

MEMO

TO: DON AND ANN

FROM: JOHN

April 8/77

RE: REED PROPOSAL

The following are my comments on the proposed terms of reference:

1. The natives of Treaty 9 have requested an inquiry not only into the Reed Proposal but the whole question of northern development. Until further notice, we support that position. In light of the lack of any government policy governing northern development, it is necessary that the policy be developed first, so that the Reed proposal can be looked at in the context of proper planning, and not in isolation. The terms of reference should be expanded to clearly cover northern development of resources. Although it may be implied, the implications are not clear enough. This should be made explicit.

2. Public hearings should be held mainly in the north with the exception of those where southern-based groups ask to appear, and, in particular, hearings should be held on the Indian reserves.

Para. 1(c) speaks of "other strategies for the use of the environment" strongly implies the exploitation of resources rather than their conservation. This should be changed to say "the protection, preservation, and use of the environment." Protection and preservation are not the same thing, so both words should be ~~not~~ used.

Para. 1(d) is unacceptable. It balances apples against oranges.

4 The benefits are both social and economic, but the costs, as evidenced by the use of the word "investments" are envisioned to be only economic. We want the intangible costs, such as social disruption, loss of lifestyle for natives, commitment to the growth ethic, etc. to be weighed against the benefits. This should be changed to reflect this. I would suggest the following: "the potential benefits, both social and economic, of the undertaking to the peoples of Ontario as compared with the potential social, environmental and economic costs ~~xxxxxx~~ and detriments (or disadvantages) to the peoples of Ontario, both direct and indirect and long-term as well as short-term"

5 Para. 3 is completely unacceptable. If this inquiry is clearly extended to cover the whole question of northern development, then I would agree that it is important to the people of Ontario to have an inquiry and final report on policies for northern development before it goes any further.

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But if this inquiry is limited wholly or largely to the Reed proposal, there is absolutely no urgency. This is not a case such as the Mackenzie Vally Pipeline where some might argue we need a fast answer or there will be an energy crisis. I know of no impending paper crisis in Ontario. This proposal is important mainly to Reed, possibly to local people who argue it will create jobs, and to U.S. consumers, since most of the paper produced will probably go to the U.S.

This paragraph should be struck. If Mr. Justice Hartt agrees to this, he goes into the hearings with one hand tied behind his back.

~~There is~~ I, nsofar as this applies to the Reed proposal, this is not a case of immediate necessity.

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Heading #4 re funding: Allocation of limited funds. the word "limited" should be struck. It adds nothing.

Mr. Justice Hartt should consider recommending ~~the~~ to the Cabinet that the Environmental Assessment Act should be amended to provide for the possibility of the government or the Board levying against the proponent of the undertaking in this case and in future cases an amount to cover some portion of the funding of intervenors. It is inappropriate for the taxpayers to pay all of these costs when the proponent stands to reap the financial rewards. This levy should be considered a normal part of the cost of obtaining such licences.

If the inquiry is one designed to examine the whole question of northern development rather than just a single proponent's undertaking, however, the proponent should not be required to pay for funding of intervenor groups ~~keyed~~ beyond the aspects of the hearing relating directly to his own undertaking.

The second last item under #5 - that is - "the number of paid employees who will be participating..." Should be questioned. What is the purpose of this? Many groups such as CELA would participate through paid employees if they had funding, but the fact that the groups have paid employees does not mean they will be able to make them available without funding. Paid employees in such groups are already heavily committed to other projects and cannot contribute unless funding is made available so that ~~they~~ ~~can~~ ~~just~~ ~~ify~~ their association can continue to survive while it frees them up to participate.