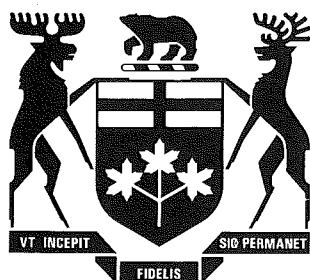


ISSUES



A Background Paper on Behalf of The Royal Commission on the Northern Environment.

Chapter

2

North of 50—Its Industry and Commerce

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Chapter 2

NORTH OF 50—ITS INDUSTRY AND COMMERCE

The north is often thought of as a storehouse of wealth supporting the economy of the province. Although northern resource industries, such as forestry, mining and tourism, are clearly major components of the provincial economy, the myth of limitless resources must be set to rest. The forests of Ontario, for example, are rapidly being depleted and regeneration has not kept pace. As a consequence, timber cutting has moved steadily northwards. Already, about 11% of the annual timber harvest is cut north of 50. In many places, however, the north is not suitable for tree growth due to poor soils and extreme climate. It is only in the West Patricia area of the northwest that major renewable timber resources remain. Even these resources are likely to be needed to supply the demands of existing mills, rather than to feed an expanding industry, and it will only be through vigorous steps to improve forest management that long-term shortages will be averted.

— Mr. Justice E. P. Hartt

How Best To Use The Resources We Have

THE POPULAR PERCEPTION of the north is largely accurate. It is as a vast, largely unexplored land, a virtual storehouse of natural resources. What is not generally recognized is that these resources do have a finite character. *They are not limitless.*

The people of the north are well aware that the resources of their region are valuable. These resources include ore bodies from gold to lignite, forests of seemingly endless stands of spruce, and hundreds of sparkling lakes abounding in fish. Northerners are also aware that these resources are being depleted and that the people of the north will be victims, not beneficiaries, of the process, unless policies with the best interests of northerners in mind are put into place.

The economy of the north is precariously poised at present on this wealth of natural resources. For better or worse, the boom towns of the past owed their existence to the exploitation of these resources. Northerners see it as ominous that their economy is based on the extraction of resources which generally are intended for use in the south and elsewhere. This base of primary industry responds directly to external factors which dictate the rhythm of its economy.

To judge by their presentations to the Royal Commission on the Northern Environment, concerned northerners are indeed preoccupied with how best to use the resources they have. When it comes to any one approach, however, they do not all agree. Many contradictory voices were heard at hearings of the Royal Commission on the Northern Environment. Even a general consensus would have been unlikely at the hearings given the vastness and diversity of the north.

The bracketed notations following the quotations identify the individual or organization making the presentation before the Commission, site of the preliminary hearing, and the page number in the transcript where the quotation may be found.

Over the months of meeting with people throughout the north, common themes did appear in submissions before the Commission. A nagging concern shared by all was the dilemma of whether the north, in its own best interest, should yield, share or deny its resources in response to world demand.

There were those who expressed resentment against development. Their feeling stemmed from a long history of exploitation of the north by outsiders. These northerners claimed that they have been surrendering their resources to world markets at an ever-increasing rate over the years. In the accelerating process, they say, corporations based far away, have enriched themselves without sharing much of their gain with northerners.

That the north deserves greater benefits and fewer disadvantages than it has experienced in the past is a point of easy agreement between northerners.

In the past, company towns closed as soon as a resource was depleted or world markets collapsed or were in recession. That has been the northern experience. Environmental degradation takes place during a boom and social collapse during a bust. Many northerners believe this constitutes too high a price for "end-in-sight" employment and short-lived commercial prosperity. Other northerners told the Commission that they were less perturbed by terminal employment or prosperity provided a company town had a fairly long life, say 30 years or so.

Consensus and consent advocated

The Commission was told that things are changing in the north. There is growing concern that the region have an increased say in the exploitive approach to its resources. Opponents of large-scale resource extraction warned against destroying the native peoples' life-sustaining environments. Some decried consumer waste and abuse of the earth's resources, especially energy.

Also put forward was a case for economic self-sufficiency for the north. In the view of its advocates, self-sufficiency was a route much to be preferred. The self-sufficiency argument called for more of everything to be produced locally. This attitude was reinforced by declarations that the north suffers in every way — environmentally, socially and economically — when it yields to the seemingly insatiable appetite of the south for more and more raw resource consumption.

The Commission faced strong arguments from opposite points of view. On how best to use the resources of the north, the side of go slow, bargain hard, conserve the environment found support through many voices. Others were for development now, making resources work for people, building better communities, and encouraging large-scale enterprises.

In rebuttal to the stop or slowdown advocates were the representatives of modern industry in the north. In their presentations to the Commission, they took the opposite view to those arguing for a self-sufficient northern economy. They received strong support from northerners associated with commerce and business. The latter sided with financial growth and saw new and expanding industries as benefactors. Without commerce, they maintained, the north would be even more sparsely populated than it is today, with even fewer amenities and professional services. As for the native people, they would be even more deprived of the benefits of contemporary scientific and medical achievements.

In the view of its supporters, industrial development has brought amenities to the north, such as improved health facilities, communications, transportation, housing, recreation, education and commerce. Without the substantial development of the past, the northern communities as we now know them would not exist, and this, in the eyes of growth advocates, would be regrettable.

Defenders of development, like all the others, did express their private anguish over the phenomenon of bust in local economies which has, in their experience, faithfully followed the euphoria of boom. Nevertheless, they maintained that new industrial developments and fresh financial investments can provide a boost to the northern economy.

Northerners who were wage earners stood up for their industrial employers. Forest industry employees called for government policies which would ensure that adequate growing stock would always be available. Mining personnel hoped that government regulations would not exacerbate the economic pinch on an industry already suffering the loss of world markets. Tourist operators were anxious to preserve qualities in nature which would attract the hunter and fisherman — qualities often threatened by the advent of mining and forest enterprises.

Contradictory claims on land use

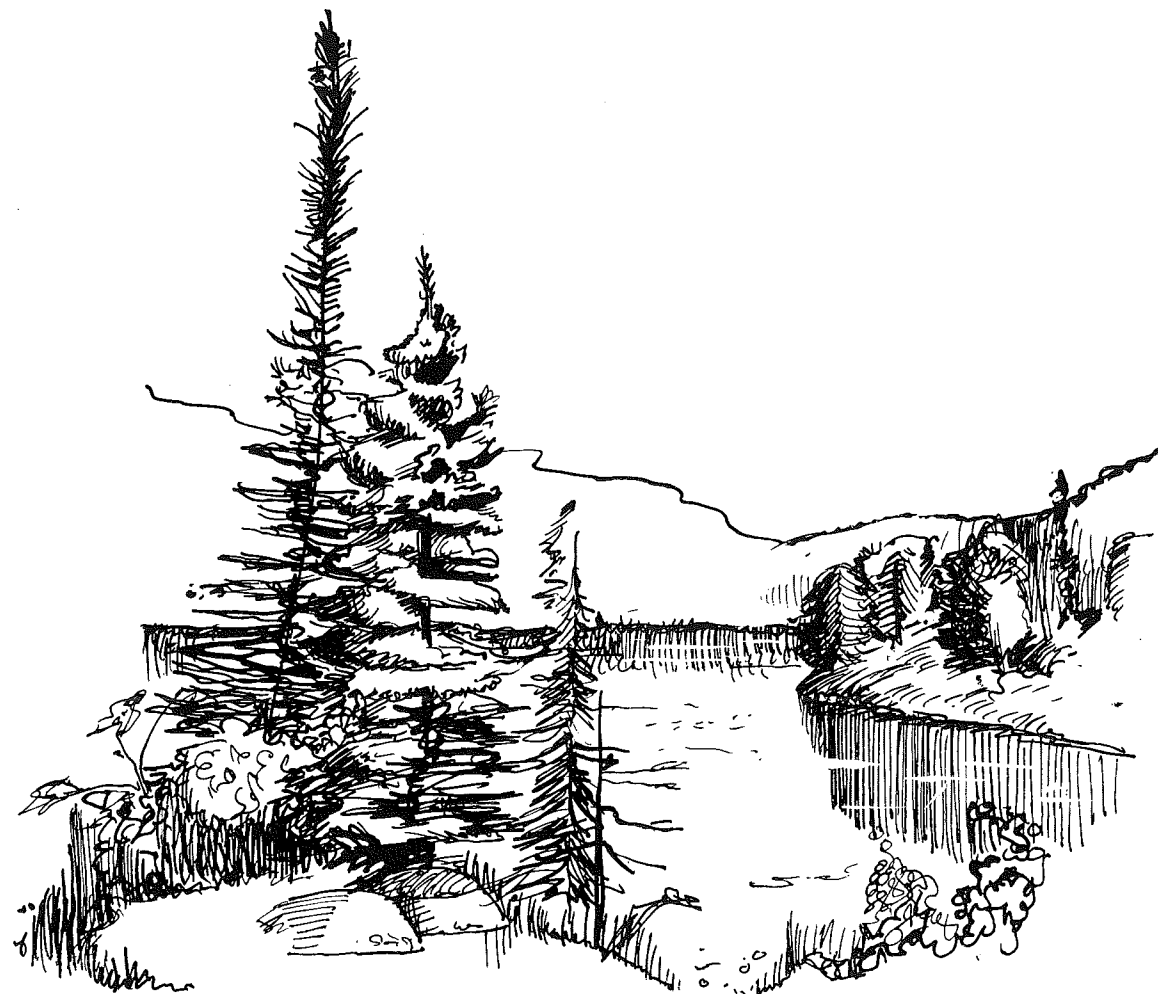
As a consequence of its hearings, the Commission became aware of an overriding concern: how best to resolve contradictory claims on land use by primary industries, tourism boosters and wilderness advocates.

Mining, forestry and tourism — each of these three major industries, through their representatives, saw its use of land as important. In order to protect the region's basic interest, they argued that other land uses be deemed secondary. Lobbying over land use priorities in the north was described to the Commission as constant, chronic and continuing.

In one form or another a variety of speakers raised this moot question: can land serve a variety of uses simultaneously? Some insisted that exclusive single use situations, on the other hand, only reinforce dependency on single industries and thus hinder the much needed diversification of the economy in the north.

Some supporters of economic diversification made a case for a planned mix of industries — primary together with secondary industry. They argued that dollar wealth resulting from one endeavour should be recirculated through another, ending up in those consumer products which are created for use locally in the north. Many believed an economic stability could evolve if communities were no longer totally reliant on a single resource extraction industry and on its finite life span.

The message of most speakers addressing the Royal Commission was clear. Northerners are no longer willing to take a back seat in decision-making affecting their lives. Northerners wish to be consulted in future regarding development proposals for their areas and wish to know in advance in which direction their northern economy is being pointed.



The Northern Economy — Expansion Within Limits

Common to many issues raised at the hearings of the Royal Commission on the Northern Environment was the residents' concern for the northern economy: whether the north should continue to sell its resources to the south with little thought for the future; whether large-scale development should be allowed under any circumstances; whether controls should be put into place to ensure a stable economy; whether traditional native pursuits should be encouraged or passively allowed to give way to "progress".

Did the North Make the South Rich?

To judge by the tenor of the submissions to the Royal Commission on the Northern Environment, some northerners believe that downtown Toronto provides an example of the benefits derived from the economy of northern Ontario. Such grand old buildings as the Toronto Stock Exchange and the original Globe and Mail (with their classic gargoyles and granite lions) are cited as symbolizing an era of northern exploitation. They claim it was gold from the Red Lake gold mines, timber from Kenora and silver from Cobalt among other developments which helped build these edifices, the head offices of Canada's corporate decision-makers.

Such observations are expressed as matters of actual fact, usually without cynicism or bitterness. Southern Ontario skyscrapers are regarded as products of the exploration ventures and vision which "developed" northern Ontario. This is often the view of company personnel in the north. Other northerners, however, see the wealth of their area glorified in the south, but argue that they and the north are demeaned in the process.

In the minds of most people in southern Ontario, the northern half of this province is a vast hinterland region of unlimited treasure, an area openly inviting entrepreneurs to explore, develop and exploit natural resources for shareholder profit, with neither a thought for the future of the area nor for the long-term needs of the people who live there.

Several northerners emphasized a familiar point. Essentially, it was that just as the Canadian economy is now dependent upon other countries for direction and growth, so too the hinterland regions of Canada became dependent upon financial directions emanating from southern Ontario. Many believe that to serve the industrialized golden horseshoe along Lake Ontario, for example, a sustained impetus will be given to the extraction of the natural resources of northern Ontario for processing, refining and marketing in the south.

Ontario north of 50 will no longer view with equanimity the boom and bust phenomenon of development in its own area. That was the position of most speakers. The call was for long-term planning, economic stability and achievement of adequate environmental safeguards.

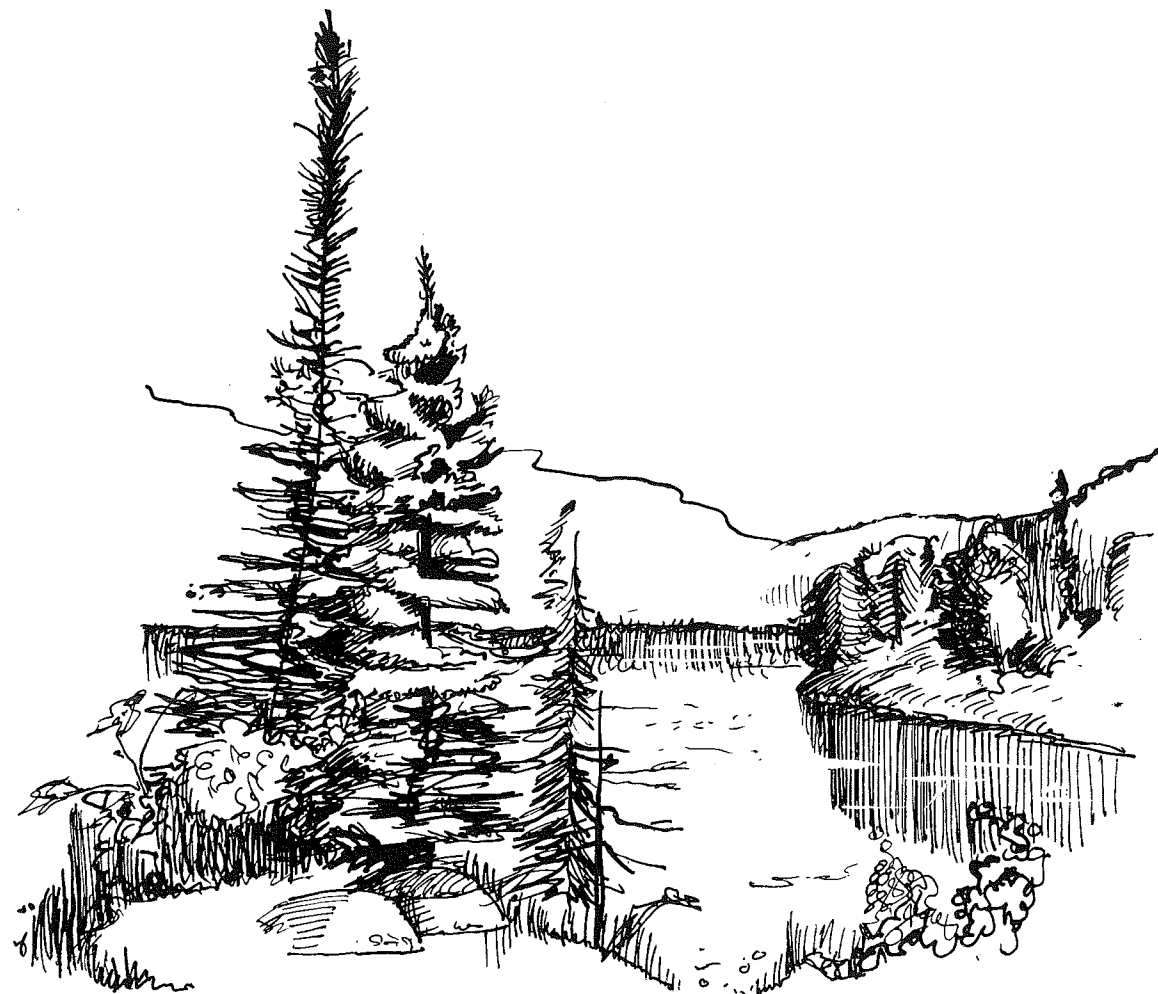
Indians, Metis and other northerners made a strong impact on the Commission when they eloquently explained that their conventional ways of living off the land were an integral part of the northern economy. Trapping, fishing and hunting are affected detrimentally by large-scale developments, and many wanted the traditional ways of earning a living sustained and encouraged and all options considered in diversifying the economy and developing secondary industry.

The economic message for Mr. Justice E. P. Hartt and the Royal Commission was that a new direction for the north was needed, one reflecting the vision of northerners themselves and encompassing their hopes for a prosperous future in their own region.

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The Northern Economy—A Study in Fragility

In almost all the submissions made to the Commission there was reference to perceived problems with the economy of the north. Whether speakers discussed social discord, environmental degradation or development philosophy, at issue was their experience with, and attitude to, the northern economy.

Northerners do not feel that they control their economy. They feel that the north, because it is a hinterland, is considered important only for meeting the natural resource needs of the urbanized south. The north's present economic status gives rise to a fragile economy, extremely vulnerable to Canadian and world market influences. Knowing that major decisions are usually made on the outside, northerners feel they are not receiving their fair share of the regions's resource wealth.

"A Treaty #9 chief told the Commission that northern developments are always for the benefits of the dominant society living in the south ... and the resources, whether it be trees or minerals, are taken from the north for the south."

(Winisk Band, Moose Factory, p. 3255)

For this reason, some speakers characterized the north as being a resource hinterland and a "colony" of southern Ontario. Roger Suffling, of the University of Waterloo, explained that while the wealth that is extracted from the north could be used to advance and diversify the northern economy this has traditionally not been the case:

"Unfortunately the resource hinterland is often stripped of its wealth without provision for the future and without reference to the needs of its inhabitants. It exists only to feed development in advanced and industrialized areas."

(School of Urban & Regional Planning, University of Waterloo, Toronto, p. 1960)

A York University professor, Graham Beakhurst, further explained that:

"The extraction of economic surplus from the Canadian hinterland is a hallowed tradition from the first days of exploration. The removal of this surplus leads directly to dependency and a deepening dependency as those living on the frontier are dispossessed of their traditional lands, livelihoods and lifestyles, and encouraged, if not obliged, to participate in and orient themselves to the life of a high-intensity, high-consumption market society."

(President's Advisory Committee on Northern Studies, York University, Toronto, p. 2132)

Various explanations for the evolution of this hinterland relationship were offered. The Ontario Federation of Labour felt that it was because decisions are made elsewhere, on the basis of profit rather than local benefit:

"Why has this kind of (hinterland) 'development', which we would prefer to call exploitation, been allowed to continue? We would venture two major reasons: because it is profitable for the industries involved who merely extract the resources for processing elsewhere, and who have needed to show little responsibility to the well-being of the people employed in the process, the municipality, native communities, the resources themselves and the environment; secondly, because the decisions that have been made, were made by governments outside the north, and industries, the majority of which are American or foreign-owned, who know little and care less about the north."

(Ontario Federation of Labour, Kenora, p. 2658)

The Red Lake Businessmen's Association suggested that proportionate political representation of the north in the provincial legislature had not helped matters:

"This area must live with the reality that it is an isolated and very sparsely populated region. Simultaneously with that reality we live in a political system that is a democracy based on representation by population. These two obvious facts combine to result in a situation whereby we are the governed and those who govern us are, with a few exceptions, located in and around Toronto."

(Red Lake Businessmen's Association, Red Lake, p. 688)

Alan Pope, MPP for Cochrane South, argued that:

"We have a system in northern Ontario. Industries locating here send raw products to the south where they find it cheaper to construct manufacturing plants, research centres and even headquarters in Toronto, rather than in northern Ontario. They find it easier to get access to water and hydro in southern Ontario than in northern Ontario. As long as these factors exist, we are going to be left in northern Ontario with a completely ad hoc development policy."

(Alan Pope, MPP, Timmins, p. 2359)

It is this overriding concern with maximum profits which the native people find so disturbing about the present pattern of economic development in the north. According to Treaty #3:

"This need to dominate is clearly evident in the white man's economic system. In order to maximize his relationship to his environment, the white man frequently exploits the environment to its maximum limits. The Ojibway, however, sees himself as part of the order of nature . . . Allow me to give an example. Indian medical experts will extract a medicinal herb from the earth but not before sacred tobacco is placed wherefrom the herb is removed. The Indian medical expert only takes as much herb as he needs to cure the ailment — no more. If the Euro-Canadian happens upon this herb as a remedy, he will exploit it for mass consumption and will conduct experiments to see if the herb's curative powers cannot be duplicated synthetically for economic reasons. The white man's chief concern quickly becomes the marketability of the herb for economic profit. The Indian approach meets their immediate needs: the Euro-Canadian approach meets their profit and cumulative requirements. The Indian way is conservation: the white way is exploitive."

(Treaty #3, Kenora, p. 2855)

While what has passed for economic development in the north has been primarily concerned with the extraction of resources and profits which end up elsewhere, the native economy is characterized by the efforts of individuals and family groups to meet the needs of the immediate community. Trapping, hunting, fishing and wild rice harvesting are practised on a seasonal basis. These activities provide supplementary cash income, as well as food for consumption.

To native people, and some non-native northerners, the term "employment" does not only refer merely to jobs for which wages are paid, because, for the most part, they take their livelihood directly from the land. People combine this livelihood with earnings from seasonal wage labour, such as logging or mining, or with federal transfer payments. This seasonal employment pattern, which combines traditional pursuits with wage income activities, is characteristic of the northern economy and offers some independence from employment on large-scale developments.

Traditional pursuits (such as, trapping, hunting, fishing) are still widely practised north of 50 despite encroaching development projects. As the Ontario Trappers Association stated:

"Northern Ontario produced approximately 14% of Ontario's overall harvest for a total estimated value of \$1,471,118 . . . We must not overlook the fact of the

consumption of the meat of these animals. A recent survey conducted by the Ministry of Natural Resources showed that the replacement value of meat eaten by the trapper from the species of beaver, lynx and muskrat amounted to 2.5 million dollars per year."

(Ontario Trappers Association, Timmins, p. 1215)

Trapping is an essential element of the native economy and illustrates the economic importance of these traditional pursuits. The Chief of North Caribou Lake described his people's trapping activities:

"Not only do they trap for the fur that they can get, they also kill certain animals for food. The beaver, the lynx and the muskrat provide meat that is good for eating. Fur-bearing animals that the native people depend on are beaver, otter, fisher, muskrat, mink, lynx, marten, wolf, weasels and squirrels. Our people are part of these animals because these animals provide for them . . . All throughout the north native people still depend on trapping . . . In a five year span the total amount of \$479,580.08 was made by the factories of Bearskin Lake, Sachigo Lake, Weagamow Lake and Muskrat Dam."

(North Caribou Lake Band, Osnaburgh, p. 1837)

However, traditional activities are threatened by the large-scale economic activities of Euro-Canadians:

"We feel that the white man should consider the trapping in the trapping areas that belong to our people when they are making massive plans to start resource development in the region. We try to preserve our wildlife because we know that God created the animals for a purpose. He did not create them for us to destroy them needlessly. We should try to preserve these animals because they serve a purpose to us. We should use them the right way."

(North Caribou Lake Band, Osnaburgh, p. 1838)

The north's economy was not always based on large-scale resource extraction industries, and as this trend has increased, traditional activities have suffered. The New Democratic Party pointed out that:

"Large-scale development often precludes other necessary and viable social or economic activities. For example, a large-scale logging project could preclude fur trapping."

(New Democratic Party, Timmins, p. 988)

Besides disturbing the potential for carrying on traditional pursuits, a chief characteristic of large-scale development is its boom and bust nature. The result is an instability which has serious implications for the northern economy. The town of Kenora pointed out that each of the northern communities:

"...feels the impact of economic highs and lows which are so prevalent in single resource-based industries so common to northwestern Ontario."

(Town of Kenora, Kenora, p. 2503)

Not only are there relative lows in economic activity, but this activity can quickly cease altogether. The Ontario Federation of Labour told the Commission of:

"...company towns which can die as quickly as they were once set up . . . when a company is closed."

(Ontario Federation of Labour, Kenora, p. 2658)

And the Unorganized Communities Association of Northern Ontario-East pointed out that:

"There are some 80 communities in northeastern Ontario alone, known as the unorganized communities . . . most [of which] are residuals of resource-based towns who used to depend on an industry that has since disappeared."

(Unorganized Communities Association of Northern Ontario-East, Timmins, p. 909)

Much of the problem lies in the fact that so many of these single resource industry towns are dependent on a non-renewable resource, as in the case of mining towns. The New Democratic Party stressed this:

"...single resource communities are vulnerable to the erosion of their economic base as their resources dwindle. The eventual depletion of the resource is inevitable in the case of non-renewable resources. The day a mine opens, no matter how long that we project that it will last, is in fact the first day in the death of a community built to support that mine."

(New Democratic Party, Timmins, p. 984)

Non-renewable resources are not the only resources that can be depleted. Much discussion centered around the forest industry and present forest management practices which are not regenerating cut over areas satisfactorily. Arnold Peters, MP for Timiskaming, spoke of Latchford and other lumbering towns where:

"Today, the trees are gone, and so are the mills, but not the towns. The people remain with no resource . . . The end of northern resource towns is inevitable because we do not use the resource to finance the future."

(Arnold Peters, MP, Moosonee, p. 3115)

The Northwestern Ontario Municipal Association urged that:

"Government policies with respect to the utilization of natural resources north of the 50th parallel should be directed in such a way as to reinforce the general economy of the area and, at the same time, contribute to the stability of all of northwestern Ontario."

(Northwestern Ontario Municipal Association, Kenora, p. 2520)

In addition to resource depletion, northern economic activity is largely influenced by external conditions beyond the control of northerners. The north, with its great dependence on primary resource extraction, is vulnerable to the wide fluctuations of world resource marketing. The demand for the north's resources is affected by economic conditions in the south and elsewhere, and if that decreases, so also does a significant source of livelihood for many northerners. Talking to a hypothetical developer, an Ear Falls resident said:

"You come to us with expertise, employment, money and opportunity, but there lingers within us a fear that after having started to enjoy the benefits of your presence here that perhaps in the future as inventories build up and demand slacks off however temporarily, we will be faced with a phase-out or withdrawal. Just as we start our families and get into the obligations of our mortgages, all too often in the past we have found ourselves high and dry by corporate withdrawal."

(Harrison Maynard, Ear Falls, p. 822)

It is not only the major industrial activities of mining and logging which are affected by external conditions and controls. For example, the Commission was told by the Publicity Board of Kenora that tourism:

"...remains the most vulnerable and fragile of industries in the region. Everything from the pricing of food, fuel and accommodation, to the threat of Quebec separating from Canada, to presidential elections in the United States have had dramatic effects on the local tourism industry."

(Publicity Board of Kenora, Kenora, p. 2931)

Stuart Harvey, formerly the minister at Sandy Lake, told the Commission that:

"The bulk of the service industry in this area is not in the control of the native people who use it... All too often local initiatives that do emerge, are met with a barrage of red tape and bureaucracy which serves only to discourage those trying to gain control of their own lives."

(Stuart Harvey, Kenora, p. 2743)

Again and again this frustration over the lack of control of the northern economy by northerners, both native and non-native, was expressed to the Commission.

Chief Ben Quill of Pikangikum stressed that:

"The fish, the wild rice, the forest are not just dollars to us. They are our food, our shelter, our heat, our clothing... We want to plan (the) quotas on fish and wild rice and fur-bearers. We want to fish and hunt on our homeland without fines and confiscation."

(Pikangikum Band, Sandy Lake, p. 2456)

This same sense of frustration was echoed by a Red Lake high school student:

"Why are the people of this area eager to be heard? It is because our southern neighbours have too great an influence on our lives and we are suffering because of it."

(Vince Keller, Red Lake, p. 522)

First-hand experience with the weakness of the northern economy, based on primary resource extraction, little secondary industry and vulnerability to external factors, prompted bitter complaints from many northerners:

"Resource based industries usually result in an outward flow of profits, taxes, and financial benefits..."

Everyone — governments, industry, southern Ontario, and foreign investors, seem to profit at the expense of the northern areas."

(Madsen Community Association, Red Lake, p. 542)

The Kenora-Keewatin and District Labour Council opposed this kind of development:

"We do not want large companies going into these lands taking large profits for 20 years or less, and then when all is devastated, leaving with their profits and leaving behind the people who have sunk half their lives in the area, with nothing."

(Kenora-Keewatin & District Labour Council, Kenora, p. 2737)

The same sentiments were also expressed by Treaty #9:

"We oppose that kind of development that exists for the profits and pleasures of a few people, most of whom live outside the north."

(Treaty #9, Sioux Lookout, p. 89)

All northerners called for a change, a change to development in the interests of the people of the north:

"...development that will benefit us, development in which we can participate from the very beginning."

(Chief Ben Quill, Sandy Lake, p. 2456)

The Kenora-Keewatin and District Labour Council stressed that:

"We must develop in a way that strengthens and enhances the economy of the north."

(Kenora-Keewatin and District Labour Council, Kenora, p. 2738)

Perhaps the most poignant statement came from Warner West of Moose Factory:

"Build the north on its resources, don't bribe the people to allow [its] plunder."

(Warner West, Moose Factory, p. 3335)

Development Philosophies — What Allowance for the Future?

Residents appearing before the Royal Commission on the Northern Environment presented the problems of living in a "boom and bust" economy. Some urged safeguards in planning future development, to protect the freedom and wilderness of the north and its people. Others argued that negative environmental effects could be minimized and welcomed industrial development. Still others recommended small-scale, well-planned development in the interest of an economic balance. A number urged maintaining things as they are, the status quo, while others urged a moratorium on any development "until we know how to do it well."

"A Bonanza Bash or the Bum's Rush" — Is There Another Way?

Wry humour abounds among northerners. A country singer contemplating the abandonment of his region by financial interests, finds the line of a song neatly sums up the experience in boom and bust communities. "Oh, the gold rush is over, now the bum's rush is on." Northerners have said goodbye to many projected development schemes. Their experience with punctured hopes and delayed expectations has gone far in shaping their outlook toward development.

In weighing proposals for their area, northerners are wary of insensitive development which may render renewable resources non-renewable; for example, when forests are "mined" through clear-cutting, with no plan for regeneration. Northerners worry about the prospects for their children in any community resulting from resource development. They must hope that the industry has a working life of 30 years at least. They recognize that their town can have a future only as long as the industry which sustains it keeps on producing.

Native people claim firm resolutions. They want to pass on to their children the traditional ways of living off the land, of using the gifts of the Great Spirit for survival, of being at one with nature and its resources. But how, they ask, is this possible if, for example, timber companies may be awarded leases and contracts permitting them to cut across native traplines and hunting territories.

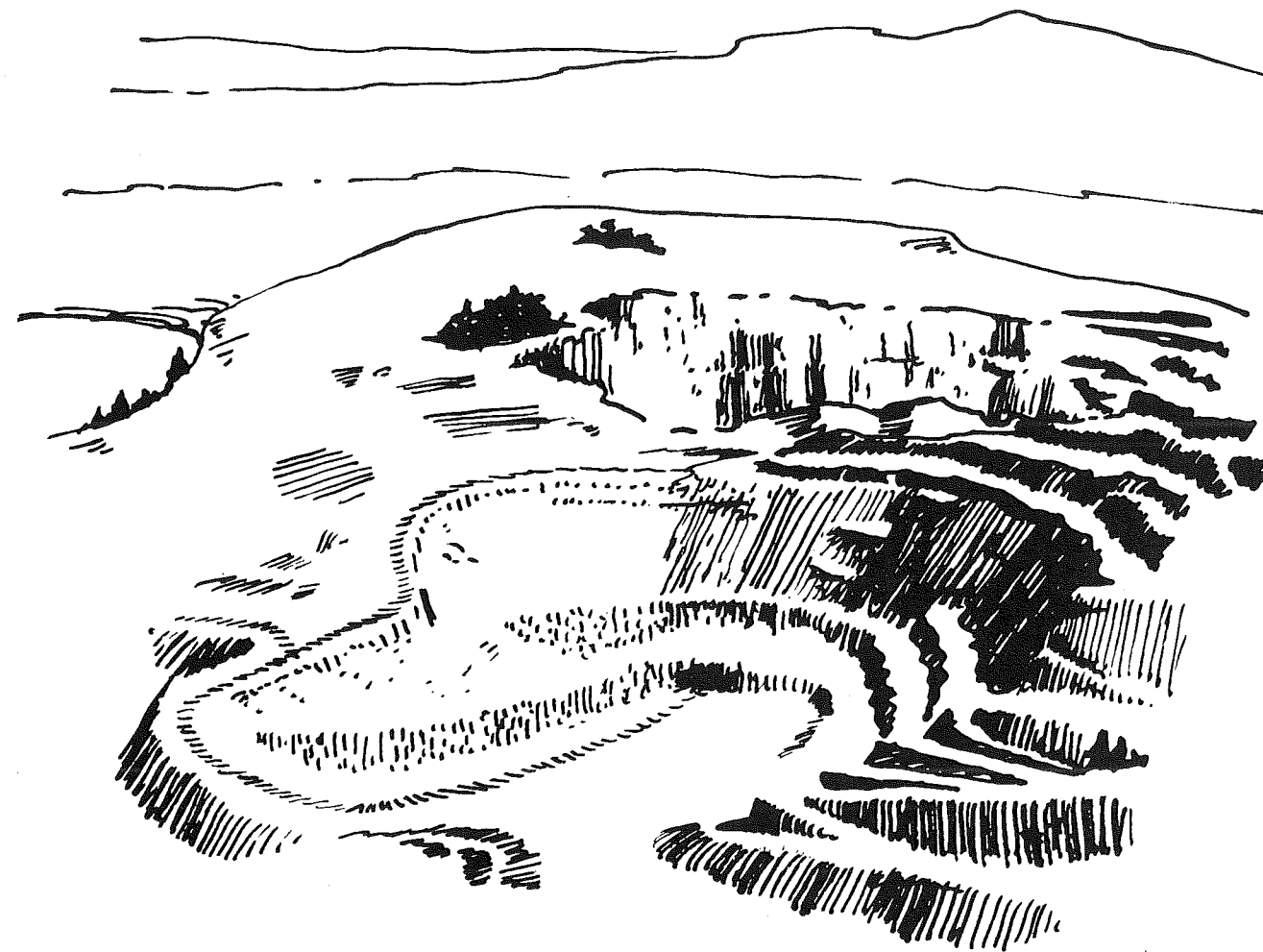
The problem posed for the Royal Commission on the Northern Environment was that many speakers recognized that they wished to "have their cake and eat it too", to maintain their wilderness environment intact while achieving some economic improvement in their private lives. How was the Royal Commission going to establish a balance in its judgment between the people's attachment to tradition and the region's apparent economic aspirations to prosperity? This was an underlying theme of many presentations made at the preliminary hearings.

Elders among the natives described the land as a garden, a gift from the Great Spirit. Younger native people wanted the best of both worlds — to follow some traditional, seasonal activities, in combination with remunerative work in the wage labour economy.

Non-native northerners described themselves as more materialistic in contrast with the Indians. Their goal, they claimed, was to achieve a good income in return for strenuous work in extracting the resources from the land, but they too aspired to leisure, to the enjoyment of the outdoor pursuits of hunting and fishing. There is much in common in all northerners' wishes for a better life for their children. A cultural chasm, however, is evident in the different approaches advocated by each group to fulfill the dream of an ideal northern homeland.

Avowing a common concern for the future would normally be viewed as helpful in resolving the differences between northern groups in their development philosophies... but this is not the case. The counter-views, as pointed out to the Royal Commission, are fundamental. In one way or another northerners made a point of the difference between native and non-native perceptions of the land. Indian people live in the land, while non-natives live on it.

Some of the people see themselves as protectors of the land; others, as dealers, trading what the land produces. This difference in attitude to the land is basic when contrasting Indian philosophies of development with those of Euro-Canadians.



Development Philosophies— Differences in Approach Between Northerners

By far the issue most frequently raised before the Royal Commission was concern for development in the north. Should development occur and, if so, at what pace, on what scale and with what safeguards? Northerners were agreed in their condemnation of traditional boom and bust approaches to development, but were not of one mind in how to approach this problem. Some advocated small-scale, locally initiated and controlled developments; others major industrial development, provided adequate controls were in place. Still others sought no development at all, and certainly none in areas possessing particular wilderness quality. A number of groups and individuals called for a complete halt on all development until the Commission had reached and published findings.

The Tri-Municipal Committee seemed to express the feelings of many when it stated that:

"Most of the people in the Tri-Municipal area would like to see growth and development at a pace and size which would not destroy the way of life or the environment."

(Tri-Municipal Committee, Red Lake, p. 476)

Many northerners spoke of their past experiences with large-scale development and were persuaded, like Doug Miranda of Dryden, that the price was too high:

"The time is not now for me to sit back and watch major companies strip and rape our forests, dirtying and soiling our waters and stealing our natural resources, or pollute the fresh air in the north. It has not been a good record for development of the north."

(Doug Miranda, Red Lake, p. 545)

The chambers of commerce and town councils throughout the region pleaded for development which would bring employment, but at the same time urged that:

"... the region not be raped and exploited as a consequence of enticement, oversight, short-run economic relief or contrived lack of alternative."

(The Northwestern Ontario Associated Chambers of Commerce, Sioux Lookout, p. 137)

University of Waterloo professor, Roger Suffling, stated that:

"... there is very little development in the north, only exploitation."

(Roger Suffling, Toronto, p. 1961)

Those who felt that:

"... the potential for beneficial development north of 50° is limitless:"

also stressed that:

"... social and cultural development is a very necessary concomitant."

(Town of Keewatin and Township of Jaffray and Melick, Kenora, p. 2648)

Discussion before the Commission centered on the various proposals for large-scale economic development in northern Ontario—the Reed Ltd. proposal for north of Red Lake, the Polar Gas pipeline project from the Eastern Arctic through northwestern Ontario, the Onakawana lignite mining development south of Moosonee, and the possibility of water diversion by Ontario Hydro of the major rivers draining into James Bay. Many people did see benefits in such developments, mainly greater employment opportunities. Those areas which were the least secure economically were, of course, particularly anxious that development occur. For this reason, the Cochrane Board of Trade supported the Onakawana proposal:

"... the economic picture in the general Cochrane to Moosonee area is not particularly bright... We believe that this proposed development at Onakawana could, if properly handled, be a real godsend to the people of Moosonee, Cochrane and other communities in the area."

(Cochrane Board of Trade, Timmins, p. 1136)

The City of Timmins' Economic Advisory Board felt that employment was a credible argument for development but stressed that the benefits would not automatically go to the local people:

"We must, in our planning scheme, build in devices which will not only employ the residents already living in the north, but moreover, make them partners in the planning process and in the development... Resource development is the best available means of promptly developing an adequate wage economy in the north. The challenge facing developers is in providing the necessary training and assistance so that the northern people can take advantage in the most meaningful way of the opportunities that will result."

(City of Timmins' Economic Advisory Board, Timmins, p. 855-6)

If development were to occur, it must be accompanied by careful planning to ensure that the benefits would be felt locally. One possible way to accomplish this would be if local people were involved in the planning and implementation of development schemes:

"We must ensure that new economic development occur with the participation of the people of the region and benefit the people of the region. We must give encouragement to local initiatives, especially where they lead to a diversification of the economy."

(Ontario Metis & Non-Status Indian Association, Kenora, p. 2643)

Locally initiated and operated small businesses were seen by many to be the best solution to the north's economic problems since they are most cognizant of local needs:

"Only through small businesses will you find truly meaningful year-round jobs, jobs that have some real incentive, chance of promotion and emotional involvement for people. I think businessmen in small communities have a totally better understanding of employee problems, townspeople's problems and any of the area problems."

(Barry Gibson, Kenora, p. 2969)

Most people felt that continued dependence on new single, large-scale resource industries would not provide the economic stability that is desired. At the same time, many allowed that primary industry does provide the basis from which diversification could be built:

"Our best means of developing secondary industry is in reality the expansion of our primary industry."

(Northeastern Ontario Municipalities Action Group, Timmins, p. 2337)

The Ontario Federation of Labour urged that:

"The profits and products of primary industry should be reinvested in secondary industry, generating new jobs."

(Ontario Federation of Labour, Kenora, p. 2659)

Town councils and residents had specific conditions to be met if development were to occur. Most important was that existing communities be strengthened rather than building fresh boom towns, which would eventually die. The Township of Longlac urged:

"...that new industry as far as possible be established within existing communities, that local authorities be included in the planning process for industrial development at an earlier stage."

(Township of Longlac, Nakina, p. 1461)

In the past, jobs and contracts had not gone to northerners. If future development was to occur this

would have to change. The Kenora Women's Coalition recommended that:

"A tendering system (should) be created to allow northerners to have first option on all secondary development — roads, support services, franchises, etc."

(Kenora Women's Coalition, Kenora, p. 2716)

And while many were prepared to accept large-scale development under certain conditions, a boom and bust economy is deeply resented. Northerners demanded that companies assume more responsibility for the fate of their employees:

"Any natural resource industry must also show its appreciation of the use of our resources by ensuring that, in the event of final closure of any industry, be it mines or paper mills, it bears a full financial burden for relocation of workers."

(Canadian Paperworkers Union, Local 238, Kenora, p. 2735)

Repeatedly northerners expressed their dissatisfaction with traditional forms of development, while at the same time recognizing that development was not only inevitable but desirable if properly planned and controlled:

"Do we allow the big corporations to continue to bleed off our natural resources or do we take development slowly and guard the environment as best we can? We do need development and surely there is nothing that will stop progress... We people of the north must make the decisions. We are the ones to gain or lose. We are the people who have made the north our home. We will never again take a back seat and are more determined than ever to form our own destiny."

(Frederick Bergman, Ear Falls, p. 789)

Those who have suffered most from large-scale development in the past have been the native people. They were the most vehemently opposed to a continuation of this pattern. The Fort Severn Band told the Commission that they were opposed to any development in their area:

"However, we want to emphasize that this does not mean we are opposed to all development in the Treaty #9 area. But we are opposed to being offered the so-called choice between massive development schemes which will ruin our land and our lifestyle, or the equally unacceptable choice of welfare dependence. This is like being asked which method of suicide we prefer."

(Fort Severn Band, Osnaburgh, p. 1909)

Kasabonika Band was concerned that development would destroy the land, land which the treaties had promised would be left undisturbed:

"We have different views on development, the views that development is necessary within reasonable means... we want these developments to be controlled so that our lands and our promises are not disturbed."

(Kasabonika Band, Osnaburgh, p. 1914)

Native people repeated over and over that they were not against development per se, but rather uncontrolled development which in the past has destroyed the land on which they depend:

"It has been said many times, nevertheless I wish to say it again, we are not against development. Development as it is proposed by these huge corporations is being imposed on us. We do not want overnight developments which are imminent to destroy so much of our environment, so much of our land, the land which means so much to us. We want development which will not create shock or hurt the people of the Nishnawbe-Aski. What we want is to play a part in the development of our land the way we want to keep it."

(Bearskin Lake Band, Osnaburgh, p. 1856)

The native peoples' aversion to large-scale development schemes derives from their past experiences:

"Projects that have benefitted white promoters have traditionally destroyed the Indian people and the Indian heritage. The white man's so-called 'progress' has left a legacy of callous disrespect and irresponsibility... It is your responsibility, Mr. Commissioner, to ensure that white intrusions into Indian society will never again take place at the expense of my people's lifestyle, culture and sacred traditions."

(Lac Seul Band, Sioux Lookout, p. 46)

Those communities which have experienced development gave witness to the impact it has had on their lives. With their traditional forms of livelihood destroyed came a dependence on welfare, social upheaval, alcohol abuse, family breakdown and violent deaths. Joe Morrison of the Lake of the Woods Pow-Wow Club asked the Commission:

"Can it in truth be called 'development', when the conditions of life are worsened rather than bettered for the majority of those who live in the area immediately surrounding?"

(Lake of the Woods Pow-Wow Club, Kenora, p. 2529)

The Fort Hope Band provided a powerful description of large-scale development:

"The proposed developments are like an approaching thunderstorm, you cannot stop it. You cannot hide. If we are not sheltered we will get wet. We have to build a house that is strong to keep out the storm. This means we have to get together as one body and speak together to be heard."

(Fort Hope Band, Geraldton, p. 1370)

An elder from Bearskin Lake stated that:

"This land is our home... Our view is that no one has the right to destroy all this that the Creator has provided for us... If the Europeans and the natives could use the resources of this land there should be proper negotiations for these developments so that both parties will derive benefits, that no one will lose out in the end."

(Geordie Beady, Osnaburgh, p. 1796)

Native people wished to ensure that their traditional economy based on hunting, fishing, trapping, and in some areas of Northwestern Ontario, wild rice harvesting would continue. They stressed how much they depend on the land:

"Eighty per cent of the families of Pikangikum Band trap and 50 per cent fish. Only 36 people have fulltime jobs. The land is important. The land is our life."

(Pikangikum Band, Osnaburgh, p. 2455)

Some northerners did not understand the native people's views on development and reacted with hostility to what they saw as an attempt to block progress:

"I don't have anything against the native people... but it seems that every time that we want to do something it would just be stopped and it's hard for me to understand."

(Stan Werbiski, Pickle Lake, p. 1742)

Or as a spokesman for the Northwestern Ontario District Progressive Conservative Youth Association put it:

"I wouldn't be honest with you, sir, if I did not express disappointment over the use that the natives, who have chosen to remain on the land, have made of their woodland areas... Sir, let's be honest, if any white group had control of large areas of land such as those on native reservations, they would put them to much greater use."

(Fergus Devins, Kenora, p. 2576)

However, many people did understand the native people's call for controlled development, and joined in that call:

"We understand the concern that native people have of being passed by and left out in the cold. We must all make government and industry at all levels understand that we expect the north to be more than a place to make money and then get out. We all have a right to a firm economy instead of the feast and famine of present resource industries. Why should northerners be forever having to move?"

(Improvement District of Pickle Lake, Pickle Lake, p. 1674)

The same sentiments were expressed by the Kenora-Keewatin Ministerial Association:

"It is evident to us that the pattern of development that has taken place up to now is — has not been enough. It is destroying God's creation, all of it, including people... We fully recognize the wisdom and necessity of corporations to lay plans which they feel will meet their needs 10, 20, 30 years in the future. We ask for a similar 10-year plan which will meet the human and social stress which is tearing the very foundation of our community; in part, because of the meeting of the corporation's needs without due regard and respect for the wider social responsibility."

(Kenora-Keewatin Ministerial Association, Kenora, p. 2697)

Professor Douglas Pimlott of the University of Toronto explained why this destruction had been allowed to occur in the past:

"Industrial societies have traditionally looked at only the development side of the equation. They have rationalized the degradation of the environment, the loss of animal resources, and the destruction of native cultures with the cliché: 'You can't stand in the way of progress'... The forgotten side of the equation, it seems to me, is the environment, and the social economic considerations of native people."

(Douglas Pimlott, Timmins, p. 914)

The best means of balancing the equation seemed to many people to be through a multiple use approach. Multiple use seeks to resolve the land use conflicts between mining, logging, tourism, commercial fishing, trapping and wilderness camping, by ensuring that a single use does not render the environment incapable of supporting other uses. People in the Kenora area were particularly in favour of multiple use:

"Logging operations, tourist facilities, and recreational facilities can be seen throughout the area with the environment well maintained. The area is a living proof that a multiple use concept is possible and essential in this northwestern region. Intensive good management of the natural resources in a multiple use concept is essential for our continued growth."

(Kenora Paper Mill Unions Federated Committee, Kenora, p. 2584)

The multiple use concept would encourage the much needed diversified economy based on tourism, transportation, mining, forestry and secondary industries. Most people recognized that tourism was as essential to the northern economy as industrial development, and saw multiple use as a means by which to ensure that one use of the land did not rule out another:

"We are convinced that meaningful management is the key issue in the north... We lean toward the concept of wisely managed multiple use of all our renewable resources."

(Ontario Federation of Anglers and Hunters, Kenora, p. 2544)

An Ear Falls couple argued in favour of multiple use. However, they also expressed a hesitation to commit all areas to multiple use and argued that some areas should be set aside and preserved in their natural state:

"Common sense tells us that the 'multiple use' concept is one that should prevail. This appears to be the only way to give sufficient consideration to all parties concerned, and most important to the preservation of our environment, keeping it free from careless users, both industrial and individual... We are living in a time when areas of land should be cordoned off and set

aside as a museum of the future. Our children will want to know what the land looked like before multiple use became the way of life."

(Alex and Delia Rosenthal, Ear Falls, p. 815)

Many wilderness groups and individuals felt that the concept of multiple use was incompatible with true wilderness and, therefore, asked that some areas be set aside, exempt from all commercial activity. They were joined by many northerners who asked that the land be saved from destruction. Millie Barrett delivered an extremely eloquent plea for the preservation of the land north of 50:

"For the land... is still relatively undamaged, still alive, still infused with the quality of the celebration of the meaning of this land... I must urgently insist that we preserve it. Not so much for our own sake but simply because it is right to do so... We must have no more tokenism about conservation and preservation of this land. The effort has to be made, and we have to be prepared to pay in money and care, for the privilege of taking what this land has to give."

(Millie Barrett, Geraldton, p. 1417)

Barrett was not asking that the land remain untouched — she recognized that mining and logging operations were inevitable — but simply stressed that time and care be taken to ensure that the land was not destroyed in the process.

While many disparaged the preservationists who would exclude all use except possibly their own, there was a strong northern voice that called for preservation of the land — at least to the extent that it can be saved from destruction as a result of poorly planned and uncontrolled development. Well-conceived, environmentally sound planning seemed to be the goal of the northern communities.

Many northerners, both native and non-native, look to the government to provide the key to a more reasonable and carefully planned development future for the north. The Commission was told that:

"A government which refers to the north as the last frontier encourages a policy which too often attracts a breed of adventurers to the north whose only interest is in what they themselves are able to take from the area and seldom consider what they can give."

(Connell & Ponsford District School Board, Pickle Lake, p. 1733)

The Red Lake Inter Agency Co-ordinating Committee stressed that the government must be prepared to deal effectively with development, so that maximum benefits are derived and undesirable side effects avoided:

"The various levels of government must not only commit themselves to a rational growth strategy, but must also commit the means to implement the strategy, whether these be financial, legislative, or of a human resource nature."

(Red Lake Inter Agency Co-ordinating Committee, Red Lake, p. 592)

A number of groups and individuals, including Treaty #9 and such groups as Project North, the Canadian Association in Support of Native Peoples (CASNP) and the Ontario Public Interest Research Group (OPIRG), called upon the government to declare a moratorium on all development until the Commission's conclusions had been reached. According to Treaty #9, it was essential that such a moratorium apply to all hearings and assessment processes for proposed projects, as well as the construction phase, so that the momentum for development does not pass the point where it becomes impossible to reverse decisions:

"We are concerned, Sir, with the many hearings, consultations, boards and task forces set up by the Ontario government to examine specific projects in the area of your Commission. It is important, we believe, in order to avoid the slightest suggestion of whitewash, that the government, perhaps at your insistence, declare a moratorium on these inquiries until after you have completed your work and presented them with your report. There can be no serious weight lent to your inquiry if the Provincial Cabinet continues to develop policies, and encourage proposals for northern development while paying lip service to the advice they have sought from your Commission."

(Treaty #9, Sioux Lookout, p. 86)

Roger Obonsawin, of the Native Canadian Centre of Toronto, argued that the Commission should have been created ten years ago, but since the issues had been ignored for so long, a moratorium was now essential:

"We would support a moratorium on development until these hearings are completed, a moratorium on development in the north, because, as I said, maybe we would not have to be asking for a moratorium today if we would have been allowed to say these things ten years ago."

(Native Canadian Centre of Toronto, Toronto, p. 2033)

It was not just native people who called for a moratorium. Hugh Carlson of Red Lake told the Commission that:

"I would like to emphasize a moratorium on major developments in the area during the extent of the Commission."

(Hugh Carlson, Red Lake, p. 717)

Church groups such as Project North joined the call for a moratorium, as did Archdeacon Kaye of Sioux Lookout:

"I believe with others that there should be a moratorium on all major development projects until after this Commission has presented its final report, and hopefully established some guidelines in this direction."

(Archdeacon Kaye, Sioux Lookout, p. 249)

In calling for a moratorium, people were seeking to call a halt on development until guidelines for carefully planned and controlled development were in place. Such a delay would also give native people a chance to better prepare themselves and determine what their role in such development would be, as well as giving southerners some time to think through their own attitudes towards development:

"Such a moratorium would give the native people in the north the opportunity to prepare for future development and possible employment in their own communities. It would also allow the people in the south the necessary time to review their attitudes on northern development, and to consider the social and environmental implications, along with the more obvious economic ones."

(Toronto Chapter of the Canadian Association in Support of Native Peoples, Toronto, p. 2037)

On the other hand, some northerners who were anxious for the employment opportunities that development would bring felt that a moratorium would be detrimental to their interests:

"We willingly join environmentalist groups, native organizations and others in demanding that all industrial developments north of 50 be carried out with proper regard for the social and economic needs of the local or nearby communities and for the protection and restoration of the natural environment. We cannot, however, join those who wish us to commit economic suicide by forbidding all development. We too are part of the environment, and we claim the right to a reasonable economic existence."

(Cochrane Board of Trade, Timmins, p. 1141)

Whether or not people were calling for a moratorium, everyone was anxious that the Commission actively search out and recommend ways and means which would see to it that future development would not harm the people or the environment, but would bring benefits to both. Arnold Peters, MP for the riding of Timiskaming, expressed the feelings of many:

"It is my sincere hope that before the exploitation by outsiders of this undeveloped area, your Commission will cause governments and industry to pause and to consider as a total package the people, the resources, and the potential for development of the area, before any major decisions are made. It is a beautiful, fragile country, and I believe it has resources that can be husbanded to the advantage of all concerned. In closing, please let me say — there is no rush. We need jobs desperately throughout all northern Ontario, but don't make us squander the resources left to us in this undeveloped frontier."

(Arnold Peters, MP, Moosonee, p. 3124)

With regard to an overall approach to development, northerners asked simply that they have a choice in determining their future, so that the mistakes of the past are not repeated.

Forestry — A Major Industry and Concern

Reed Limited's proposal to cut the last large uncommitted timber tract in Ontario, just north of Red Lake, created the controversy which led to the establishment of the Royal Commission on the Northern Environment. Many submissions at the hearings dealt with the Reed proposal and forestry in general—forest management policy and practice, regeneration, clear-cutting, large companies controlling timber limits. Such divergent issues as mercury pollution and commercial uses of wood waste as an energy source were also raised.

In acknowledging the importance of the forest industry to the northern economy, many expressed concern that present forest management practises are seriously threatening the continued strength of this industry. Forest regeneration was seen to be woefully inadequate and serious timber shortages were forecast. Existing mills pointed out that they already depend on the area north of 50 to supply much of their needs and they questioned the rationale for a new mill as proposed by Reed Ltd. Reed Ltd. stated that current market conditions have obviated any urgency in their proposal for a mill complex, at least for the time being.

We can replace the trees — Can we replace the wilderness?

"The Canadian Shield is fascinating country of enormous wealth but there is too much of it. In Canada there is too much of everything. Too much rock, too much prairie, too much tundra, too much mountain, too much forest. Above all, there is too much forest."

(Edward McCourt, *The Road Across Canada*, 1905)

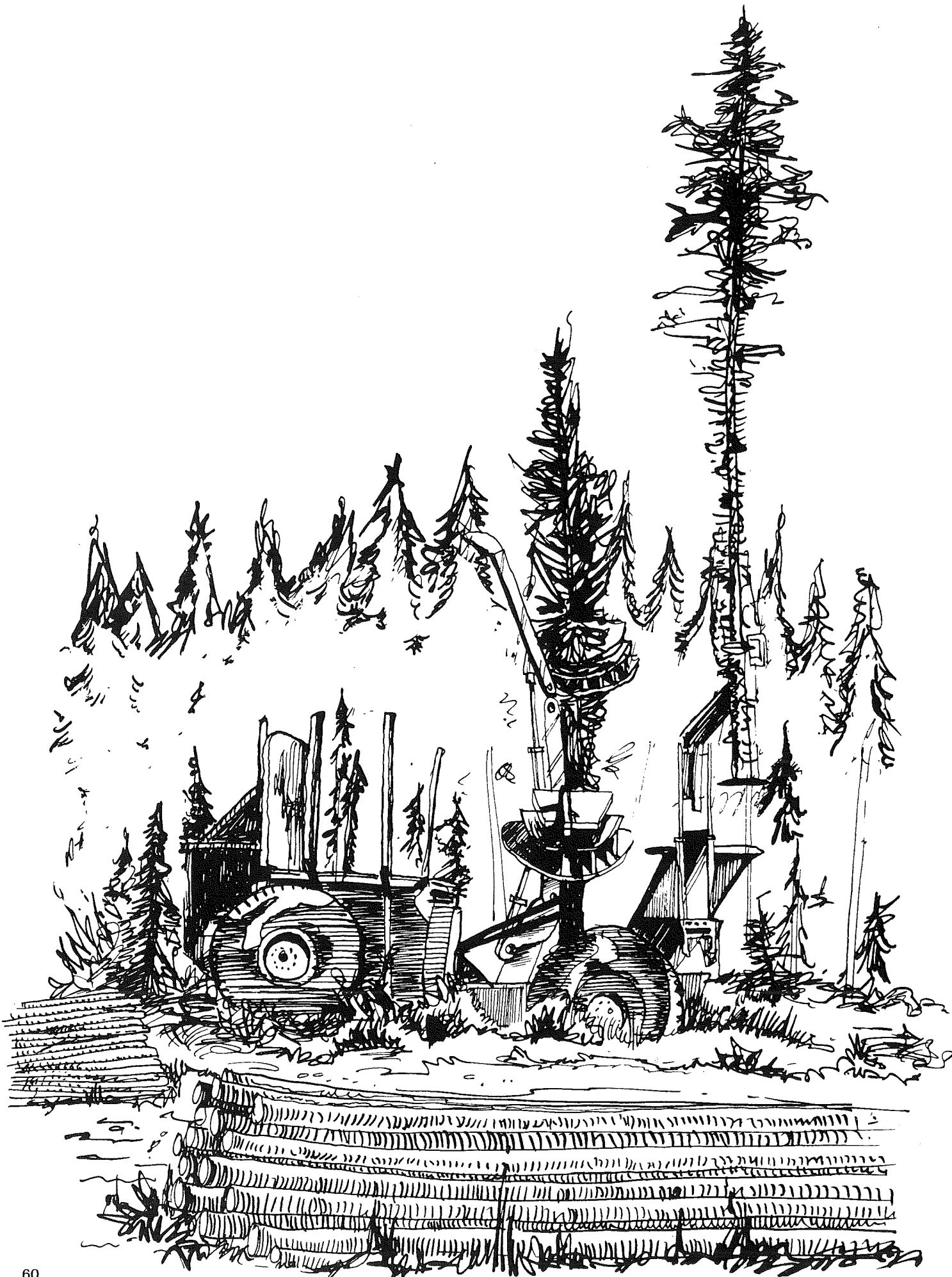
Too much forest in the Canadian Shield? The question is an echo from the past and it has come to haunt the north. If the answer is yes, then why cut timber north of 50? If no, how can we afford to denude our most northerly stands of trees?

The prevailing misconception of the past was that northern resources, especially trees, were inexhaustible. Once cut, trees would continue to grow. The trees of an earlier period had not yet in their long evolution encountered the mechanization of 20th century man. Subsequently, the forests of southern Ontario have not grown in pace with the demands of the timber industry. The forests of the north are today being assessed in the calculations of resource financiers contemplating world markets.

To the people of the north, forest reserves are a living environment to be viewed with sensitivity. Man's special relationship with the forest is depicted in a northern folk story.

In the tale, a desolate man, lost and alone in the forest seeks warmth and comfort. A tree offers its branches for a fire, its limbs for furniture, its leaves for food, and its bulk for a house. The man takes what is offered without thanks or acknowledgment. It is only when just the trunk is left that he realizes he has served his own needs — without regard for the tree. But the tree, offering itself for use, does not mind. It asks the man to sit down on its trunk and relax, giving a view of man and tree in altered yet respectful togetherness.

While the story is for children, its subject contains a moral for adult northerners. The underlying theme of this story was restated many times in questions posed before the Royal Commission on the Northern Environment.



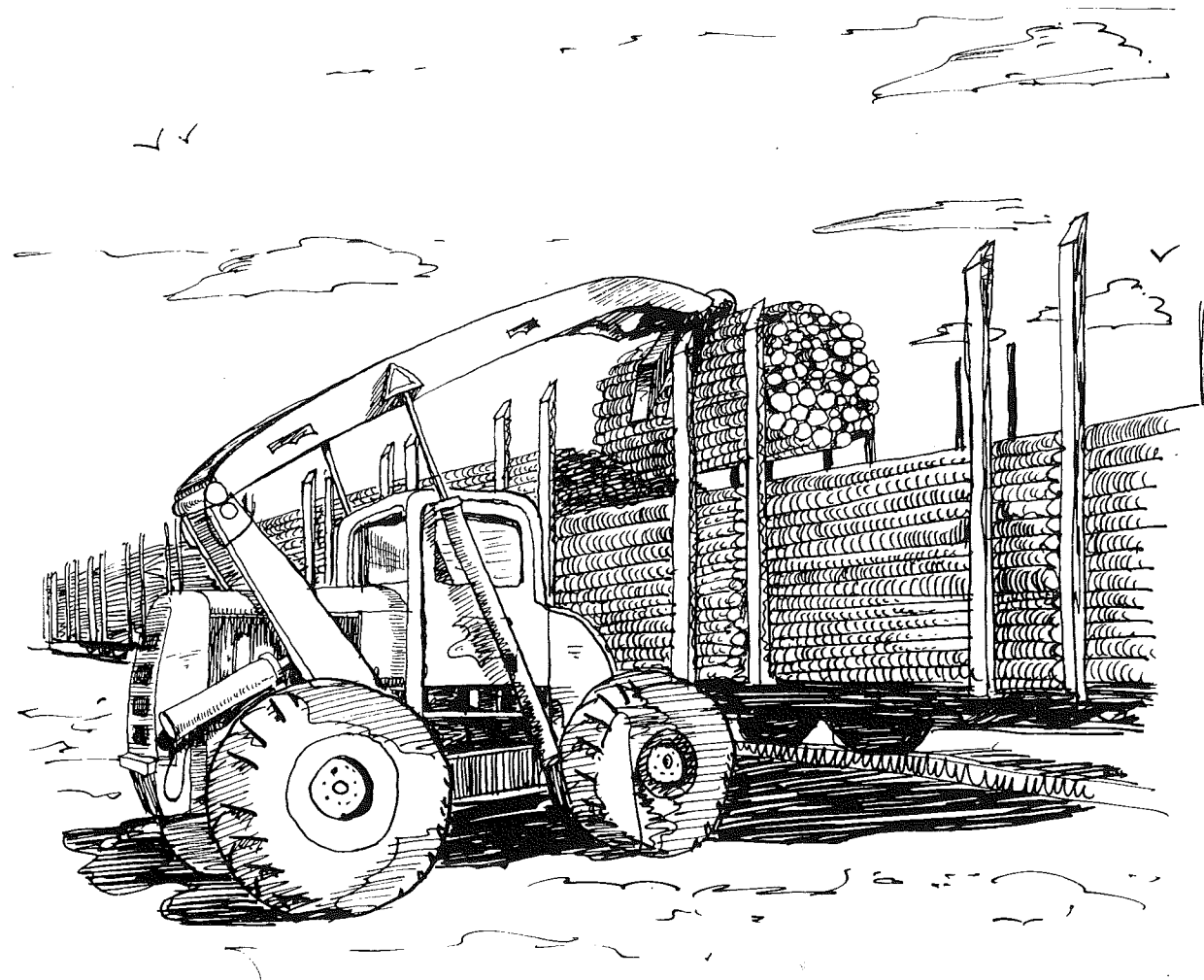
Why is it necessary to cut the virgin timber north of 50? Are forests being "mined" as a non-renewable resource? What consideration is being given the species of trees that are being cut and wasted? What research is being done on the regeneration of forests? Who should best manage the north's forest resources?

Some of these questions were couched in irony. Are we cutting down trees to supply newsprint for conservation-minded papers and organizations? Should an industry be allowed to grow at the expense of the natural regeneration of the environment?

Is southern society, an energy-consuming giant, expecting to develop wood methanol from trees?

Can government and industry divide the responsibility for managing a resource which is dwindling as a result of past neglect by industry, long condoned by government?

One fundamental question, in this instance of the forestry industry, as in other developmental enterprises — can we learn from our mistakes in order to build a better future?



Forestry — The Questions It Raises

Much of the discussion at the Commission hearings centred around the possible northward thrust of the forest industry. What had forestry contributed to the area in the past? What could forestry be expected to contribute in the future? What do northerners perceive to be the problems of the industry at present and what alternatives to present practices would they suggest?

The chief advantages of the forest industry were seen to be economic development and employment in a region sorely in need of both. At the same time northerners were all too aware of the instability of depending on a single industry, even one based on a reputedly renewable resource.

Forest regeneration was an area of particular concern. Many northerners expressed serious doubts about the ability of the forest in the north to produce timber on a sustained yield basis at the present levels of regeneration. The entire question of forest management, both policy and practices, was discussed at length and dissatisfaction appeared widespread.

Mention of the Reed Ltd. proposal came up frequently. Many expressed a reluctance to see the present unsatisfactory pattern of forest development applied to the last, large uncommitted timber limit in Ontario.

Others questioned the wisdom of creating a new mill when other mills across the country are being forced to shut down or lay off workers because of insufficient timber supply and/or market conditions. Still others expressed doubt about the existence of an adequate timber supply to feed the proposed mill complex.

In the minds of some, the Reed proposal simply offered the perpetuation of a pattern of resource development which had not served the north well in the past and which should not be continued in the future.

As speakers followed each other, options appeared to separate into two directions. One group felt that the traditional pattern, despite its inadequacies, did represent the only means of economically developing the north. These were people who preferred to throw in their lot with the status quo and with the large-scale corporate endeavours which had traditionally provided jobs and wealth for the north.

The other group, embracing a wide range of interests and pursuits, was drawn together by a shared feeling that the status quo was not necessarily the way to go, that large-scale developments do not adequately meet the needs of the local people and that small-scale, locally initiated and operated activities were better suited to the northern lifestyle and environment. A fairly consistent complaint aired before the Commission related to the difficulty experienced by small local operators in trying to obtain timber limits. Most of the available timber, it was claimed, was tied up in licences to large companies.

In between these divergent approaches, was a very legitimate concern expressed by some speakers that the forest company for which they worked not have its timber supply, and therefore its operations threatened.

To this group, whatever decision was made with respect to future development in unexploited areas, it must not threaten the continued existence of mills and other operations already established. In this context many saw Reed as a threat.

Most recognized that forest management is a problem not unique to the far north of the province but one which has province-wide implications. What is specific to the north is that northerners are now faced with the decision of whether or not to proceed with what some people referred to as the "orderly liquidation" of the forest resource that has already occurred in other parts of the province.

The pressure to exploit forest resources has moved inexorably northward. With a rotation age ranging from 60 to more than 100 years as one progresses further northward, very little of the cutover land would be ready to be cut in the near future, even assuming adequate regeneration of forests would have occurred.

In the past, the simplest thing to do when timber was used up, was to move on to a fresh uncut area. Hence operations have moved ever northward. Now, as uncut land becomes increasingly scarce, however, it is time to face up to the unavoidable question of regeneration, and to re-examine our whole attitude towards forest management.

Mr. A. J. Korkola, principal of the Geraldton Composite High School and himself a graduate forester, suggested to the Commission that the financial implications of this pattern are, in fact, already making themselves felt:

“The history of forest harvesting in Ontario shows a steady northward movement of cutting operations. We are now at the point that many remaining large softwood stands are distant from existing mills with the result that harvest returns and profits are diminishing, thereby creating a sense of long-term insecurity.”
(A. J. Korkola, Geraldton, p. 1265)

As Mr. George Marek, RPF, told the Commission at Geraldton:

“This unfortunate state of affairs is primarily due to the traditional thinking and professional attitudes and philosophies which serve to show clearly the emphasis on the short-term rather than long-term considerations. This helped to perpetuate the myth of the never-ending riches of our forest lands.”
(George Marek, Geraldton, p. 1288)

As a result of an amendment to the Crown Timber Act in 1962, the provincial government, in the form of the Ministry of Natural Resources, has responsibility for the management (in particular, regeneration) of cutover lands. This amendment was made necessary on the recognition that industry was not regenerating the cutover land, and it became clear to government that someone had to assume the responsibility.

Since 1962 there have been indications that this separation of two elements, harvesting and regeneration, of what should be a single management approach, has led to serious problems. Although the 1962 amendment was not discussed in great detail by very many people (although many referred to it), it was central to the discussion of forest management.¹

A number of groups and individuals, including Treaty #9, the Ontario Professional Foresters Association and the Faculty of Forestry and Landscape Architecture at the University of Toronto, A. J. Korkola and others, called for a full review of forest management policies, practices and their legislative basis. Treaty #9 felt that this Commission provided the logical forum for such a public review of forest management policy and practice and the structure of the forest industry itself.

Professor Aird, speaking for the Faculty of Forestry and Landscape Architecture of the University of Toronto, also

argued that a “constructive review” of legislation was required. He also said:

“We believe the procedures used to award timber rights are unsatisfactory because they neither provide for the disposition of large tracts of timber on a competitive basis, as in the Reed situation, nor do they provide for discussions by people affected by implementation of the proposals.”
(Paul Aird, Toronto, p. 2120)

¹At the moment, discussions are proceeding between government and industry with a view to resolving this question and delegating some responsibility for management to the industry.

The Ontario Professional Foresters Association also felt that:

“What is needed is a complete reassessment of the forest legislation programs and practices of the province.”
(Ontario Professional Foresters Association, Ear Falls, p. 794)

The implications of such a review were perhaps made most clear by Mr. A. J. Korkola at Geraldton:

“I believe the province needs to review its present forest policies, introduce new forest policy strategies and show the leadership so as to maintain the economic importance of forestry in our province. This is a need applicable to all of Ontario, not only the area north of 50! With this revised and realistic policy of long-term forest planning and required forest management, we northerners would have a greater sense of long-term security.”
(A. J. Korkola, Geraldton, p. 1269)

The lack of such a long-term sense of security was quite evident, especially among the workers and management of such companies as the Ontario-Minnesota Pulp and Paper Co. In its presentation before the Commission in Red Lake, that company made it clear that:

“As 50% of the area the Ontario-Minnesota Pulp and Paper Co. Ltd. holds under licence to harvest timber from the province of Ontario lies between the 50th and 51st north parallels of latitude, the recommendations of your inquiry could have a profound effect on this company’s operations.”
(Ontario-Minnesota Pulp and Paper Co., Red Lake, p. 495)

These operations supply wood to the company’s Kenora pulp and paper mill and saw-mill, and these two mills directly and indirectly support a very large portion of the Kenora-Keewatin population. It was argued that the company’s present licence is not sufficient to supply all of the requirements of the two mills:

“We must maintain and develop the productivity of our land base, which in the case of the Ontario-Minnesota Pulp and Paper Co. licence, can only supply our Kenora mills with a maximum of 80% of their soft wood requirements. The remainder of our wood must be purchased from independent operators working in Crown Management units both north and south of the 50th north parallel of latitude, as well as from outside the province of Ontario.”
(Ontario-Minnesota Pulp and Paper Co., Red Lake, p. 499)

Any threat to the company’s timber supply would be seen as a threat to the company’s survival, in difficult financial times:

“We submit that any serious dislocation of our traditional harvesting areas or overly stringent guidelines will add costs to our product lines which will further weaken our competitive position.”
(Ontario-Minnesota Pulp and Paper Co., Red Lake, p. 502)

This kind of statement was indicative of the financial insecurity being experienced by the forest industry at the present time. It was argued by many that the failure to deal effectively with the question of forest management was in large part responsible for the present predicament. This did not apply specifically to Ontario-Minnesota Pulp and Paper Co., by any means.

As the Ontario Professional Foresters Association suggested:

“Does it make sense to continue our present practice of orderly liquidation of the forest resource south of 50? To extend these practices north of 50 will merely delay that inevitable moment of truth dictated by our inability to compete in the world marketplace . . . For these reasons the Ontario Professional Foresters Association is opposed to any expansion of forest harvesting and land use operation north of 50 under existing forest policy, statutes, programs and practices.”
(Ontario Professional Foresters Association, Ear Falls, p. 794)

(The Ontario Professional Foresters Association was addressing itself to expansion of forest activities north of 50 only and would not argue for interference with the continued activities of existing operations.)

Many of those who spoke on behalf of municipal councils, labour unions, and others in the areas dependent on such companies as Ontario-Minnesota, urged that the timber supply be guaranteed, but recognized that its continuation was threatened largely because of unsatisfactory forest management. According to the submission of the Town of Keewatin and the Township of Jaffray & Melick:

“Our community depends on the timber for our very livelihood. It must continue! The proper management of our environment and, in particular, the forests, is imperative. All people of Ontario should expect and accept nothing less than the proper policies which will enable a large degree of stability and permanence.”
(Town of Keewatin and the Township of Jaffray & Melick, Kenora, p. 2650)

Within the context of dwindling timber supplies caused by improper management, few could see merit in the Reed proposal. The Canadian Paperworkers’ Union, Local 238, in its submission to the Commission in Kenora was direct:

“We feel it is too large-scale and would do irreparable damage to the ecology of the north. It would also endanger a very large native population’s habitat, livelihood and economic base. The size and methods planned for the Reed area would devastate the land, disrupt self-sustaining native villages and put more pollution into an already badly polluted river system. It also threatens the longevity of the present pulp and paper mill centres already here: Dryden, Kenora, and to a lesser degree, Thunder Bay.”
(Canadian Paperworkers’ Union, Local 238, Kenora, p. 2734)

Why, they asked, should a new pulp and paper mill be considered when pulp and paper mills are closing across Canada?

This was a fairly common question, especially in Ear Falls, where the Commission held an informal meeting in the evening. Again in Kenora, the Kenora-Keewatin and District Labour Council stated that:

“We believe that no new mills should be built in the province of Ontario until a complete inventory of all Crown timber is taken.”
(Kenora-Keewatin and District Labour Council, Kenora, p. 2738)

They also explained that:

"We are not against development of the north, but we do advocate a controlled, planned development of this very fragile land. We do not want large companies going into these lands taking large profits for 20 years or less, and when all is devastated, leaving with their profits and leaving behind the people, who have sunk half their lives in the area, with nothing."

(Kenora-Keewatin and District Labour Council, Kenora, p. 2737)

Even in the Red Lake/Ear Falls area, which would receive the most immediate economic benefits from the proposed Reed mill, there were many who were hesitant about the project. For example, the Ear Falls-Perrault Falls Chamber of Commerce expressed concern about the proposed project and listed a series of strict guidelines which must be met:

"... to assure us that it will not turn out to be an exploitation ... Any deviation from these demands would have a serious impact on our acceptance of any industrial development in the future."

(Ear Falls-Perrault Falls Chamber of Commerce, Ear Falls, p. 751)

There were many who questioned whether timber resources in the area that Reed proposed to cut were sufficient to support the proposed mill. George Green, of Green Airways, told the Commission at Red Lake that:

"Gentlemen, I have flown this country as much and probably more than anybody in this room. There isn't a third of the resources expected and most of it is matchwood."

(George Green, Red Lake, p. 673)

The Ministry of Natural Resources is currently undertaking a forest inventory of the region as part of its responsibility laid out in the terms of the Memorandum of Understanding signed with Reed Ltd. in October, 1976. In the meantime, knowledge of the forest resource remains sketchy. Even more important is the question of whether or not the trees will grow back when cut. In discussing the Reed study area the submission of the Faculty of Forestry and Landscape Architecture, University of Toronto, had this to say:

"Intensive forest management is planned for this particular area but not all forest lands have the potential to be managed intensively. There are extensive areas of wetlands and of shallow soils over bedrock in the north. Experience south of 50 latitude indicates that these soil types are extremely sensitive and it is questionable if intensive forest management could be practiced on these lands. Undoubtedly some soils within the region have the potential for intensive forest management but, before development occurs, there should be a delineation of lands capable of supporting intensive forestry and of land which would be extremely sensitive to disturbance. The primary problem is the scarcity of adequate information on the

soils, climate, vegetation and wildlife of this region and the effects of intensive forest management."

(Faculty of Forestry and Landscape Architecture, University of Toronto, Toronto, p. 2122)

It was evident at the hearings in Red Lake and Ear Falls that many people were hesitant to bank the future of their community on a project which brought to mind so many unanswered questions, not the least of which was the recurring theme of why a new mill when so many others are closing down. In a carefully worded submission made at Red Lake, Reed Ltd. revealed that the economic situation was such that it would not be profitable to go ahead with the proposal at this time. Due to a world-wide recession the demand for pulp and paper products is growing very slowly. As a result:

"There is unused production capacity in the industry, and shutdowns — either temporary or permanent, are occurring in plants around the world. At the same time, producers of some pulp and paper products and their customers are holding large inventories of these products."

(Reed Ltd., Red Lake, p. 512)

The product hardest hit by this market slowdown is market kraft pulp, the major product of Reed's Dryden mill. This oversupply of market pulps means that there is less demand for the product, hence lower prices, at a time when all other costs are rising — labour, wood, taxes, transportation, energy, and chemicals.

At the same time, competition from other countries, especially the southern United States where costs are lower and rotation ages substantially shorter, is stiffening. Ontario-Minnesota Pulp and Paper Co. in their submission pointed to the fact that despite the unfavourable situation worldwide, construction plans are being considered in the southern United States as well as overseas:

"This condition has to reflect the concern of the investment community as to the abilities of the Canadian industry to remain competitive."

(Ontario-Minnesota Pulp and Paper Co., Red Lake, p. 502)

It appears therefore, at least for the short term, that the Reed proposal will remain in the conceptual stage. Reed does intend, however, to sustain its interest in the proposal. Should the economic situation change, the project could once again be considered viable.

Even if Reed Ltd. were to lose interest in the project, northerners believe there will be pressure to develop this forest area north of 50 as timber supplies become scarce. At this time, there are many who would argue it wasteful not to cut the forest. As Reed Ltd. put it:

"Trees are a crop which if not harvested will deteriorate and die. With proper management, they will provide an economic industrial base in perpetuity."

(Reed Ltd., Red Lake, p. 508)

A resident of Ear Falls, Frederick Bergman, echoed this viewpoint:

"It must be realized when sections of timber reach their maturity we have a number of choices at our disposal. We can harvest these trees, let them burn in forest fires or just rot and be blown down by winds ... This represents an unbelievable loss in jobs, and revenue to the province and its people."

(Frederick Bergman, Ear Falls, p. 786)

Or as the Forest Industries Association put it to the Commission in Sioux Lookout:

"The important concept to understand is that man, approaching a natural over-mature forest for the first time as is the case in northern Ontario, can convert it into a healthier, younger, more productive forest by harvesting only the allowable cut each year and by ensuring regeneration of the second crop. This can be done without damage to the forest resource. Indeed its value will be enhanced dramatically in terms of dollars, wildlife habitat, and, yes, even aesthetics once the new crop has grown enough to cover the scars of logging."

(Ontario Forest Industries Association, Sioux Lookout, p. 166)

This concept, that it is not only economically foolish but somehow ecologically wasteful, not to cut the over-mature forest, is an integral part of our attitudes towards the forest industry in Ontario. It is inherent in the historical attitude of the provincial government which saw the forest resource as a source of revenue and was largely concerned with administering the exploitation of the resource.

It is not inherent in the attitudes of individuals such as Wilf Wingenroth, a trapper who spoke to the Commission at Sioux Lookout. He said that he was concerned by a bumper sticker he had seen recently which read:

"Trees are a renewable resource."

He was concerned because it was clear that the car belonged to a Reed employee who wanted to put the message across that trees can be cut and regrown:

"Well, what I have to object to in this is, well, let us come to another sentence I made up and it goes like this — trees are a renewable resource, but wilderness isn't. You can regrow trees anywhere if you have enough time, but you can never build up a wilderness again."

(Wilf Wingenroth, Sioux Lookout, p. 149)

This sentiment was echoed by a number of people who, in turn, viewed the projected expansion of the forest industry into the untouched wilderness as a threat to their

own chosen way of life and to the survival of the animals and fish on which they depend.

This group, which included people like Wilf Wingenroth, had chosen to live their life in the bush much in the manner of native people like Chief Ben Quill of Pikangikum.

Pikangikum is in the proposed Reed cutting area and the traplines of the people of the reserve spread throughout the area.

Chief Quill came to Red Lake to speak to the Commission:

"I have been a trapper and a fisherman for 30 years and I know the animals in the bush. I want to tell you what will happen if Reed cuts down the bush and if the rivers are dammed. If a large area of bush is cut down, the land animals would disappear. There would be open spaces — too cold in the winter and too hot in the summer for wildlife. They like the bush, to get away from the wind in winter and to have shade in the summer. I know this from my own experience."

(Pikangikum Band, Red Lake, p. 646)

Similar concerns, from a different perspective, were voiced by the Ontario Federation of Anglers and Hunters, an organization committed to promoting sound environmental management with emphasis on the fish and game resources. They told the Commission at Timmins of the debate underway between government departments and the forest industry over harvesting techniques:

"All the while, clear-cut harvesting continues, when it is known that this is not the way to harvest for food, forest and game management. Basic textbooks on silviculture clearly state the hazards of clear-cut harvesting, especially in the northern Boreal Forest and they specify a modified clear-cut as more proper."

(Ontario Federation of Anglers and Hunters, Timmins, p. 1049)

The debate over whether or not harvesting disturbs the wildlife population, was by no means one-sided and it was acknowledged that what may have adverse effects on one species may be advantageous to another. Nevertheless it became evident that there were substantial conflicts of interest between the various users of the forest resource. The concept most widely supported as the solution to these conflicts was that of multiple use. According to the Canadian Institute of Forestry, Lake of the Woods section:

"Until quite recently, forest users could 'stake out' a trap line, a cottage site, a tourist camp, a wilderness area or a timber licence from the public domain without coming into conflict with other users. But now, due to the ever increasing demands that our society is placing upon products of the Boreal Forest, these single users find themselves competing for the same piece of public domain to the exclusion of all others."

(Canadian Institute of Forestry, Kenora, p. 2569)

They went on to argue that the forest could meet most of the demands placed on it through multiple use planning, if the forest were managed on a sustained yield basis with adequate funds from government. Many argued that logging has actually improved conditions in the forest for other users. The Kenora Paper Mill Unions Federated Committee told the Commission at Kenora that:

“Because of the logging operations our game animals, such as moose, have improved feeding and shelter conditions . . . As a direct result of logging, game has increased in our area. Also this has been possible through the multiple use concept.”

(Kenora Paper Mill Unions Federated Committee, Kenora, p. 2586)

Multiple use is a concept supported by foresters, the forest industry and forest company employees alike. Nevertheless conflicts between users continue to exist and nowhere is this more obvious than in the debate over the proposed Atikaki wilderness park.

Feelings against the Atikaki proposal¹ were running high in Kenora when the Commission held its hearings there and it was generally felt that the proposal threatened the continued existence of an area so completely dependent on the forest industry. The Kenora Paper Mill Unions Federated Committee stated that:

“The Atikaki proposal strikes at the very heart of our people’s livelihood.”

(Kenora Paper Mill Unions Federated Committee, Kenora, p. 2588)

¹The Atikaki proposal is a plan put forward by conservationists to establish a wilderness park stretching across the Ontario-Manitoba border. The total wilderness area would encompass 4,950 square miles.

The Canadian Paperworkers Union, Local 238, explained:

“It is common knowledge that the residents of this area do not want a park taking up our timber land. As it was originally planned it would have cut off 100,000 cords of wood annually to the Kenora mill. The management of the Kenora mill emphatically stated it would put the mill in the position of having to close down.”

(Canadian Paperworkers Union, Local 238, Kenora, p. 2734)

The Atikaki Council appeared before the Commission to defend itself, claiming that the figures quoted by Ontario-Minnesota Pulp and Paper Co. were misleading and inaccurate and that Atikaki had made every effort to keep them informed on its proposal:

“...and above all, we have never said that Ontario-Minnesota Pulp and Paper Co. should lose any of their wood supply, but rather that a compensating area should be taken from the Reed expansion area. It is ridiculous to believe that we would ever suggest something that would close the Kenora mill.”

(Atikaki Council, Kenora, p. 2982)

The conflict between wilderness proponents and those who depend on the forest industry for their livelihood appeared unappeased by the concept of multiple use. It became clear that as long as the two groups wanted use of the same piece of land the chances for conciliation were slim.

The tourist industry remains committed to multiple use; the conflicts between the tourist industry and the forest industry arise largely out of disagreement over practices. At Dryden the Kenora District Campowners Association stated that:

“Tourism has lost immeasurable revenue over the years as a result of the intrusion of roads, often cut needlessly to remote lakes where a tourist outfitter has an outpost camp, or in some cases a main based fly-in resort.”

(Kenora District Campowners Association, Dryden, p. 394)

The Northern Ontario Tourist Outfitters Association agreed that access roads pose the greatest threat to the tourist operator but pointed out that:

“Other resource exploitation policies, water pollution, clear-cutting, etc. that remove the possibility of multiple use of our northern environment and renewable resources, understandably create tremendous resentment among our outfitters. In this regard, we share the concerns expressed by the native people over the loss of wilderness or the opportunity to have a true wilderness experience.”

(Northern Ontario Tourist Outfitters Association, Toronto, p. 1988)

It is not within the ordinary person’s reach to have access to such a pure wilderness experience. Only through access roads and other accommodations does the wilderness become available. But does it still remain wilderness?

Clearly, conflicts over various uses of the land raise fundamental questions about how northerners wish to see their land developed. Many people felt the need for economic development to provide jobs and amenities, but were hesitant about the kind of development that should occur.

The traditional justification for large-scale developments has been jobs. However, as the Ontario Federation of Labour pointed out in Kenora:

“It is perhaps somewhat unnecessary to say that employment is a key concern of the labour movement, and that employment is tied to economic expansion and development. However, unionists in the north have learned and are presently being reminded of hard lessons from the boom and bust cycles of the past, the company towns which can die as quickly as they were once set up, the pollution, the waste of raw products...”

(Ontario Federation of Labour, Kenora, p. 2658)

TREES¹, a citizens’ group in Red Lake, suggested to the Commission that with rising costs, especially energy costs, and the expense required for pollution abatement equipment, it would be difficult for the government and/or community to maintain environmental regulations at a mill whose operation was justified on the basis of sustaining employment:

¹TREES stands for Taking Responsible Environmental and Economic Safeguards.

“We urge the Commission to consider this question and to reflect on whether it might not be better to develop smaller industries which would be more flexible, individually less vital to the survival of the community and therefore less likely to be allowed to break sound environmental protection laws.”

(TREES, Red Lake, p. 656)

With respect to the Reed Proposal:

“The Commission should think about whether the interests of the people and the environment (and ultimately the two are the same) might be better served by a more varied use of such a large area. Optimum utilization of the forest might consist of ensuring that all development within the area be small in size and of relatively low impact on the environment. Obvious possibilities are tourism, small woods operations, small woods manufacturing industries and wild rice harvesting and fisheries operations in waterways that remain unpolluted.”

(TREES, Red Lake, p. 658)

A very common complaint voiced at the hearings was that small local operators have trouble getting timber licences, because most of the timber is tied up in limits held by large companies.

In Sioux Lookout the Commission heard from the Northwestern Ontario Associated Chambers of Commerce:

“Timber limits—essentially total commitment to large paper companies. We ask you to look at the small management units for the independent operators which are almost at its depletion point. Woods operations for local initiative are insufficient and inadequate . . . There is very little area left for the independent woodcutter to operate as a private businessman.”

(Northwestern Ontario Associated Chambers of Commerce, Sioux Lookout, p. 142)

And in Timmins, the Town of Cochrane maintained that the unavailability of timber is stifling the forest industry in the area:

“The timber resources are still being held by large

companies who have more reserves than they will ever require for a perpetual operation. If small licences or permits were available to small operators, the timber industry in our area would have a chance to grow.”

(Town of Cochrane, Timmins, p. 1162)

Not only are timber limits difficult to get, but those which do become available tend to be the unwanted limits, either those which have already been picked over by large companies, or which were considered undesirable by them.

In Kenora, the Ontario Metis and Non-Status Indian Association, Zone 1, complained that because decent timber limits are becoming more difficult to get, there has been a steady decline in the small third party contractors:

“This means we must now work mainly for the big companies . . . It means there is a loss of flexibility in bush employment . . . Even those who work for the big companies have to worry because of the increasing mechanization.”

(Ontario Metis and Non-Status Indian Association, Kenora, p. 2640)

The Lake of the Woods Pow-Wow Club stressed to the Commission the importance of Indian-owned and -operated small corporations to the people who were involved in them. A sense of self worth and accomplishment grows out of these corporations involved in the cutting and marketing of pulpwood. However:

“We also know what it is like to struggle to become ‘viable’ when the best timber of the area is reserved for large corporations and you are assigned allotments that have been released by these corporations only because they could not harvest them profitably. In fact, some of us were expected to be happy when we were given a tract to ‘clean up’ where the company had already gone through with their work crews and machines.”

(Lake of the Woods Pow-Wow Club, Kenora, p. 2538)

In a submission made to the Commission at Kenora, but not presented orally, Treaty #3 echoed these feelings that native people are being judged by their performance on land rejected by the large companies:

“Mr. Commissioner, my people need more co-operation and more licenced access to timber areas. The terms of many industrial leases allow the Minister of Natural Resources to release the areas held under corporate licences. It should be in the interest of the government, industry and Indians to give back the licences of good stands of timber to the original owners for harvesting.”

(Treaty #3, brief entitled Timber and Logging submitted to the R.C.N.E.)

In Geraldton, Father Brian Tiffin told the Commission about his experience at Gull Bay, where the native people have established a successful logging operation.

Called the Gull Bay Development Corporation, the operation was run by the Band Council, using the expertise of Professor John Blair, Faculty of Forestry, Lakehead University. One of the major problems faced at Gull Bay was obtaining land to harvest:

"All the land around Gull Bay was under licence to the large lumber companies. It was just because Northern Wood Preserves let them move in that they were able to start that operation."

(Father Brian Tiffin, Geraldton, p. 1286)

A recurring theme persisted throughout many submissions: it is important that northerners, both native and non-native, be involved in the development of the north, whatever form that may take, and that the initiative come from within them.

Speaking to the Commission at Kenora, Mr. Mac Morrison of Mac Morrison Forest Products, insisted that:

"The answer is right here in the north."

(Mac Morrison, Kenora, p. 2963)

He argued that the area north of Minaki is open to independent contractors and truckers and that a range of small operations is possible:

"We feel the answer is not mass harvesting by any one company in the north of Minaki, but for the government to give the small businessman a chance to stimulate new and existing business in the north."

(Mac Morrison, Kenora, p. 2962)

He had suggestions for a number of projects, some using undesirable species, e.g., poplar, to develop small-scale processing and manufacturing industries such as a chipboard or veneer mill.

As the Ontario Federation of Labour told the Commission in Kenora:

"For these reasons we feel it is of critical importance to recognize the need for a solid base of secondary industry in the north. The profits and products of primary industry should be reinvested in secondary industry, generating new jobs. In this way the natural riches of the north would become a level for economic progress and growth."

(Ontario Federation of Labour, Kenora, p. 2659)

This was an opinion expressed by many, including labour and town councils. The Kenora-Keewatin and District Labour Council stated that:

"We must develop in a way that enhances the economy of the north. When the north is to have development we must insist that a fully developed industry results. Secondary industries should also be developed. For example: manufacturing of furniture, hockey sticks, toboggans, sleighs, skis and wooden toys."

(Kenora-Keewatin and District Labour Council, Kenora, p. 2738)

And again, from the Canadian Paperworkers Union, Local 105, at Dryden:

"The general feeling of our workers, the workers I represent, is that emphasis should be directed at producing a more complete or finished product rather than stockpiling the raw material. In addition, these finished products could be established with less exploitation of our forest."

... Another aspect that must be considered is total utilization of our forest material. We should produce here products ready for the consumer to the largest degree possible in order that the value of such production remains in our community to provide additional employment opportunities and services for all our people."

(Canadian Paperworkers Union, Local 105, Dryden, p. 442)

Many of these secondary industries could be on a scale where they could be initiated and operated by local entrepreneurs. The north needs diversification to relieve its dependence on single industries and make it less susceptible to the fluctuations in world markets of single products.

Small local businesses could be more easily adapted to the needs of the community and would prove much more labour intensive per investment dollar. Small sawmills, independent logging operations, furniture manufacturing, all could contribute to the economic diversification and true development of the north, without having the scale of environmental impact that a large cutting operation and pulp mill would.

One final area arousing comment was that of wood as an energy source. Speakers pointed out that with energy prices escalating as they are it becomes necessary to re-examine our traditional patterns of development, based on large-scale, energy intensive operations.

It also becomes necessary to take another look at our possible energy sources. In this context it becomes conceivable that wood could serve a primary role as an energy source.

At the moment, research is going on in regard to this question. The Ministry of Energy indicated to the Commission that it is working on developing the commercial applicability of using wood wastes at the site of a pulp mill to produce steam and perhaps electricity. The potential for producing methanol from wood wastes is also being examined.

The town of Sioux Lookout felt that small-scale technology such as the "processing of wood-waste on-site, or conversion into energy, conversion into methanol and conversion into heat" could provide substantial stimulus and benefits to small, isolated communities such as Sioux Lookout.

(Town of Sioux Lookout, Sioux Lookout, p. 42)

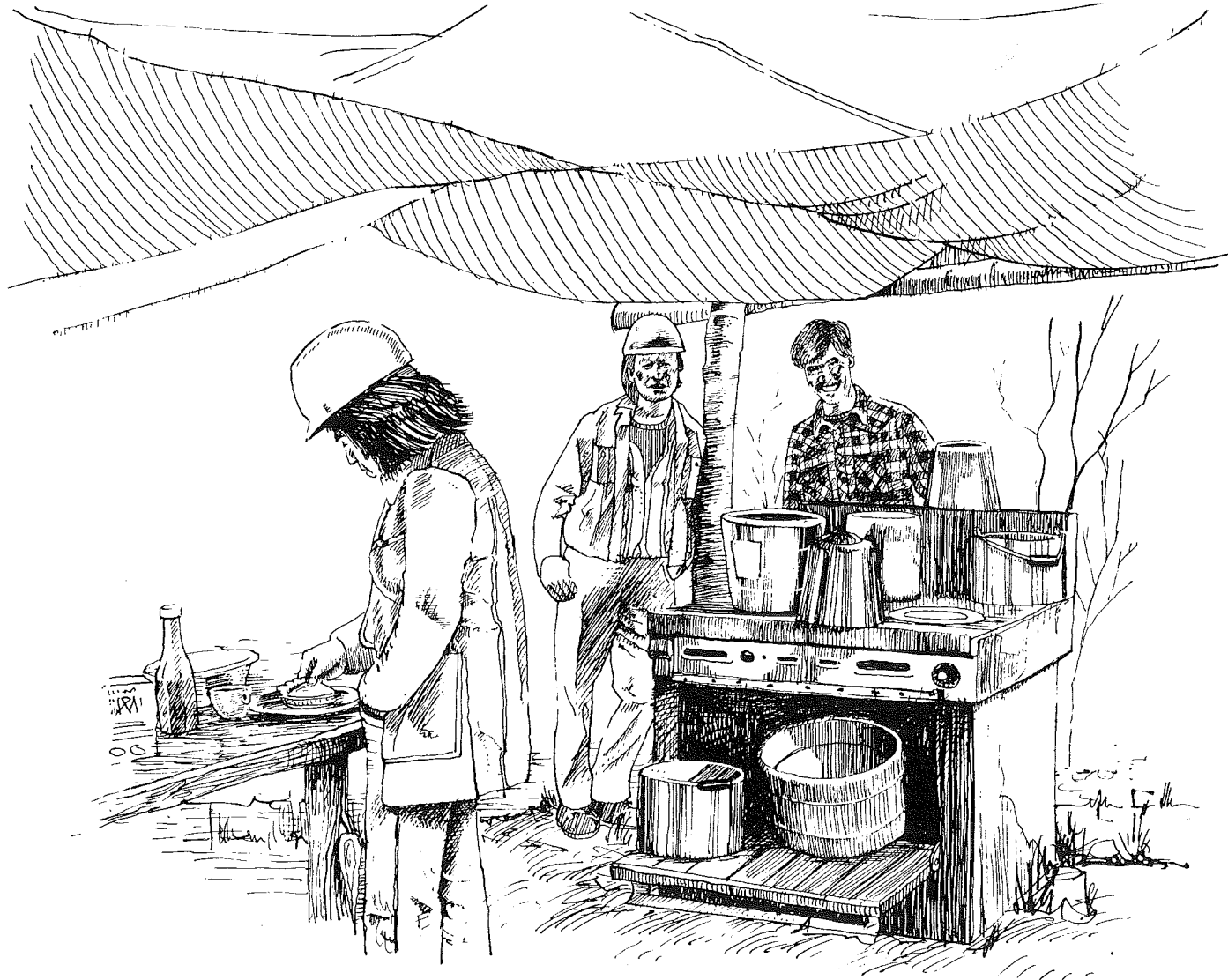
And, on a more basic level, TREES pointed to the already growing return to wood heat and asked:

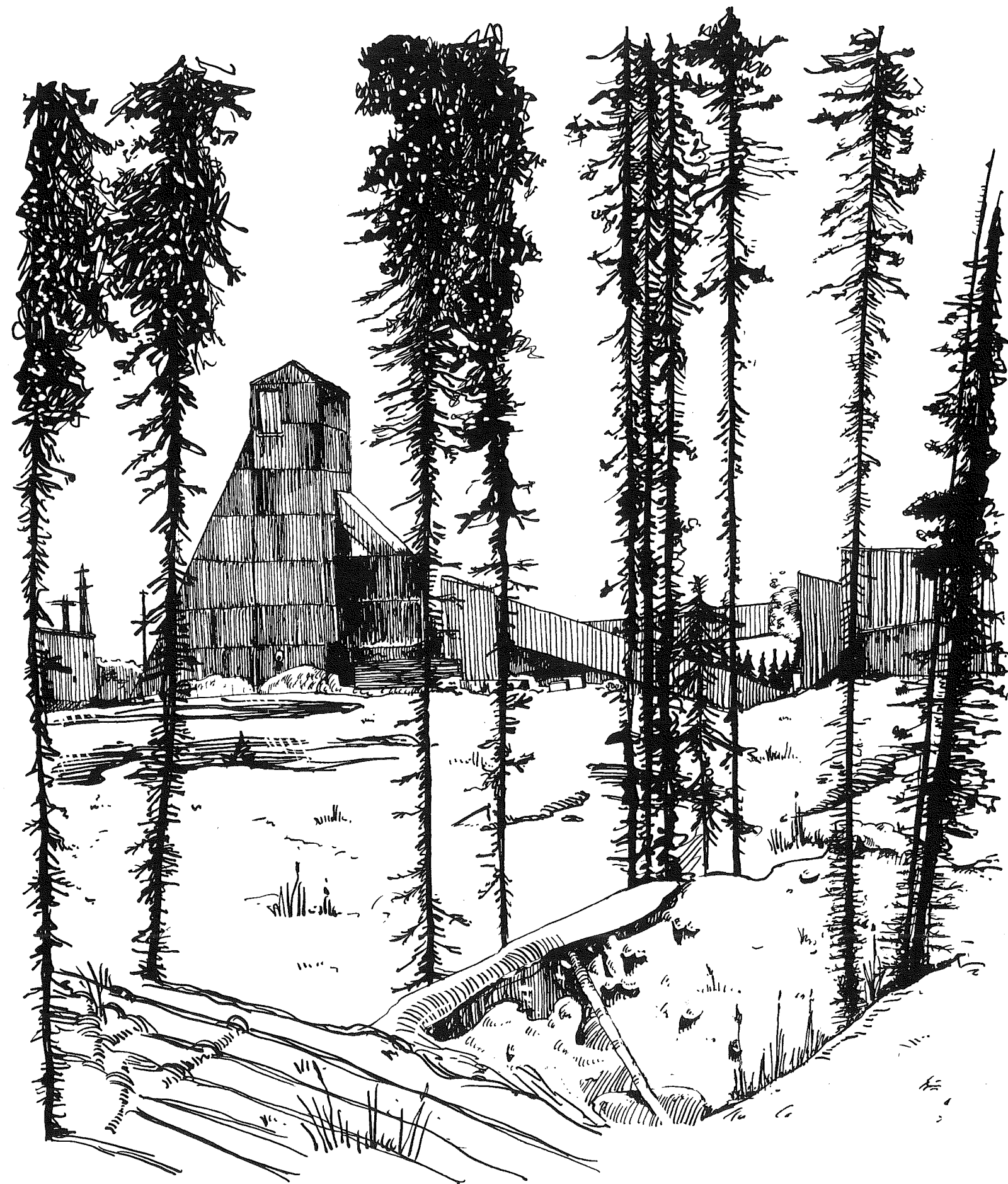
"If communities north of 50 are forced to return en masse to their use of wood heat how many acres per year of standing timber would have to be cut to provide the necessary fuel?"

(TREES, Red Lake, p. 654)

While wood heat is unlikely to become a universal, or even a province-wide solution to the energy crisis, its appeal indicates, along with the attention being paid to wood wastes and methanol, that the forest cannot continue to be viewed in the same way as it has been traditionally.

Demands today on the forest are different than in earlier times. The limits of the forest are in sight. Obviously, this is the time for a full reassessment of forest policy. That was the one point upon which speakers addressing the Royal Commission were agreed.





Mining – Wealth and Disturbance

The importance of the mining industry to the northern economy loomed large at meetings of the Royal Commission. Supporters saw Canada as a whole and Ontario in particular benefitted by the process; and critics were mindful of the negative effects of an extractive industry. To its supporters, mining was the keystone of northern development. To others, environmental damage and the negative social implications of a boom and bust industry were too high a price to pay for a short-lived prosperity. Warnings against dependence on a non-renewable resource were voiced and a change in emphasis towards self-sustaining enterprises was urged. Northerners seemed agreed that their mining areas had been divested of wealth without an adequate positive return for their region.

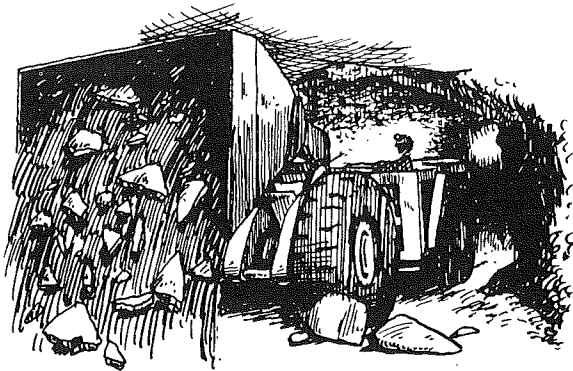
Native people were particularly bitter about the disruptive impacts mining developments have had on their lives. They had experienced few benefits and had rarely been consulted, even peripherally, during the process. In a different spirit, mining industry representatives described themselves as discouraged by world markets, environmental standards and inhibiting tax laws.

A Matter of Mystique and Money

When one thinks of the north of Ontario, one frequently thinks first of the rich mineral strikes that drew settlers to the area. The lure of gold and silver was a powerful attraction. People were willing to endure hardships and deprivation for the chance to “strike it rich.” The frontier days are now long gone but many northerners are still dependent on the wealth within the earth to provide them with the necessities and some of the luxuries of life. Some feel, however, that mining as an industry has been less than just in returning wealth to the people of the north and in sharing their respect for the land. Native people, particularly, are persuaded that exploration and development, as it has occurred in the past, would have adverse effects on their lives and the lives of their children.

Northerners firmly believe that mining developers must consult with them and plan cooperatively so that benefits remain in the north. This was the message that many northern residents communicated to the Royal Commission on the Northern Environment. In shaping guidelines for future development of northern Ontario, the Commission was advised to keep in mind the legendary words attributed to Roza Brown¹: “Don’t mess around with this woman – it is marriage and a future or nothing.”

¹Roza Brown was considered to be one of the more colourful characters in Cobalt – Kirkland Lake mining camps of the early part of this century.



Allowing for their reservations about the ways of resource exploiters, most northerners do consider themselves to be realists and, in some cases, fatalists. "Put several million dollars on the table", some say, "and governments will bend over backwards to accommodate a massive mining adventure."

In future, however, they would desire mining companies to direct a greater proportion of their cash flow to the benefit of northern residents. The people of the north mean to be accommodated in this regard.

Be it lignite, gold, copper or uranium, mine developers, in the main, see their role as wealth producing. The consequences of their finds are employment, sales and profits.

When the ore runs out — that is another story. Boom and bust is the story of mining ventures in Ontario's north. The environment and conditions under which development is encouraged, that is a matter for the people of a specific area and for the governments they influence.

To make that fabled and fabulous discovery, prospectors and geologists must be free to roam. If and when they discover a mineral deposit, their hope is that the find is of a size and value that will make mining economical. Mining people fear government and resent extraneous costs; for example, taxes, social regulations and charges arising from distance, location or difficulty of terrain.

The Commission was told that mining people are not easily discouraged. They know that the richer the find the more likely it will be that the developers and operators will negotiate positively with local and provincial authorities for a clearance on production.

Mining people were agreed that it was this fascination for minerals which led to the development of mining as the second largest industry in Ontario's north today.

Early operators had easily adopted an attitude of "anything that is of advantage to mining is of advantage to the country." (W. H. Wright, 1936).¹ In depression times, the need for jobs, new wealth, additional foreign exchange, all encouraged the extraction of minerals without much preoccupation with the consequences to the natural and social environment.

The prevailing thrust of the submissions to the Royal Commission regarding resource development north of 50 related to tomorrow's ventures. The needs of a total environment and comprehensive planning were foremost in the recommendations of most speakers.

¹J. R. Colombo, ed., *Colombo's Canadian Quotations* (Edmonton: Hurtig Publishers, 1974), p. 644.

New Mineral Resources A Keystone to Development

Issues relating to mining were presented both from the perspective of northern residents and the mining industry. While people saw new mining developments as a source of badly needed employment, many were wary of short-lived employment based on a non-renewable ore body, a resource which would eventually be depleted and which would be subject to the uncertainties of the world mineral market.

Northern residents were also mindful of the industry's negative effects on the environment. Native people were especially concerned that their traditional livelihoods of fishing, hunting and trapping would be interfered with and that they would not be consulted in the development process.

The mining industry, through its representatives, listed some of its concerns such as the uncertainties and red tape of the province's mining taxes, disruptive changes in regulations, unpredictable rates of return on investment, and other variable factors which can render the investment climate unsuitable for mineral development.

Some speakers felt strongly that the mining industry was important to the future of the north:

"It is our indisputable view that the keystone of northern development is the exploration for and discovery of new mineral resources. The exploitation of natural resources provides the major source of new wealth for our country and accounts to a large extent for the high standard of living of all Canadians."

(Prospectors and Developers Association, Timmins, p. 2341)

The City of Timmins stressed the importance of mining to Timmins' economy:

"Timmins, like most of its neighbouring communities from Georgian Bay to Hudson Bay, was developed by mining and lumbering ... it lives by mining and lumbering ... and it will die without them ... Mining and lumbering are the past and present bases of prosperity. Gold is the historic reason for the city's growth ... With the current increases in the price of gold on the open market, there is an unlimited potential for future development in this field in the near future."

(City of Timmins Economic Advisory Board, Timmins, p. 849)

The Ontario Mining Association outlined the potential for mineral development which exists north of 50 and urged that exploration and development be encouraged:

"The mining industry is one of the most important and consistent producers of wealth and employment in the province. There is a definite potential for the development of resource-based industries north of 50.

Mining is, and should continue to be, a prime factor in the economy of this area."

(Ontario Mining Association, Timmins, p. 1016)

Others were not so optimistic and felt that emphasis should be placed on renewable resources rather than unstable, non-renewable resources:

"In view of the current trends in the world mineral prices, it is difficult to be optimistic about the future productivity and life span of the mining industry. It is therefore, in our submission, vital to our future economic security that we develop our renewable resources."

(Dryden District Chamber of Commerce, Dryden, p. 379)

Some groups like the Cochrane Board of Trade, however, felt that this sort of argument was a red herring, and that no development, renewable or non-renewable, can be expected to last forever. In the meantime, they welcomed the benefits which such developments as the Onakawana Development Ltd. proposal to mine lignite coal would bring:

"We feel obliged to comment on the claim that an industry expected to last only 40 years does not represent permanent employment ... In these times of world-wide economic uncertainty any industrial development with an estimated life of 40 years can be considered permanent ... Those of us whose economic existence must take place in the real world would welcome such 'insecurity'."

(Cochrane Board of Trade, Timmins, p. 1138)

The Moosonee Board of Trade also felt that Onakawana Development Ltd. provided substantial opportunity for northerners if managed properly:

"Onakawana wishes to open a large development in this area and is willing, according to their spokesmen, to hire local people if they have the necessary skills for the available jobs. We should be charged, as businessmen, with the responsibility of the training, and industry with the responsibility of job availability. Government should be controlling both, not hindering one or the other. We would wish Onakawana to move in, and possibly it will be the key to opening and developing the north successfully."

(Moosonee Board of Trade, Moosonee, P. 3162)

While the Moosonee Board of Trade supported the Onakawana proposal, they also recognized the need to control development carefully, so that the boom-bust pattern of the past is not continued:

"We feel that development is necessary but must be controlled. We, as a community, and the government must work jointly to ensure controls are instituted and carried out. Unfortunately, it has been found in the past that controls are necessary; necessary to protect our environment and people. How and where must these controls start? They must, we feel, start right at the northern development planning stage... We do not need several industries coming in, doing their development and then moving out en masse. Isolated, piece-meal development has never and will never be a satisfactory answer."

(Moosonee Board of Trade, Moosonee, p. 3166)

Further concerns were expressed about the boom-bust cycle of mineral development, and whether the majority of benefits arising from this development went to local residents or flowed out of the area:

"It is perhaps somewhat unnecessary to say that employment is a key concern of the labour movement, and that employment is tied to economic expansion and development. However, unionists in the north have learned and are presently being reminded of hard lessons from the boom and bust cycles of the past, the company towns which can die as quickly as they were once set up, the pollution, the waste of raw products, the lack of health, education and transportation facilities, the lack of jobs for women, the relocation and dislocation which occurs when a company is closed. These kinds of effects are not just economic — they wreak havoc on the personal and family lives of inhabitants of the north. The lack of stability is oppressive."

(Ontario Federation of Labour, Kenora, p. 2658)

Perhaps worst in the minds of northerners is the seemingly inevitable flow of youth south in search of opportunity:

"Where are the jobs from the silver of Cobalt, Gowganda, Elk Lake, etc.? In the south — where else, along with the cream of our young people. Kirkland Lake, Timmins and their resource, gold, same story — the workers built and paid for the towns, educated the children who had to go south because no jobs were provided for their skill. Where did the cream go? Toronto and other southern cities. They prospered on the riches of our people and our resources. Now it's not with pride that many of our mining towns can claim welfare as their largest industry. It's true that towns like Timmins found new ore and all is boom again for a while, but the end is inevitable because we do not use the resource to finance the future. For the mining industry, it's jobs today and to hell with tomorrow."

(Arnold Peters, MP, Moosonee, p. 3115)

Some people questioned who indeed benefitted from mineral resource extraction:

"By and large the Ontario government has been subsidized through the private development of north-eastern Ontario's resources, we refer to the royalties derived from the mining industry and from the forest industry. The funds so received, and people here will back me on this, are cleared to the Consolidated Revenue Fund and distributed throughout Ontario. There is and has been a growing feeling amongst residents of northern Ontario that the revenue realized by the department, that is the Treasury Department, should be returned in a greater measure to the north, in the form of road construction to ease the excessive transportation costs which obtains here."

(Town of Smooth Rock Falls, Timmins, p. 2318)

Others felt that the time was past when the environment would or could be allowed to suffer as a result of mining development:

"Mines can be and should be developed with little threat to the environment, providing controls are put on the companies concerned such as has been the case. Because of the technical knowhow these days, there is no reason why our environment should be endangered."

(Frederick Bergman, Ear Falls, p. 788)

Native people were especially concerned about the effects of mining development on their reserves and their way of life. They related that they had not benefitted but rather had suffered as a result of mining developments over the years:

"Our area was thrown open by the discovery of gold at Central Patricia and Pickle Crow. Gold was discovered by members of the Osnaburgh Band, discovery from which the band has not benefitted. To reach the gold strikes and to bring in the necessary equipment, a road was required. As a result, the then Department of Highways undertook the negotiations for the surrender of reserve land upon which the road was constructed. To this date, the Osnaburgh Band knows that these negotiations, though barely legal, are morally insupportable and that the compensations were inadequate. It is similar to the damming of the Albany River to generate the necessary power source. That damming created flood conditions ruining reserve land, gardens, homes and graveyards. Again, negotiations and compensations were inadequate. We were then forced to relocate from the Osnaburgh Reserve 63A in signing the Treaty #9 on our present site."

(Osnaburgh Band, Osnaburgh, p. 1805)

To the native people, the white man's attitudes and actions are inexplicable:

"The Indians were the first to inhabit this country now known as Canada. The white man came from across the oceans to make this his country, also, but it seems that they have taken over the whole land and the things that come from the earth itself, namely, silver, gold, nickel and other valuable rocks and minerals. These substances, we feel, rightfully belong to the Indian people. We scarcely obtain things that are of value."

(North Caribou Lake Band, Osnaburgh, p. 1831)

Native people want to be informed and consulted about mineral exploration and discoveries on or adjacent to their reserves. They recognize that these discoveries and the possible development arising from them could have profound effects on their lives:

"We just found out that North Spirit Lake is sitting on a very big deposit of iron ore. If this iron is to be mined, it will mean strip mining because the southern so-called developers never believe the land of the north is worth protecting. It might even mean the diking of North Spirit Lake itself. Will the spirits of the lake tolerate such destruction? Will we? Will you, Justice Hartt? We agree with all other northern communities in their opposition to developments such as these. People who live in the south do not realize that people who live in the north, both white people and Indian, live very differently from the southerners."

(North Spirit Lake, Sandy Lake, p. 2397)

Native people complained that they are not even being informed of exploration activities, let alone consulted in the subsequent development plans:

"The most serious communication problems that we have is when we are not consulted about the plans that are being made for our land. For example, there was a helicopter passing back and forth over North Spirit Lake all last summer and we did not know what it was doing. Finally, we found out from the American tourist owners that the helicopter was looking for minerals on our trapping grounds."

(North Spirit Lake, Sandy Lake, p. 2394)

In general, native people are apprehensive about the benefits to them of future mining developments:

"With regards to future mining developments — for a few years now prospectors have been trespassing across our reserve in order to search for minerals, iron ore, and oil on the old reserve and other land near us.

We have been told that gold has been found and that a mine may be built. Will the people be asked if they want a mine built? We wonder how long the mine will be open. How many persons will work there? Will any of our people be hired? What effect will it have on our community? Will houses be built to accommodate the people? Who will pay for the building of the houses? Will the polluted air coming from the mine's chimneys hurt our health and the health of our wildlife? We wonder how the land will be used after the land is mined out. We feel that the building of a mine will destroy the land in the area, and the pollution from the smoke will destroy our wildlife so that food will not be available to us."

(Barbara Naveau, Timmins, p. 1105)

The mining industry, too, was concerned about the future prospects for the industry in northern Ontario. Repeatedly, there were references to uncertain world markets, unattractive mining taxes, and a range of other issues troubling the industry:

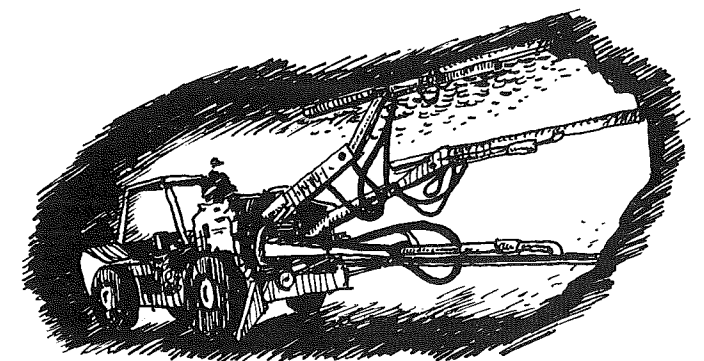
"This total of eight operating mines scattered over a very large area of northern Ontario is in sharp contrast to the situation in 1950, when there were eight active gold mines in the Red Lake area alone in addition to those in other regions of the north. The closing down of so many of these mines and the small number of active operations today in this vast northern area is for the most part the consequence of adverse economic conditions rather than ore depletion. The surviving mines still face the same economic problems, not the least of which are those which traditionally plague remote operations."

(Ontario Mining Association, Timmins, p. 1004)

Exploration activity in northern Ontario in recent years has fallen off for several reasons:

"Exploration in the northern section of the province is of necessity slow and expensive due not only to isolation but also because of the heavy overburden covering much of the land. Unfortunately, modern exploration technology still cannot effectively penetrate much of the thick overburden in this area."

(Ontario Mining Association, Timmins, p. 1004)



Government policies and regulations were also said to be a significant deterrent to the mining industry:

"The decrease in exploration activity has been caused by a combination of the following factors:

- (1) Changes in taxation at both federal and provincial government levels have removed incentives to the mineral industry and have taken a larger portion of taxes from mineral producers.
- (2) Changes in Ontario Securities Commission regulations have impeded the raising of funds for mineral exploration through public financing.
- (3) A lack of clear-cut mineral resource policies at both federal and provincial government levels has created an additional point of uncertainty in an already high risk business.
- (4) Increased environmental standards regarding environmental protection and worker safety and health have greatly increased capital costs."

(Prospectors and Developers Association, Timmins, p. 2343)

Rate of return on investment and insecurity of land tenure were factors affecting the attractiveness of the industry:

"The cost and risks involved in discovering an economically viable mineral deposit have escalated to the point where few will take the risk when secure investments will produce a better financial return. The continued development of mineral resources requires that a financial return be realized compatible with the risk and costs involved... No significant amounts of exploration funds will be expended in an area where there is any doubt that clear title can be obtained to the land on which a mineral discovery is made. We do not intend to take a stand for or against native land claims but wish to stress that the question must be unequivocally resolved if northern development is to proceed."

(Prospectors and Developers Association, Timmins, p. 2342)

Environmental regulation and inflation were also cited as concerns:

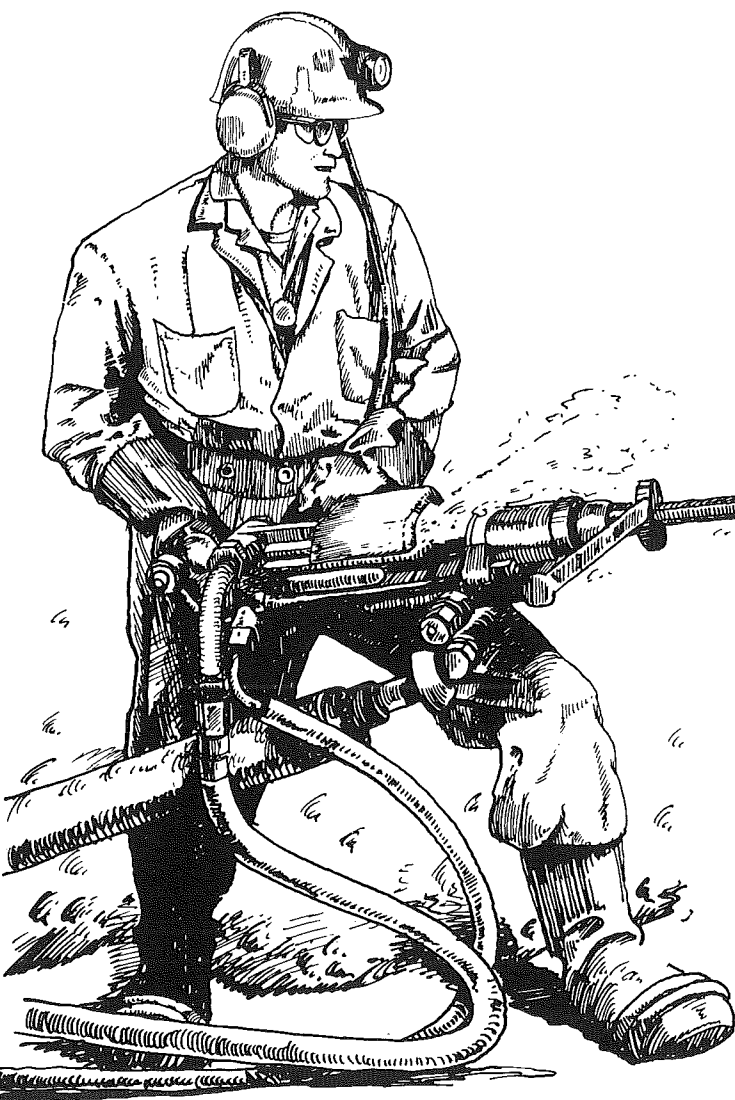
"A structural problem which has exacerbated the industry's plight is inflation and environment regulations which have increased the cost of new capacity by a factor of five over the past 15 years. Another problem, which is more prevalent in Ontario, is that most of the easily discovered and readily accessible mines have been found. While many more ore deposits remain, it now costs five times as much to find them as it did during the 1950's."

(Prospectors and Developers Association, Timmins, p. 1181)

Some industry representatives complained about what they saw as overly stringent environmental regulations:

"The pendulum is swinging towards more environmental controls. When a pendulum swings it rarely settles in the centre. We, at Griffith, are fearful that controls will become so unreasonably rigid that industrial growth will be drastically cut and the economy in the area will become stagnant resulting in social as well as economic problems."

(Griffith Mine, Red Lake, p. 685)



Mining tax laws were singled out as being specific disincentives to the industry:

"The graduated mining tax, in our opinion, is inappropriate for operations north of the 50th parallel, and we suggest that this question be considered by the Commission. The present tax structure does not encourage investment — in productive facilities, housing and related facilities — and hence is self-defeating."

(Campbell Red Lake Mines, Red Lake, p. 618)

Many felt that tax laws had more severe implications for the mining industry north of 50 than elsewhere:

"Furthermore, the mines that are situated here are, in the context of the mining industry, small mines. Accordingly, when the dual levels of government commenced oppressive taxation of this industry this area was affected, more so than most regions in the entire country. This effect has been both direct and immediate in reducing the profitability of existing mines and providing even more incentive for marginal mines to close down."

(Red Lake Businessmen's Association, Red Lake, p. 688)

In particular, the 1976 amendment to the Mining Tax Act which disallowed as tax deductions expenditures made by mining corporations for social expenditures, such as recreational facilities was termed:

"... the most pernicious piece of bureaucratic meddling that directly affects this area."

(Red Lake Businessmen's Association, Red Lake, p. 694)

A government spokesman attempted to explain the rationale for this regulation:

"Prior to 1974... operating costs and depreciation and a processing allowance which is deductible year after year without regard to the reduced value of the assets, were allowed for social assets under the Mining Tax Act. Operating costs and depreciation were also deducted under both the federal and provincial corporate income tax systems. In this combined write-off the government was overly generous, it was felt, resulting in the cost of social assets being written off, not only under the Mining Tax Act, but also under the Corporate Tax Act. It was, therefore, decided to disallow the cost of social assets under the Mining Tax Act, as part of an overall package discussed at length with the Ontario Mining Association in 1974. At the same time as that happened, a number of other write-offs and incentives were increased substantially such as the processing allowance and the depreciation of mining assets. I might add too, that at about that time, the Northern Ontario Support Act, a non-conditional grant to municipalities was raised which the government thought was a help to offset the higher cost of providing community facilities in the north. It should be noted too, that the costs of social capital are

still deductible under federal and provincial corporate tax acts, resulting in an almost 50% tax offset."

(Ministry of Treasury, Economics and Intergovernmental Affairs, Timmins, p. 868)

"The 1978 Ontario budget proposed that operating and maintenance costs of social assets once again be allowed as a deduction, while the depreciation on social assets would continue to be disallowed."

The industry also complained of the uncertainty and confusion of provincial government regulations which control the industry.

"Umex will not develop another mine in northern Ontario under the same regulatory conditions which applied to the Pickle Lake project. And, copper market considerations aside, Umex will not consider expanding its existing operations at Pickle Lake until the rules have been changed, and their application streamlined. If you decide to recommend the prohibition of new mining development north of the 50th parallel, then everyone will know the rules, and will go elsewhere. But if you recognize, as surely you must, that north of the 50th parallel is Ontario's last frontier and that its development for the future must be encouraged, then you should say so, and make the rules for development fair, clear and reasonable. Remember always that miners must go to the ore bodies. There is no alternative in the mining business. There is no other way it can be done."

(Union Miniere Explorations and Mining Corp. Ltd., Pickle Lake, p. 1691)

Local independent prospectors, now a rare breed in northern Ontario, also came forward to express their particular concerns:

"First, trying to obtain risk capital. This is impossible due to government red tape and the cost involved to get a company formed. Second, mining claims. There has been no change in the amount of work required to get a mining claim ready for survey and lease regardless of today's costs. It is still 200 days work and a survey. That is twenty-eight and a half weeks work, seven days a week, or forty weeks. Then comes a survey of \$800 or more. After that we must get a licence to mine this claim and the total cost involved today is approximately \$12,000 on a do-it-yourself basis."

(Walter Thompson, Sioux Lookout, p. 147)

The future of the mining industry in northern Ontario was said to depend on several factors:

1. The political, economic and social conditions that affect the viability of the mining operation.
2. The demand for, and price of the north's mineral production in the market.
3. The course of inflation."

(Campbell Red Lake Mines, Red Lake, p. 619)

The economic well-being of the north is closely tied to the future of the mining industry. Many northerners accepted the need for further development but called for controlled development which would, at least, cause no damage and, at best, enhance their social environment.

Tourism – A Saleable Wilderness Experience

Tourism is recognized as a major "industry" in northern Ontario. Its ever-expanding scale presents problems and opportunities for northerners. In addressing the Commission, northerners in the main said that they appreciated the jobs and economic benefits created by tourist enterprises but did not appreciate tourist incursions into their lifestyles and the competition for the resources of the north. Examples of the competition over resources included the case of the commercial fisherman versus that of the sportfisherman, the interests of the timber cutter versus the concerns of the remote campowner, the ardour of the person campaigning for wilderness preservation versus the rationale of the advocate of multiple land use policies.

Increasing Opportunity and Potential Turmoil

"The beauty of this Lake of Woods pervades me."

The above self-chosen epitaph of a journalist who died in 1883¹ might well encapsulate a visitor's feeling for the north. The hypnotic quality of the north, the awesome grandeur of its land, has grown through the years to the extent that tourism has now become one of the largest industries in northern Ontario.

¹J. R. Colombo, ed., *Colombo's Canadian Quotations* (Edmonton: Hurtig Publishers, 1974), p. 16.

As wilderness resources decrease in the midwestern United States, the attraction of Ontario's north is increasing. Stories are common about tourists; a man who drove from Detroit to north of Red Lake each year to 'bag him a bear', farmers from Iowa who came almost 1,500 miles to catch a 15 lb. walleye, firemen from Oshawa who travelled to the Hudson Bay coast to sit, frost-bitten, shooting geese.

The existence of these tourist facilities in the north has resulted in a holiday experience described by some as "just this side of heaven". Tourism, for those involved in the industry, means hard work over a short 16-week period. Tourism also means an intrusion for some northerners who wish privacy to enjoy the beauty and bounty of their land undisturbed. Derisive comments were heard at the preliminary meetings and resentment was expressed by northerners not involved in the tourist industry. For these people, the northern lexicon has been expanded to include "You alls" or "Yahoos" for Americans and "Prairie Chickens" for Manitobans. Those who bring their camper vans, complete with food and equipment, are labelled "Pork-'n-Beaners".

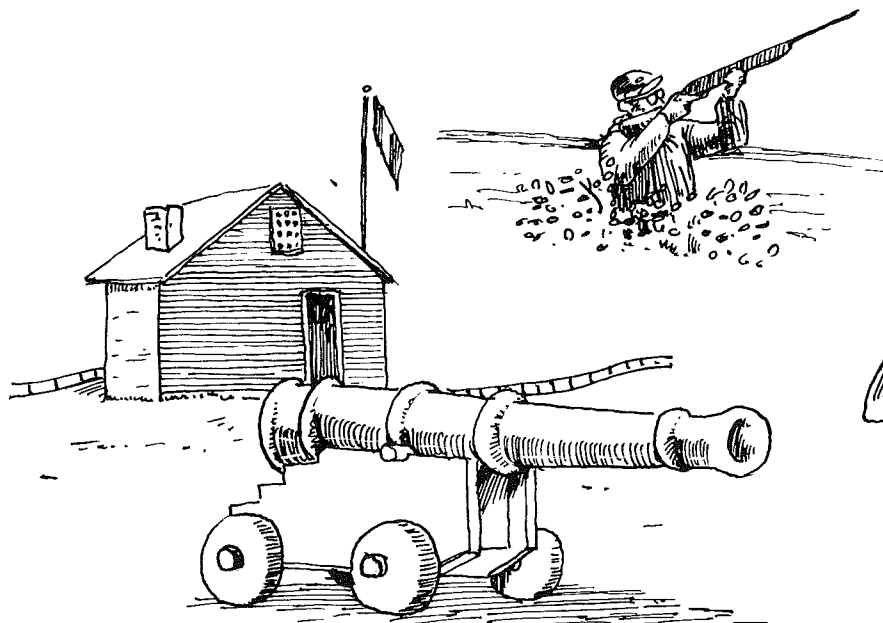
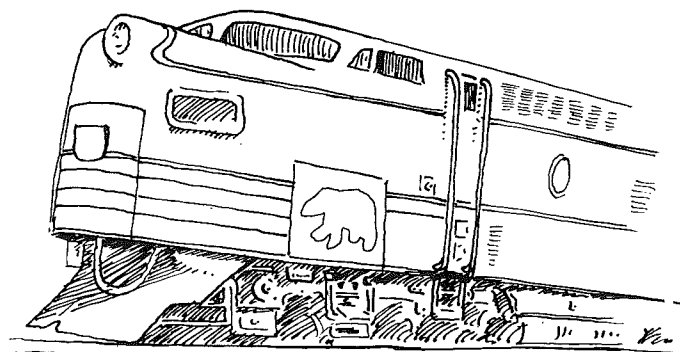
A strong case on behalf of tourism was also presented to the Commission. Tourism was seen by its supporters as the best way for the north to relieve its dependence on single resource industries. On the other hand, the vulnerability of the tourist industry to a range of competitive factors was stressed. Those directly involved in the tourist industry argued for recognition of its special importance to the northern economy. The tourist industry, they maintained, should be accorded strong protection from conflicts with other land uses.



Tourist operators claimed that forestry and mining roads and destruction of fish and game habitat adversely affected the wilderness and therefore their industry. They also felt that sport fishing should take precedence over commercial fishing rather than the equal division of the resource that is now the case.

Not all northern residents felt so intensely for or against the tourist industry. There was some concern expressed about local interests versus tourism in the use of the land.

Wilderness park proponents joined industry representatives in calling for preservation of the environment and restrictions on access roads. A fine line existed between opening up an area to tourism and destroying its inherent wild qualities. There was no consensus among resident northerners on where this fine line lay.



Wilderness Areas and/or Tourist Services and Facilities

Tourism, as it is understood in the north, involves a broad range of recreational activities, interests and perspectives. The Kenora Publicity Board sees tourism as the manifestation of an innate desire in people for a change of environment.

A tourist's desire for a change in environment might range from a wilderness experience, to a comfortable motel weekend complete with all modern conveniences, from a well-equipped fly-in lodge to a camper-trailer expedition. An industry has grown up to provide a full spectrum of vacation facilities to meet these varying expectations.

Tourism as an industry is an extremely important element of the northern Ontario economy. In some instances at the hearings of the Royal Commission, tourism was described as the third largest industry, after forestry and mining. Others said that in northwestern Ontario it was the second most important industry after forestry.

Whether ranked third, second or first (in the case of Moosonee it is the primary industry of the area), the importance of tourism was stressed repeatedly. Many saw tourism as the best bet for a more secure future for their area, a chance to diversify from an overwhelming dependence on a single resource industry.

The town of Kapuskasing felt this way:

"Our future lies in tourism. With energy costs escalating rapidly and with the devaluation of the dollar, we will see more of our American friends vacationing in this part of Ontario. The overall investment in the tourist industry is comparatively less than for other industry and provides a good return — it is our best bet for the future in removing our total dependence on single resource based industries."

(Town of Kapuskasing, Timmins, p. 878)

In Kenora, tourism is seen in a similar light:

"In our view this industry (tourism) probably provides us our greatest future potential. Tourism is an industry which provides the great opportunity for individuals to develop small businesses which are labour intensive and thus offer great employment opportunities."

(Kenora and District Chamber of Commerce, Kenora, p. 3070)

An indication of the magnitude of the tourist industry was offered by the Kenora Publicity Board:

"In Kenora specifically, tourism directly supports 521

hotel rooms, 21 gas stations, 38 restaurants and take-out facilities, 7 china and gift shops, 8 souvenir shops, 9 sport, bait and tackle shops, and 4 airlines, not to mention all the outlying resorts. And perhaps now you can see how tourism affects the lives of each and every one of us in the north, and why we rank it as one of our major industries.

(Publicity Board of Kenora, Kenora, p. 2934)

The Northern Ontario Tourist Outfitters Association was concerned with the "lack of a tourism-oriented profile" at the hearings, stressing the fact that tourism is, and has been for many years, a mainstay of the northern economy.

(Northern Ontario Tourist Outfitters Association, Toronto, p. 1984)

The Kenora District Campowners Association emphasized the labour intensive nature of the industry:

"They (tourism in general and the outfitting business in particular) are the second largest source of income in northwestern Ontario; the largest employer of native people, the largest employer of student labour, and the largest employer of unskilled workers in the Kenora District."

(Kenora District Campowners Association, Kenora, p. 2718)

Nevertheless, in spite of the significance of the tourist industry to the northern economy, the industry is experiencing a number of problems which it feels are restricting or inhibiting its success. Some of these are factors beyond the control of the industry, such as the high cost of gasoline:

"The majority of people who visit northwestern Ontario come by private automobile. The cost of gasoline in this part of the province is too high in comparison to southern Ontario, Manitoba or the United States. It is detrimental to tourism, causing resentment in the attitudes of the tourists who simply cannot understand why the price is so high. The distances travelled in the north are just as great for the tourists as they are for the residents. We have room within the provincial tax structure to allow for a tax concession on gas prices in order to lower the price paid. This in itself would certainly have a positive effect on the tourist industry as well as the residents of northwestern Ontario."

(Kenora District Campowners Association, Kenora, p. 2720)

In addition, the general state of the economy is having a detrimental effect on tourism. The Moosonee Board of Trade described the situation:

"In this area, it (tourism) is our one major industry... For our major source of revenue, other than government money, we are dependent on the whims of a public whose resources are dwindling yearly."

(Moosonee Board of Trade, Moosonee, p. 3164)

In Moosonee, it was recognized that something was required to stimulate and retain the interest of tourists who ventured north on the Polar Bear Express. As it is, tourists generally spend about four and a half hours in Moosonee before setting off on the return trip:

"It is recognized by virtually everyone in Moosonee and Moose Factory that before tourists will want to remain overnight and explore the region that the native resources must be developed and made available to the consuming public. However, local input is crucial to the success of any such development... As matters now stand, the native population reaps little of the financial gain generated by the tourist trade and hence have little interest in accommodating the tourist. The native peoples feel exploited as though they themselves are on display."

(James Bay Education Centre, Moosonee, p. 3129)

Besides more active involvement of native people in the tourist industry, other suggestions for tourist attractions included an Interpretative Centre and a zoo:

"For example, a wildlife park or zoo set in its natural environment, would go a long way towards satisfying the expectations of many tourists who venture to Moosonee on the Polar Bear Express to see not only a moose but also a polar bear, although it would be noted that polar bears are not indigenous to the Moosonee — Moose Factory area and the Moose River is not the Arctic Ocean."

(James Bay Education Centre, Moosonee, p. 3129)

Even in the northwest where attracting visitors is not a problem, the Kenora Publicity Board stressed the vulnerability of the tourist industry to a whole range of factors:

"Even though the tourist industry has witnessed a relatively steady growth pattern in this area, it remains the most vulnerable and fragile of industries in the region. Everything from the pricing of food, fuel and accommodation, to the threat of Quebec separating from Canada, to presidential elections in the U.S., have had dramatic effects on the local tourism industry."

(Publicity Board of Kenora, Kenora, p. 2931)

Not least of the limitations on tourism is its seasonal nature:

"The major problem we have with tourism is that at the present it is primarily summer-oriented. Somehow, we must find a way to develop this beautiful area in the winter. This would tend to provide us with a base for year-round employment."

(Publicity Board of Kenora, Kenora, p. 2931)

The Kenora District Campowners Association complained that the naturally imposed season was further shortened by government restrictions:

"In the tourist business we are limited as to when we can open and when we must close our camps by physical factors such as break-up in the spring and freeze-up in the fall. The farther north you go, the shorter the season. Our season is further shortened by legislative restrictions and some of these restrictions which we cannot control result in financial hardships, both to the campowner, his employees and the suppliers of tourist-oriented goods and services in the north. The shortening of (hunting and fishing) seasons is only one management tool for our fish and wildlife — certainly the most economical for government, but also the most costly for the tourist industry in northern Ontario."

(Kenora District Campowners Association, Kenora, p. 2720)

The campowners also felt strongly that another government policy, with respect to the fish resource, does not fully recognize either the needs of the economic importance of the tourist industry. This is the policy by which the fish resource is divided up between the commercial fishing industry and sport fishermen:

"Sports fishing is the primary tourist attraction in northwestern Ontario, so it is vitally important that we maintain good sports fishing. However, this valuable resource is still being commercially fished. For example, there is a disparity on Lake of the Woods in that 50% of the annual harvest is taken by commercial fishermen and 50% by residents and tourist anglers. However, according to statistics, the tourist industry is providing 18 more jobs (mostly native and local people), 64 times more revenue and 95 times more tax revenue — yet the resource is divided equally."

(Kenora District Campowners Association, Kenora, p. 2721)

The tourist operators felt therefore that wherever the fish resource appears limited, sport fishing should take precedence over commercial fishing. Needless to say, the commercial fishermen are vehemently opposed to the tourist operators on this and accuse the "American-dominated campowners" of trying to influence the Ministry of Natural Resources.

(Northwestern Commercial Fisheries Federation, Kenora, p. 2525)

The commercial fishermen are not the only ones who do not share the tourist industry's view of its importance and virtue. For some it is simply a question of resenting the presence of strangers whoever they may be. A retired Ministry of Natural Resources employee living in Kenora expressed what many local residents feel about tourists:

"Some jurisdictions are high on tourism as a real winner. My observation is that apart from outfitters and merchants the permanent residents do not appreciate seeing strangers at their favourite fishing, camping and hunting grounds. So we had better make up our mind before we start enticing strangers to our gate. Do we want the 'yahoos' and the 'prairie chickens' which is a local term for Americans and Manitobans? Do we want them or do we just want their money?"

(Ted Hall, Kenora, p. 2847)

This raises an issue which appeared to be a contentious one all round, that of access roads and their impact on the tourist industry. Those campowners and tourist outfitters who thrived on the remoteness of the facilities they had to offer perceived access roads, mainly constructed by the forest industry, as a threat to their continued operation. However, some local residents resented the tourist industry's attitudes in this respect. A Dryden resident posed three questions for the Commission:

"1. Why would the campowners assume that having a licence for a fly-in camp on a lake of the size described gives them exclusive rights to the use of such lake?"

"2. Are the campowners also suggesting that fly-in campowners should have full control of vast areas around or leading to such lake?"

"3. Are these camps owned by Canadian citizens?"

(Walter Popiel, Red Lake, p. 548)

He went on to suggest that most tourists are Americans who don't stay at tourist resorts, who do not hire the services of a guide and who bring with them all of the food, gasoline and other supplies that they require.

Many residents seemed to feel that the hunting and fishing paradise proclaimed by the tourist industry should be primarily for the use and enjoyment of local residents. The Northwestern Ontario Associated Chambers of Commerce identified this dilemma:

"Tourism — conflict between attraction of outside tourist for tourist dollars against preservation and restriction for use for local recreation."

(Northwestern Ontario Associated Chambers of Commerce, Sioux Lookout, p. 144)

In fact, the Ministry of Natural Resources' Northwestern Ontario-Strategic Land Use Plan — Phase II has determined that day-use recreation by the people of northwestern Ontario is of higher priority than tourist development. Both the Nakina Tourist Area Outfitters and the Thunder Bay Chamber of Commerce were disturbed by this priority allocation. The latter stated that:

"Again, it would appear that this attitude has developed from the misconception that tourism is merely a luxury and is not to be given any priority as a major industry."

(Thunder Bay Chamber of Commerce, Kenora, p. 3031)

Whether or not tourism is a luxury, there was a certain amount of hostility expressed over the tourist outfitters' emphasis on remote fly-in operations, which must be safeguarded from the easy accessibility of roads.

The Kenora Paper Mill Unions Federated Committee argued that:

"The accessibility to the hunting and fishing areas have been primarily brought about by the logging industry. They have opened up the areas so that the ordinary citizen can have easy access to the game and fish. A wilderness or restricted non-accessible area does not allow the ordinary individual with limited income, to have access to the fish and game. These restricted areas are available only to the rich and the more fortunate."

(Kenora Paper Mill Unions Federated Committee, Kenora, p. 2586)

The outfitters attempted to meet this charge of elitism:

"We have few of these remote recreation areas left. Let us protect them! 'Remote' does not mean inaccessible to the general public. These areas can be reached by the sportsmen who wish to work a little harder paddling a canoe, or portaging, if they don't wish to fly-in to the outfitters' facilities. Their extra effort is usually well rewarded."

(Nakina Tourist Outfitters, Nakina, p. 1492)

Despite the fact that the outfitters feel threatened by access roads opening up their territory it was pointed out by some that without the northward push of roads the area would never have been opened at all. Among these was the Dryden District Chamber of Commerce:

"Tourism plays a major role as one of our primary industries in this area. Any development, be it industry or transportation can, in our submission, only benefit tourism."

(Dryden District Chamber of Commerce, Dryden, p. 380)

The fine line between benefit and disadvantage was particularly evident in this statement by an Ear Falls resident:

"After the Red Lake Road was built the country opened up for tourist trade and has become an industry of prime importance to the area. I feel this will slowly vanish in this area as more roads are pushed further north. There are more and more aircraft being used each year to transport fishermen and hunters into more remote areas... Sioux Lookout years ago was the big area until the Red Lake Road opened up new country and now this area is not far enough north to meet the tourists' needs. If this lucrative tourist trade is to survive, in my opinion, more roads to the north will have to be built. Roads come with mining and lumbering development."

(Frederick Bergman, Ear Falls, p. 785)

If the tourist trade is pushing ever northward what of the campowner who is located in the no longer remote area?

"Remoteness no longer exists and the clientele of the outfitters find other areas which satisfy their requirements. The plane, buildings, and equipment, all become redundant. The business can't be sold, for who will buy a business with no clientele? The sportsman can move on but all that is left for the commercial operator is the garbage. He cannot pick up his sizeable investment and move on."

(Nakina Tourist Outfitters, Nakina, p. 1492)

As the Kenora District Campowners Association put it:

"A lake without a road to it is a non-renewable resource."

(Kenora District Campowners Association, Kenora, p. 2722)

In this concern to maintain a wilderness environment, inaccessible by road and unaffected by logging operations, the campowners and tourist outfitters are joined by the proponents of wilderness parks. The Mantario Wilderness Committee spoke about the need to preserve a wilderness area from approaching roads:

"The experience with secondary roads has not been happy. All you have to do is look at the litter pile, the excessive use of all-terrain vehicles, including snowmobiles, to see what can happen: wholesale fish slaughter, littering very often following. And what are the economic benefits? Well, we think that the tourist trade with a bit of imagination can have a much more lucrative, long-range business by preserving the

country. It is in their interest to conserve, and attracting people from all over the world, because, as I mentioned before, with this growing urban population, the need for a place where people can get away from junk, get away from noise of motors and just hear the sounds of nature, is going to grow and grow and grow."

(Mantario Wilderness Society, Kenora, p. 3053)

However, these wilderness supporters foresee a non-intensive form of recreation/tourism which would not necessarily include the present model of the fly-in camp:

"Canoe outfitting has a much lower break-even point; it is more labour intensive and of much more local benefit than a type of tourist operation that relies on, say, aircraft with a high fixed expenditure of funds that are largely exported from the country."

(Mantario Wilderness Society, Kenora, p. 3053)

Another group dedicated to the creation of a wilderness park, the Atikaki Council, faced strong opposition from a local population which interpreted their proposal as threatening the economic base of its community. Atikaki's proposal¹ was met with hostile response from Ontario-Minnesota Pulp and Paper Co. which claimed that such a wilderness preserve would undermine the company's timber base to the extent that it would be forced to close down. The Atikaki Council rejected these charges saying that:

"We are not anti-development, we are non-political, we have no personal involvement other than a love for the land. Our one purpose, our dream is that a portion of this region can be set aside as wilderness, so that our children can also experience its beauty, strength and solitude."

(Atikaki Council, Kenora, p. 2974)

¹The Atikaki proposal is a plan put forward by conservationists to establish a wilderness park stretching across the Ontario-Manitoba border. The wilderness area would encompass 4,950 square miles.

The Atikaki people also denied that their proposal would result in a loss in jobs:

"The area contested with Ontario-Minnesota Pulp and Paper Co. could only cost less than 20 jobs—jobs which would be more than made up for in a wilderness park."

(Atikaki Council, Kenora, p. 2982)

The National and Provincial Parks Association urged the Commission to consider wilderness as a valid land use option and pointed out that:

"One needs only to examine tourist promotion literature of government and private groups to know that wilderness in Ontario is one of our most valuable natural resources."

(National and Provincial Parks Association, Sioux Lookout, p. 190)

One thing that joins together wilderness proponents, camp operators, tourist outfitters, and sportsmen, is a concern that the environment be maintained and protected:

"Tourism and the recreation paradise is all part of the great resources that we have in our lakes, rivers and streams. We cannot afford pollution or bad management of these resources."

(Northern Ontario Heritage Party, Timmins, p. 1022)

Without a healthy environment, the fish and wildlife would not exist. Northern Ontario Tourist Outfitters Association emphasized this:

"The bases of the outfitter's operation are the renewable natural resources of fish and game. The survival of the outfitter depends on the continuance of these resources. He is, understandably, concerned with the quality of environment and the preservation of habitat that is essential to the resources on which business is based... Conservation (wise use) of our fish and game populations can only be managed if the quality of environment is maintained and even improved in some areas."

(Northern Ontario Tourist Outfitters Association, Toronto, p. 1987)

The Ontario Federation of Anglers and Hunters is an organization of sportsmen dedicated to conservation and sound environmental management. They are concerned that development has not been based on environmental concerns, which has resulted in pollution problems detrimental to fish and wildlife:

"The socio-economic environment, while every Federation member may enjoy its benefits and desires to see it maintained, has been given a lower priority by our members in the sense that we are conservationists, we are environmentalists and we are concerned with that priority and that value. Development will take care of itself, we are quite sure."

(Ontario Federation of Anglers and Hunters, Timmins, p. 1044)

They expressed particular concern about sulphur dioxide (SO₂) fallout from smelting operations, which is hastening the acidification of northern lakes and is especially hazardous to lake trout. Attention was also

drawn to the current debate on clearcutting as a harvesting technique, which is seen to be particularly disruptive of moose populations:

"All the while clear-out harvesting continues when it is known that this is not the way to harvest for food, forest and game management."

(Ontario Federation of Anglers and Hunters, Timmins, p. 1049)

Most dramatically, mercury pollution of the English-Wabigoon River system has had serious impacts on the tourist industry in that area because of mercury contaminated fish. Although the river has remained open to sport fishing, several lodges have closed voluntarily and many tourists have avoided the area.

To the native people for whom guiding was a major source of employment, the closing of lodges has been a serious economic blow. The Commission was told that those who have continued working as guides for the surviving lodges face the dilemma of eating fish at the famous shore lunches or declining to do so at the risk of losing their jobs.¹ The whole region, not just those waterbodies affected by mercury, has been plagued by adverse publicity.

¹In April 1978 Whitedog and Grassy Narrows reached an agreement with the Kenora District Campowners Association and the Ontario government under which 50 extra fishing guides would be hired from each reserve this summer. Lodge owners will provide the Indian guides with box lunches.

Perhaps the most poignant statement with respect to tourism in the north came from a resident of Dryden who said:

"This last bit of wilderness is priceless, and can never be replaced. It sickens me to think that I am going to have to tell my children how life was in northern Ontario, rather than having a chance to share it with them. My suggestion to you is to advertise and encourage tourists to come back to the area, perhaps promote it so that the sportsman comes back. With the proper program the wildlife and fish could be perpetual. I feel that development in the north should be restricted to developing the area enough only to gain further and easier access to our large northern regions."

(Doug Miranda, Red Lake, p. 546)

Clearly a fine line exists between opening up a region judiciously so that visitors can appreciate its "wildness" and beauty and opening an area insensitively so that the wild quality is destroyed. It was equally clear that that fine line was not the same to all parties who spoke to the Commission.