of Canada has contributed much to the society in this country and they have much more to offer us if we give them a chance. A place to start is trying to understand some of the aspects of their culture and to understand their search for their lost identity. When we do this, we can better understand their land claims and demands for participation in determining their own future.

One of the largest causes of misunderstandings between white and native societies is the difference in their concept of the land. The white concept of owning land is one totally foreign to the native people. To them, the land is to be shared by all, used during their lifetimes, and then passed on to future generations. The white man conquers the land; the Indian lives in harmony with it. Therefore, when initial treaties were made, the native; people did not understand their intent to give away the land. This is why the native people resisted being displaced from the land which they did not realize they had lose.

One of the major difficulties the native people of North America face is their lack of sense of group identity. The white society has grouped them together as a single ethnic group and thus cannot understand why they cannot get together to make decision 3, but they are not a single native group.

Native people do not have a common physical, social, or cultural background but rather have a wide range of traditional cultures which

have been designated as:

"Indian culture"

by the white people viewing from the outside. The native people have always considered themselves to be Cree, Algonquin, Ojibway, etc., not as a large unified nation. Today, however, circumstances force them to begin to think of themselves as a whole and to work together for the benefit of all. The native people of Canada have organized themselves into major groups, such as the Indian Brotherhood, the Metis Association of the Northwest Territories, which work present their claims to the Canadian Government. The Organization of Native Peoples has helped their claims to be heard and has helped the government in knowing who to deal with.

An important aspect in the development of native people is the rediscovery of their identity. Many of the young people are rediscovering the traditional ways of their culture. They must go back and find what they have lost. Thus, the natives can be a valuable addition to the diverse cultures existing in Canada which are able to retain their identity as distinct groups and at the same time be Canadians. The native people are afraid that, integration into white society would be an assimilation and that they would lose their culture and have to adopt another just to survive.

Their native culture has been misunderstood in the past. The Canadians now have a chance to change that by helping the native people to

become part of the Canadian mosaic,

"to be colourful red tiles, taking their place where red is both needed and appreciated".

To achieve this, the land claims must be settled to insure the future of these people and the cultural, social, economic, and political life of Canada.

The native people of the Northwest Territories have always been and still are dependent upon the land. It is vital that they co-exist along with the environment and it makes sense that whatever affects the environment affects them. They have never felt it necessary to live in cities and work in industry, but they recognize the importance of the land which is often more than the average Canadian citizen does. The case for the preservation of the land in the Northwest Territories is not only important to the native people, it is also vital to Canadians everywhere.

The proposed pipeline for the Mackenzie River Valley is a large-scale construction project. It has been argued that the actual pipeline will only affect 40 square miles of land, , however, when the details involved in the actual construction have been considered, the:

"description of the project affecting a mere 40 square miles of land is unrealistic".

There is much more to the pipeline than simply the digging of a tunnel. In order for the pipeline to undergo construction, it is first necessary to develop an efficient transportation system capable of transporting

supplies to and from the site of construction. As a result, the Northwest Territories has seen increased air and barge traffic in the last few years and two highways near the area of the Mackenzie Valley Pipeline have undergone construction since 1972.

Proposals have also been made for a hydro-electric transmission system. It is obvious that a construction project such as the Mackenzie Valley Pipeline is going to have a large-scale effect on the environment of the North. It is feared that the bulldozers, increased air traffic, water pollution, and the blasting that accompanies every form of construction will result in various problems among the animals of the area.

Since the native people are dependent on the land, including its wildlife, one will also be killing the people along with it. Careless handling of the construction of the pipeline may result in the upsetting of migratory routes among birds, the death of fish, and small water animals, and most importantly, it may result in the caribou and other large animals being frightened away altogether. When the animals go, the native people's ability to exist with nature as they always have goes, and consequently their right to live as they please.

It is ironic that for the last two hundred years, this country has shown no interest ix the fate of the people or the land of the Canadian north and now when it is being discovered that this land can be of some value to us in the form of gas and dollars, we

still care only to exploit it. The problem here is not only the actual idea of northern development, it is how we develop it.

Energy: The Mackenzie Valley Pipeline issue has forced Canadians to make some very important decisions regarding the need for the development of energy resources in the north. We feel that the pipeline should not be built until certain questions regarding our need for energy resources have been answered.

After studying various statistics, it is quite obvious that there is no need to rush the building of the pipeline. There is no real shortage of natural gas in Canada. If the government would take measures to ease the deliverability, we would have enough supplies for at least 12 years.

There is a definite need to conserve. In the past, large users of energy have been rewarded with lower prices. This must be stopped. Advertising has encouraged increased use of energy consumption. Instead, energy companies should encourage and stress conservation.

Further research is needed into the feasibility of alternate forms of energy and improvement of things such as, appliances and generators. The major concern, which in the past seems to have been overlooked, is the effect which the pipeline will have on the native people in the north.

The economic impact: All too many members of the southern populace of our country

have refused to recognize the questions of the building of the Mackenzie Valley Pipeline as the most controversial issue facing us today. This laissez faire on our part is due to the fact that people do not realize the full implication of the effects that the proposed pipeline might have. Too often, it is dismissal just as another case of the native people of Canada standing in the way of progress.

While land claims, ecological effects, and the effects on the native environment are of prime concern, we, the people of the south, must realize that the construction of the Mackenzie Valley Pipeline may be to greater detriment of our national economic system. Considering that the south is the economic centre of Canada, it is ironic that many people choose to ignore the problem, on the grounds that they do not live in the north, and so will not be affected by the pipeline.

Although gas companies claim that they will bring more jobs and economic benefits to our nation through the building of the pipeline, it is also found that there is another report, entitled:

> "The Preliminary Report of Economic Impact Committee".

Their report states that a pipeline, if built now, would distort the economy because of the speed and size of the pipeline construction, and although there is a great demand for Canadian equity control and participation, such great control of the project would increase undesirable economic consequences and that net benefits, both in the

area of job creation and revenues, are too small to justify the massive effort required. Their report also found that employment prospects were dismal, the majority of long-term jobs being located in the south. So we, the voters, are confronted with two evaluations of the economic impact of the Mackenzie Valley Pipeline, Both appear logical and coherent, both come from irrefutable sources, but there is a great deal of conflict between these two reports.

As citizens of Canada, it is our responsibility to demand that this conflict be resolved, so we may make way for the best decision of the Canadian public as a whole without harming others unnecessarily by acting in haste. Proper northern development may be our lifeline in the future years and to neglect it now would be to our greater detriment,

Finally, the Canadian responsibility. In this age o searching for a national identity, for a definition of Canadian", it is necessary for the people of Canada to take a sta. We must decide, as Canadians, what our priorities. are, what we wish to stand for. In the past, we have been . nation of middlemen, peace-makers and buckers among he powerful nations of the world but this role must now be applied to our own internal problems. Obviously, the problem that stands out is that of the Mackenzie Valley Pipeline issue. Through our research, we have round arguments for and against the necessity of the proposed pipeline. The gas companies say that it is necessary to build the pipeline in order to supply

natural gas to meet Canada's growing energy needs. However, other experts challenge the need of extracting our northern reserves at this, time. Both these arguments are valid, but both still have the same conclusion - eventually the northern reserves must be tapped for the good of all Canadians. However, before the pipeline is built, we must consider the people and land which will be affected by the pipeline. This brings us to the native land claims. These must be settled before a decision on the pipeline is made. Native people have a right to, their land, to their future, and to their children's future. It is our responsibility, as fellow Canadians, to ensure their right to the land. It is not only our moral responsibility but also our national duty to make sure that the decisions made by the Canadian government and this Inquiry are fair and not harmful to the native people. Thank you.

(WITNESS ASIDE)

MR. ROLAND: Sir, the next presentation is by Mr. C.K. Kalevar.

THE COMMISSIONER: Before we hear from him, let me thank you and all the students who helped in the 'preparation of that brief. Thank you.

C.K KALEVAR, sworn

THE WITNESS: Thank you. Thank you, Mr. Commissioner and Mr. Roland for giving me a chance to speak tonight instead of tomorrow., To start with, I would like to say that I do not work for

the TransCanada Pipeline and that should just about say what my position is with the Mackenzie Valley Pipeline. Except him, just about everybody else was opposed to Mackenzie Valley Pipeline and so I am. So really, what is new in my brief and going back in circles, I did agree with Mr. Cameron of TransCanada Pipeline when he said that we must find mutuality of interest between the people of the south and the north. Now, I think that's a very good statement, but I would like to interpret that statement with a global perspective. In effect, the south and north that he referred to was was probably the southern Canada and the Northwest Territories and the northern Arctic, while I would like to take a global view of things and perhaps rightly so. After all, Mr. Berger has said that the Mackenzie Valley Pipeline is the most costliest pipeline to be built, if it is built. I hope it is not. But with those credentials to the pipeline, I'm certain it's not difficult for people to see that it is going to have global repercussions, and the global repercussions is something we cannot ignore in a small planet that we live and we have heard this before many times.

I am also going to evaluate what implication this opposition means in terms of the future of the throw-away economy that we live in. I think, in my opinion, that in a throw-away economy, a lot of things are thrown out, and I'm going to, in a brief manner, look at the pricing of some of the things that we use in a day-to-day life. The price mechanism, as it exists, under the market system, has failed us as

a society, in my view and certainly failing the future generations to come.

I do want to acknowledge a few things I have learnt from Canadian Indians, I mean from the native Canadian Indians. I myself, am a Canadian Indian, but I consider myself an immigrant Canadian Indian. Something I picked up which I think might be useful, perhaps you've heard, Mr. Commissioner, already this before. The story goes: A white man and a native Canadian were, you know, discussing a few things and the white man drew two circles, one larger than the other and said: "The smaller circle is what the Indian knows and the larger circle is what the white man knows". The native listened, thought about it for a while, got up and drew a much bigger circle covering both of them and then, said quietly: "And that circle is what we both don't know".

I think it is with that humility, I will hope this Commission would look at the Mackenzie Valley Pipeline. It is how much we do not know and might matter tomorrow, even if we did not foresee it today with the best of expertise available.

Before I get on with the brief, it just occurred to me with the interesting philosophical dialogue that went on, that there is a linear philosophy and then there is a circular philosophy. I say what is my philosophy. I just couldn't put it either in the linear philosophy bracket or the circular philosophy bracket. I find my personal philosophy is the random walk of a drunk. It goes all over, circles, straight

line, everything, and I find, it works quite well, at least for me. I hope this has some relevance when the brief comes, Now, Mr. Commissioner, the brief,

It should not come as a surprise that the Mackenzie Valley Pipeline, the costliest pipeline in world history has global implications. The social repercussions caused by the Mackenzie Valley Pipeline are not only global, but eternal, in the sense that all the non-renewable resources that will be allowed to exploit will be lost to the future generation yet to come. I plan to outline the impact of the Mackenzie Valley Pipeline on the human environment globally now, and the future human environment. It's a very small brief, three pages; I hope you'll be with me.

It is nearly 500 years ago that the Americas were "discovered", and the spherical nature of the earth established. A non-controversial fact, but its socio-economic and political implications have still to surface in public consciousness. What I am driving at is, sir, that facts do not register in the minds of the people as we wish and there are some very basic facts that are escaping the higher levels of decision making in governments, in Canada, and perhaps the world over.

Something on the throw-away economy. In a world of limited resources, the importance of conservation need not be stressed. If people were to be logical and instantaneous in their realizations, then our forefathers would have begun practising conservation

of resources the first time they realized that the earth is round and limited, however with limited vision, and human expediency in political power, the people in North America developed, what I term, the throw away economy wasting resources, and designing products for obsolescence misguiding the creative ability of generations to produce for a few selfish shortsighted greedy people - the paper profit in dollars. This profit has further strengthened these people in wasting limited resources, and misdirecting people.

When these people continue to determine the operations of the economies of the OECD countries, who have 20% of world's population, but consume 80% of the world's resources, then the exploration and development of more easily accessible resources I'm referring to the Arctic resources; I consider them more easily accessible compared to what future generations really face - the more easily accessible resources without emphasis on conservation is socially irresponsible today, and will place future generations at a great disadvantage. The disadvantage could amount to threat of resource starvation in the near future if the gluttonous appetite of the present generation is not quickly tempered. It is difficult to ignore the conditions of near starvation facing the other 80% of the free world's population.

The throw-away economy not only exhausts the non-renewable resources, but pollutes the limited life-sustaining resources of water, air and land. Many non-renewable resources can be recycled, just like water and

air are naturally replaced, however fossil fuels unlike metals are not recyclable. The limited fossil fuels are being irrevocably lost, polluting the air and water of the high seas. The gluttonous generation is potentially likely to choke on its own filth. Something on fossil fuels: The central nature of fossil fuels in the throwaway economy need not he stressed, thanks to the Arab oil embargo. I has been possible to build and operate an economy designed for obsolescence, only because the wasteful work involved in producing these unnecessary products has been performed by the plunder of the limited fossil fuels. If man, we are to make everything by hand, he wouldn't be making underarm deodorants. There just wouldn't be time for it.

I do not understand this note. It says:

"Mr. Kalevar, fifteen minutes."

Do I have fifteen minutes more or --

MR. ROLAND: It's getting late, Mr. Kalevar; we'd like you to move along as quick as you could.

A Oh, okay.

THE COMMISSIONER: Their, job is move along, but my job is to listen to you, so you just carry on.

A If I don't understand, sir -- All right.

A stringent energy conservation program would be key to restraining the

energy wasteful processes, and unnecessary products. Well, Ill skip it out.

Now, imperfections of the market mechanisms: The so-called free market mechanism depends on price to signal fluctuations in demand and supply, and also supposed to allocate limited resources. price mechanism has to be found to reflect the concern; for the future generations, and global equity, for the free market mechanism does not today reflect such concerns adequately.

A price comparison of some critical, non-renewable oils and non-essential substitutable drinks is revealing. I have, sir, made some rough calculations on price per gallon of crude oil, heating oil, gasoline, beer, wine, and whisky. Crude oil per gallon costs a quarter, heating oil, fifty cents, gasoline, one dollar. Beer, a non-essential, I think, costs four dollars a gallon, wine, twenty dollars, and whisky, fifty dollars. Anyone concerned about the survival of the human species would agree that the. prices above do not carry that vital sense to the consumer. A price mechanism reflecting the concerns of the future generations will price the non-renewable, limited, critical oils higher than the annually renewable, substitutable, nonessential drinks by at least n order of magnitude. Needless to say that such an increase in the price of oils be preceded with the nationalization, or better still globalization of the multinational corporations. It is my belief that all non-renewable resources be priced higher than the

renewable resources, because you are sharing them wit the future generations, and all substitutable resource be priced lower than the non-substitutable resources, for obvious reasons.

With that brief overview, I would like to come down to the Mackenzie Valley Pipeline and why I am opposed to it.

The opportunity cost of building it is too high in terms of missed housing, hospitals, schools, social services, and economic development in the third world. Second, the ecological cost to the physical and living environment is unacceptable. Oil accidents in the north could affect the weather of the prairie bread basket region. In my opinion, food is more essential than oil, or gas. The native land claims have not yet been settled to their satisfaction. The social repercussions of the construction activities alone may totally destroy the native cultures. Fifth, to ensure adequate rate of return, it may be necessary to subsidize the sale of Canadian gas to the what I term, the most gluttonous country in the world, United States. They are consuming the most resources any country in the world is consuming. Sixth, the need for stringent conservation measures in the throw-away economy will not be strongly pushed. Fossil fuel and other non-renewable resources will continue to be wasted because more will be available.

Canada is rich in resource. It is best to conserve now and help avoid explosive situations caused by resource competition in Middle Fast South Africa, etc.

For example, today's "Globe" carries the headline that Germany played a key role in breaking the deadlock at Unye Unta. I think Canada, as a developed country which exports more raw materials than manufactured goods, is in a unique position to play the mediating role between the north and south, globally, I'm speaking. But, it will help keep its view in a more limited and sensible way, so that it has taken into consideration the long-term implications for centuries to come when we are consuming non-renewable resources accumulated over millions of years.

The importance of playing such a role in a nuclear world, in my opinion, is not negotiable because the finality of it all is unthinkable

I remain opposed to the building of the Mackenzie Valley Pipeline because it enhances global iniquity today, and threatens survival of the species tomorrow, not to mention the native peoples in the area in the very immediate sense. The Mackenzie Valley Pipeline should not he built in this decade, generation, or perhaps in this century. Not now.

Thank you.

(SUBMISSION OF C.K. KALEVAR - MARKED EXHIBIT C-464)

(WITNESS ASIDE)

MR. ROLAND: Sir, that conclude the evidence for this session and there will be no replies or responses from either the pipeline applicants or the intervenors.

THE COMMISSIONER: Well, thank you, ladies and gentlemen, for staying with us until this hour. I appreciate the contributions made by each one of you and perhaps I might say, it may well be I speak for all of you, when I make a special mention of Mr. Little Bear's presentation in which he urged us to think about the way in which we think about things. So, the hearing will be at ten o'clock tomorrow morning, two o'clock in the afternoon and then eight o'clock tomorrow evening, and we'll have a brief Friday morning session that will begin at 9 a.m. Friday morning. So, we'll adjourn till ten in the morning.

(SUBMISSION OF CORE COMMITTEE FOR WORLD PEACE AND DEVELOPMENT -- MISS M. NICHINI - MARKED EXHIBIT C463)

(PROCEEDINGS ADJOURNED TO MAY 27, 1976)