

ALBERTA CHAMBER OF RESOURCES

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CONFIDENTIAL

NORTHERN MINERALS STRATEGY MINUTES OF INDUSTRY MEETING EDMONTON 1 NOV. 78

PRESENT

R. J. Hawkes	-	NWT (Chairman)
J.L. Bonus	-	MAC
A.C. Ogilvy	-	Yukon
C.M. Trigg	-	Alberta
R.P. Douglas	-	NWT
W. Irvine	-	Special Advisor
R. Cathro	-	B.C.
H.V. Page	-	Acting Secretary

IRVINE - requested more background information on the philosophy and objectives of industry representatives.

HAWKES - reviewed developments of past 18 - 24 months.
- many government deterrents to mining, some probably intentional and some resulting from ignorance.
- principal problem is lack of senior mining advisor, since none of existing 6 ADM's display any support for mining.
- joint Chambers held several joint meetings and in February 78 at Whitehorse recommended a Deputy Minister of mining, this recommendation was relayed through Kruger to Minister who apparently got the message.
- Minister's compromise offer in Yellowknife Oct. 13 represents a new opportunity for industry.

BONUS - DIAND is experiencing internal conflicts which appear to reflect a dissatisfaction with conditions in the north.
- re-organization of the department is in progress.
- referred to the CRS study on regulations and administration.
- at meeting on 13 July Minister withdrew his commitment to present Northern Minerals Strategy possibly due to internal departmental conflicts, subsequently offered joint consultations with industry.
- Cotterill will be absent for several weeks on french course.

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IRVINE - discussed the possibility of resentment by ADM's to special advisor whom they might regard as interloper (generally agreed that some of this would be inevitable).

BONUS - EMR will support this concept..

TRIGG - what is the status of the CRS study on administration and regulations?

- (minutes for Oct. 13 show that McEachern reported that he had this draft report and would circulate it through the Chambers).

- what is the status of the NWT transportation study?

HAWKES - phase 1 of the transportation study is being done in house and is not yet completed.

OGILVY - tabled the YCM suggestions for agenda (copy enclosed).

IRVINE - Granger's initial letter to the Minister appeared somewhat provocative.

OGILVY - this letter and its sequel was effective in getting the results which we are now experiencing.

OGILVY - at recent meeting between Urangesellschaft and DIAND, the Minister requested his staff to brief him on his ministerial duties and was informed that his function is analogist to that of a Provincial Mines Minister.

- Minister indicated his intention to attend future conferences of Provincial Mines Ministers.

CATHRO - referred to concessions offered by Trudeau at current meeting of 1st Ministers.

BONUS - Expressed concern regarding the dangers of permitting provinces to levy indirect taxes.

TRIGG - cited the following problems, some of which still require correction:

- (i) lack of effective discussions between industry and Government
- (ii) unilateral government decisions, e.g. Baker Lake
- (iii) lack of government policy
- (iv) administration hassles
- (v) prostitution of land use regulations to satisfy political objectives
- (vi) lack of enthusiasm by DIAND for mineral developments
- (vii) lack of guarantee of land tenure, e.g. Urangesellschaft
- (viii) need for consistent regulations to replace changing roles.

- cautioned against too hasty action under pressure by the Minister, industry needs long-term solutions.

DOUGLAS - endorsed Trigg's comments.
- the special advisor will be under contract to the Minister who will therefore direct his activities, we need guidelines to ensure adequate industry control.
- special advisor needs freedom to meet as required with developers and explorers.
- periodic meetings will be required with industry representatives.
- Minister did commit to second working session with industry in mid-January.

OGILVY - suggested special advisor may wish to participate in meeting of Yukon Mine Managers in December.

TRIGG - suggested that special advisor may wish to attend meeting on employment in Yellowknife Nov. 15.

IRVINE - special advisor's itinerary may have to be adapted to suit availability of Minister.

BONUS - industry representatives can visit special advisor, these are mechanics.

HAWKES - Chambers could provide lists of members and properties.

CATHRO - special advisor should avoid doing the work of the Chambers and MAC.

IRVINE - will avoid doing battle for individual companies, but rather concentrate on common problems and the corresponding policy solutions.

BONUS - suggested that industry should consider sharing the expenses of the special assistant.

DOUGLAS - this is not practical especially at this stage since the Minister has stipulated that he will be under contract.

OGILVY - when Minister is in Ottawa, senior DIAND staff devote 45 minutes per day discussing department philosophy, perhaps senior advisor should participate (consensus was that this may not be advisable, but must be appraised later by special advisor).

IRVINE - Minister has not yet acknowledged industry nomination of special advisor (generally agreed that it is too early to expect).
- may be obliged to express personal opinions which may not coincide with industry posture (generally conceded that there may be such occasions).

CATHRO - current reductions in DIAND staff will only affect 200 out of 2,000 and there may not be any actual dismissals.

OGILVY - in Yukon, DIAND exercises rigid environmental restraints which take precedents over exploration and mining considerations.

DOUGLAS - Cominco does not appear to have any current serious environment problems, however, the potential exists for undesirable restraints.

CATHRO - there is a need to differentiate between different regions for environmental protection, e.g. around Yellowknife vs. north of Great Bear Lake.

- reported on the Oct. 13 meeting between industry and Parks Canada where industry pointed out the possibility and advisability of coexistence of industrial developments with parks.

DOUGLAS - when dealing with his economic development committee for NWT, the Minister continually stresses the need for "balanced economy" meaning a balance between heavy industry and cottage industries.

IRVINE - what is government's position on infrastructure, e.g. Nanisivik?

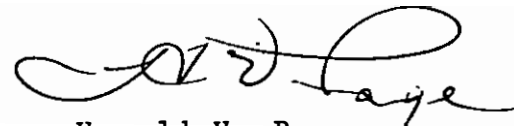
HAWKES - should get information from Terry Daniels, special advisor to Commissioner Hodgson.

IRVINE - recognizes need to avoid becoming submerged by the bureaucracy, e.g. Kruger, Cotterill, Lyman.

NEXT MEETING

Next meeting of industry representatives with the special advisor is scheduled for Thursday, 23 Nov. 78, 9:00 a.m. to 5:00 p.m. in the Alberta Board Room.

HVP/lmb



Harold V. Page
Acting Secretary
6 Nov. 78

Minutes Approved by: _____
Chairman

- concurred that there had been several previous meetings between DIAND and industry, but that most of these had not been useful.
- industry should try to help DIAND settle the native problems, petroleum industry has done a better job of PR in this regard.

DOUGLAS - cautioned against being trapped into a government ploy involving the settlement of native claims.

- industry should push for the coexistence of mining developments with native interests.

HAWKES - reviewed the history of the Baker Lake freeze and the subsequent court injunction, and explained that the basic issue revolves around aboriginal rights.

EDITORIAL - there was some discussion on the COPE settlement, it should be noted that the minutes for Oct. 13 reflect the Minister's comments that the special advisor should spend time to study the COPE settlement.

BONUS - suggested that the special advisor should chair the consultative committee.

IRVINE - stated that John Bruk had convinced him that this would not be advisable.

- the matter of chairman and secretariat will have to be resolved after more information is available.

BONUS - read extracts from his prepared notes on terms of reference for the special advisor (copy enclosed, but please note that some of the specific terms need modification as a result of this meeting).

IRVINE - the subject of taxes on the mining industry are very complex.

BONUS - MAC has done a great deal of work on this subject and the industry position has been clearly documented.

DOUGLAS - this may require modification to reflect industry's position in the territories as opposed to the provinces.

HAWKES - special advisor should concentrate on basic policies required to accomplish industry objectives.

IRVINE - what is the general nature of industry concerns regarding environmental controls?

DOUGLAS - in many cases environmental controls represent the pressure points whereas the more basic issue pertains to land claims, e.g. Fort Resolution.

BONUS - there are some legitimate environmental concerns, e.g. Cambell Red Lake.

EDITORIAL - there was an exchange of personal experiences with specific environmental restrictions, some of which appear to indicate that the Minister may not be aware of the extent of these restraints.