

NORTHERN MINERAL ADVISORY COMMITTEE

MEETING ROOM 1904

Les Terrasses de la Chaudière

Edited Minutes

Jan. 11-12/79.

On January 11, 1979, there were a series of addresses by representatives of various programs in the Department. Bob Cathro chaired this meeting.

Land Use Policy

Dave Gee, Chief of the Land Management Division, outlined the elements of Policy, then introduced Dr. Vic Solmon of the Canadian Wildlife Service, who talked about bird sanctuaries and their administration under the Migratory Birds Convention Act.

In response to questions Dr. Solmon said that most of the really important areas are under protection but more sanctuaries can be created by Order-In-Council if the need arises. He also said that the boundaries of present bird sanctuaries can be changed by Order-In-Council. Permits for exploration work in sanctuaries have been and will continue to be issued. Full 12 month operations in the sanctuaries might be difficult if there were disruptions to the birds, but might be a possibility under certain conditions.

IBP Sites

Dave Gee then talked about the IBP (International Biological Programme) sites, which are sites of ecological importance. One hundred and fifty or more such sites have been identified north of 60°, covering about 145,000 square miles. A Working Group under Maurice Ruel has been established and these have had 70 submissions of which only one has had a definite recommendation. The attitude of Native Groups has impeded further action since they do not want to get involved until Land Claims are settled. Entry restrictions for mineral purposes are not expected to be heavy. In response to questions, Dr. Ruel said that there is a representative of the Mining Division at each first screening by the Working Group. Administration will be at present by regulation since there is no IBP Act. The Polar Bear Pass

IBP site has been withdrawn from staking but existing claims are recognized. No further LBP sites are currently being considered for withdrawal except under the COPE agreement. Dr. Ruel said that controlled access contemplating mine development was possible in some IBP sites.

Dave Gee said that when IBP sites are being considered the Chambers of Mines are consulted. Cam Ogilivie responded to say that the Yukon Chamber had made representations but never got any response.

#### Land Use and Caribou Herds

Dave Gee presented maps showing the extent of caribou ranges. Only the data on the Beverly and Kaminuriak herds is complete and up to date. Consultation in January and February will be done to identify "A" areas where there is a high level of confidence that these are calving areas, and in these areas there would be entry restrictions until it is determined that the caribou are not there, when they would be released from restrictions. Also "B" areas will be identified as those where caribou calve much less frequently, and here there would be no prohibition of entry except where calving and post calving actually take place.

In the questions and answer session that followed Bob Hernal said four to five thousand Inuit depend on caribou for meat. Dr. Ruel said that Land Management Zones are being considered to cover the area of the Beverly and Kaminuriak herds and also for other herds as soon data becomes available. William Darby's report on caribou will soon be issued in final form; he met with industry representatives before formulating his recommendations. Ron Hawkes said it would have been better for the industry to have had further consultation after seeing the preliminary report. He pointed out that nowhere is there any cited incidence of industry damage to caribou; this all comes from Inuit over hunting. Dr. Ruel said that low flying would be damaging. Ron Hawkes feels that there is sufficient control through Land Use permits and that establishing "A" zones is not required.

Gee and Salman said that there is no mineral exploration allowed in the Thelon Game Sanctuary, established for Musk-oxen. Hawkes said that the Musk-ox herd is now stable and there is pressure to have the reserve lifted.

The Committee may want to get into the caribou question again at Whitehorse on Feb. 7 and 8 and Irvine will make the arrangements.

Parks

Steve Kun, Director of the National Parks Branch, introduced an eleven minute film, "Canada's Arctic Landscape". John Carruthers, Chief of National Parks - Parks System Planning, then talked about how areas of interest are identified. He said their goal was to attain parks in each of the natural regions of Canada. Fifty-five areas of Canadian Significance have been identified, and from these a few have been chosen for National Parks designation in the North. There is public consultation and a four stage process: distribution of information; dialogue with interested groups; identifying maps are issued; and trying to rationalize a realistic solution. There are presently three National Parks established in the North, two now have been withdrawn and four additional proposed. Fourteen new National Parks are needed in the North. At 8,000 square miles each this would add up to 100,000 square miles.

In the question period Carruthers said that the study areas are narrowed down as the study progresses, but Granger challenged this in the case of Kluane Park. Carruthers said that in reference to an access corridor for mineral development through the proposed Bathurst Inlet Park this was an option to be considered but access could also be provided outside the Park.

Steve Kun said, in reply to the suggestion that establishing perpetual parks now is premature, that the same criticism was given to Banff Park 100 year ago. The boundaries of Banff have been changed seventeen times, showing flexibility. Parliament is the ultimate authority as to whether Parks should be adjusted in size in the National interest. He said that the eventual size of the Northern Yukon Park depends on areas of ecological and environmental interest, archaeological sites along the Porcupine River, and a park area as part of the COPE settlement. The consultation process should take place about October 1980.

Break for Lunch at 12:35. Meeting re-convened at 2:10 P.M.

Native Land Claims

Neil Faulkner, Executive Director, Office of Native Claims, talked about the basis for their Policy, the process of negotiating claims and the mining interface. The basis for the Natives' position on Aboriginal Rights is that traditional use and occupancy of certain large areas of Canada has never been extinguished through Acts or Treaties. The Federal Government is responsible for all native legislation. The Natives are after recognition, protection

mentioned. Inspectors will get further training. Complaints should come in promptly so they can be dealt with almost immediately.

Regarding the establishment of ecological zones, Gee said that a recommendation from this Committee would really get action.

Jack Patterson said that drafts of the new Mining Regulation are available for study.

### Legislative Overview

Dr. H.W. Woodward, Director of Non-Renewable Resources, gave a history of the establishment of mineral rights in the West and North. The process by which mining legislation is established was dealt with. This can be a long show process.

### Fiscal Policies

Ulli Rath, of the Mining Association of Canada talked about a fiscal regime for the North. This is summarized in a printed hand-out that is in the possession of each member of the Committee.

### White Pass and Yukon

Manfred Klein, Acting Director, Northern Economic Planning Branch, talked about the White Pass and Yukon Railway and its current problems. The Task Force of which he was Chairman, found that the company has been making only a small profit but this will soon disappear into an operating loss with the disappearance of asbestos freight. The question is whether a government subsidy should be used to keep the railway going or should a trucking alternative be the answer. The Yukon Chamber of Mines would like to have the railway stay open, but is against a subsidy.

Klein said that for \$2 million the present highway could be put in shape for limited traffic. A total of \$16 million is needed for an all-weather highway, but the trucking of concentrates from Whitehorse to Skagway is a dicey proposition. In response to further questions Klein said that the company needed C.T.C. approval to close down, and this may well not be immediately forthcoming. The line although only 110 miles long is classed as a main line and there are no existing programs providing monetary relief to main lines. A complicating factor is that an oil pipe line is proposed from Skagway to Whitehorse, using the rail right-of-way.

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of their rights means to protect their culture and economic base. They would like more time to catch up and develop expertise required in mining, government, etc. He outlined the general COPE agreement but pointed out that there is still a long way to go to resolve the Land Claims.

In response to questions Faulkner said that COPE is not the model, just a model, and one that has been rejected by many groups. The Chairman said that in the Yukon the Natives have no mineral knowledge and should not have mineral rights, those should be reserved to the Crown. Faulkner said that in COPE where there are surface rights, these can be staked for minerals. Faulkner also said that these should be fair and equitable rights of access so the little prospector was not excluded. In the general discussion it was pointed out that under COPE the fee land had better mineral tenure than that offered to any other Canadians. Faulkner said he could see as an alternative that these lands could be maintained under the Canada Mining Regulations. Referring to the Yukon he said that 7-1-B land would not correspond to 13 sub - 1 land in the Yukon Quartz Mining Act. Regarding further possible application of COPE type agreements in the Yukon, everything is subject to negotiation. He said that the agreements are intended to protect the natives' traditional way of life, but it was pointed out that in the Yukon this is passé in 11 out of 12 communities and the Old Crow community is the only one that depends on the caribou.

Regarding a time frame for land claims settlement Faulkner said there would be something tangible in 12 months in the Yukon but it would take longer in the MacKenzie Valley. The Government policy rejects the concept of ethnically based territories.

#### Land Use Regulations, Queens Report

Dave Gee said that there is a current policy review and Jack Patterson said this dealt with Force Majeure. A company can apply for relief when something extraordinary happens.

Dave Gee also said that his group agrees completely with the recommended reforms dealing with administration procedures and guidelines. The Northern Program views the Queen's Report as an excellent one. Bob Horal said that in the N.W.T. they hope to remedy the specific problems

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January 12, 1979.

Mr. Bruk as Chairman.

Policy Statement

Discussion of the synthesized statement of Policy continued for some time, mainly with respect to details of wording. Instructions were then given to Jeffery and Ogilivry as a drafting sub-committee and they withdrew to draw up a statement of policy. This was subsequently again revised in Vancouver and this revision is attached to these minutes.

Minutes of the Last Meeting (Edited Minutes)

It was pointed out by Murray Trigg that the reported statement on infrastructure was not supported by the whole Committee. This part of the minutes was re-worded to reflect the actual opinion of the Committee. Apart from this the minutes were approved.

Proposed Meeting, January 19, 1979

This meeting will start at 9 A.M. in the Cyprus Anvil boardroom, Vancouver. The Minister will arrive at 10:30 and the policy statement will be discussed with him for incorporation in his speech that evening. It will not be necessary for Bob Eastman to attend this meeting.

Further Meetings

A meeting with party caucusses was suggested but this was changed to a meeting with the Standing Committee on Indian and Northern Affairs. Irvine will arrange this through the Chairman, Ian Watson, after consulting Mr. Faulkner. March is the best time because of a possible early election.

The next meeting of this Committee after the Whitehorse meeting in February was scheduled for March 14 and 15 in Ottawa, with part of one of these days to be reserved for the appearance before the Standing Committee. We should invite both Mr. Faulkner and Mr. Gillespie as well as the Senators from the Yukon and Northwest Territories to the Standing Committee. Each of our Committee members should submit a biographical note.

A meeting in Yellowknife was set tentatively for the 9th and 10th of April. Hopefully the Minister will attend.

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The sub-committee on Land Use will deal further with these matters. Apparently Ewan Cotterill has stated that there will be different types of regulations for different types of ground zones and this will be looked into.

#### Further Discussion on Parks

The Chairman asked why it would not be possible to explore in Parks designated, or about to be designated, to determine their mineral potential. This seems acceptable from a philosophical standpoint but the procedures are difficult because of the protection to the Parks afforded by the laws of Canada. The laws of course can be brought into question and amended. The G.S.C. has a man on the selection committee when Park sites are contemplated but the N.M.A. Committee was emphatic in its position that the examination of geological potential in proposed parks was far too limited to be effective or satisfactory.

This Committee is concerned that Park lands may be alienated in perpetuity so that their mineral potential may never be determined. There should be provisions for re-examining the matter of specific park locations from time to time, as circumstances change. The Thelon Game Sanctuary is a case in point.

Parks Canada will have a representative at the Whitehorse meeting to answer questions, about the Thelon Game Sanctuary and the East Arm area as well as any other pertinent subject.

#### Agenda for the Whitehorse Meeting

1. Land Use sub-committee;
2. Strategy generally;
3. N.C.P.C. and infrastructure;
4. Reorganization of the Department.

The question was raised whether Mr. Drury should be asked to address the Committee. There was general approval since Mr. Drury has considerable influence and has a mandate from the Prime Minister.

The question of appointing a senior mining man in the Department was discussed. This is still recommended but such a man must have support in the Department to be effective.

The meeting adjourned at 3:30 P.M.



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W.T. Irvine,  
Executive Secretary.

### Follow-up Committee

There was considerable discussion as to what the ongoing Committee should be called. It was originally conceived as being entirely from Industry but the present thought is that the present Committee continue under a different name. "The Joint Industry-Government Consultative Committee on Northern Mining", had tacit consent of the Committee. The Chairman said that if the make-up of the Committee was to change this could be a matter of evolution. Ron Granger, representing the Yukon Chamber, said he needed additional authorization to serve on the ongoing Committee.

### Fiscal Policy

Various suggestions were made with respect to a new fiscal policy for the North. The Chairman said the harsh environment and high costs of operating and living in the North should be recognized when considering incentives. It was also suggested that it should be made more attractive for people to work in the North. One way is to have reduced income taxes for workers north of 60°. The Australian system was suggested as a possible guide. Married people are the best workers and they should be encouraged.

One of the problems with the Department of Finance is that they want uniform taxes across Canada but it was pointed out that this is no longer the case; provinces have their own rates and so does the N.W.T. Also, in the Territories the personal income taxes are based on place of residence. Short term employees may pay the rate of their home province; by making a more favorable Territorial tax it would encourage residence in the North. However this ultimately affects the Federal government and so the financial implications of this needs to be studied.

The Chairman said that the mineral industry is still suffering from the Carter Commission. At one time the tax policy was progressive but this was changed to the disadvantage of the industry; the Government should be ready to re-examine its tax policies.

Names for the sub-committee were suggested: Rath, Woodward, Jeffery, Keyes, Irvine. The personnel and meetings should be in Ottawa but others in the Territories can be consulted by telephone.



A comparison with tax incentives for oil and gas exploration was valuable. The high write-offs allowed have encouraged investment in exploration because the Government felt it was important to the National economy to have oil and gas exploration done. The mining industry needs this type of encouragement.

The time frame for this fiscal sub-committee to submit a report is five to six weeks, or in time for the next Ottawa meeting.

### Queen's Report

Regarding the Queen's Report, it seems clear that the Department, or at least those from the Department that have reported to this Committee, accept the findings of the report, with the possible exception of Department reorganization, which is perceived as a slow and difficult process. There seems to be no need for further input from George Miller, who offered to appear before this Committee, and he will be so notified.

With respect to the detailed recommendations of the Queen's Report the general feeling was that administration of most regulations at the Territorial level would bring about desirable flexibility. Hornal said that the Petroleum Industry has excellent communications with the Department, constantly being on the phone if they do not get what they want, and this generally brings prompt action.

### Land Use Regulations

In this discussion it was pointed out that the Land Use Regulations were really designed for major operations and are not needed for the smaller ones. The original intent also was to protect fragile areas of the North, but their present application is across the board in fragile and non-fragile areas indiscriminately. To ensure that environmental protection and control will be both effective and consistent with local sensitivity, independent studies must be conducted of natural regions. The Department should be urged to have a study conducted that would look at previous environmental damage and its natural regeneration so that trenching and line-cutting in selected parts of the North would not be a problem and should not take up the time of the Land Use Inspector in those areas. What is needed is the establishment of regions of varying ecological sensitivity as was proposed by John Naysmith. The Department has been asked to do this but so far has not moved, but this should be pursued again. Also the Land Use Regulations should be reviewed with particular emphasis on the concept of area sensitivity.

The sub-committee on Land Use will deal further with these matters. Apparently Ewan Cotterill has stated that there will be different types of regulations for different types of ground zones and this will be looked into.

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