

AGENDA

Northwest Territories Council  
Seventy-ninth Session  
8th April, 1938,  
2:30 p.m.

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COUNCIL OF THE NORTHWEST TERRITORIES

Minutes of the Seventy-ninth Session  
of the Northwest Territories Council  
held on Friday the 8th April, 1938,  
in the office of the Commissioner at  
2:30 p.m.

## PRESENT -

Dr. Charles Camsell (In the Chair)	- Commissioner.
Mr. R. A. Gibson	- Deputy Commissioner.
Mr. A. L. Cumming	- Member of Council.
Mr. K. R. Daly	- " " "
Dr. H. W. McGill	- " " "
Dr. O. D. Skelton	- " " "
Colonel S. T. Wood	- " " "
Mr. J. F. Doyle	- Acting Secretary.

Dr. Camsell welcomed Colonel S. T. Wood, Commissioner, Royal Canadian Mounted Police, and Dr. O. D. Skelton, Under-Secretary of State for External Affairs, as members of the Northwest Territories Council. The Commissioner stated that Council was indeed fortunate to have such men as members. Colonel Wood has had a wide and varied experience in western Canada and the Yukon Territory. He has gained an intimate knowledge of conditions and of the problems with which Council has to deal. With reference to Dr. Skelton, the Commissioner remarked that Council had been endeavouring for several years to induce him to become a member and had at last succeeded. There are many matters affecting the administration of the Northwest Territories that touch the sphere of Dr. Skelton's Department and his advice and guidance will be of inestimable value on the business of the Council. (Copies of Orders in Council (P.C. 585) of 23rd March, 1938, and (P.C. 686) of 31st March, 1938, attached).

## 1. Confirmation of Minutes -

Seventy-eighth Session - 21st March, 1938.

It was moved by Mr. Gibson and seconded by Dr. McGill that the Minutes of the Seventy-eighth Session, 21st March, 1938, be confirmed. Carried.

## 2. Liquor -

## (i) Establishment liquor store at Yellowknife -

Dr. Camsell stated he had discussed this subject with the Minister and it was recognized that with the influx of white men into the mining areas, conditions were changing and the time had arrived when Council must deal with the liquor question. There are several alternatives to be considered including,

- (a) Request the governments of Saskatchewan and Alberta to extend their present facilities into the Northwest Territories.
- (b) The operation of a liquor store by the Department of Mines and Resources.
- (c) Authorize a responsible organization to establish a store at Yellowknife, such store to be operated in accordance with regulations approved by Council.

It was felt that the last alternative was the proper one to adopt.

Mr. Gibson explained that at present liquor permits are issued to eligible persons (those over eighteen years of age and not Indians) to import two gallons of liquor or two barrels of beer in each calendar year for medicinal purposes. Latterly there had been a substantial increase in the number of permits applied for. Applications had been received from persons who had not applied previously. This has led to the belief that liquor is being imported in this way for the use of others who have probably obtained their maximum allowance under existing regulations. It was also believed considerable liquor was being imported without legal authority particularly into the Yellowknife-Gordon Lake mining area resulting in representations being made by the mining companies. The mining companies have no serious objection to their employees obtaining small quantities of liquor preferably by the bottle but the importation of two gallons at one time was having a disturbing effect on their operations.

Mr. Gibson stated further that in a letter dated the 26th March, 1938, (copy attached) the present situation had been adequately presented by Mr. L. E. Drummond, Secretary-Manager, Alberta and North West Chamber of Mines, Edmonton, Alberta, who recently visited the Yellowknife mining area. At Dr. Camsell's request Mr. Gibson had been in telephone communication with Mr. Ralph Parsons, Fur Trade Commissioner of the Hudson's Bay Company, to ascertain whether that company would be willing to handle the liquor business at Yellowknife. After consultation with his committee, Mr. Parsons telephoned to say that provided the arrangement was reasonable and the native population, and those living the lives of natives, were protected in the regulations, his company would be glad to co-operate in the interest of efficient administration. This would probably mean the Hudson's Bay Company would finance and manage the store under regulations and retain a portion of the profit to be derived from the sale of liquor, the balance going to the government. When the matter is further advanced departmentally and an ordinance and regulations drafted, Mr. Parsons will come to Ottawa to discuss the details.

A general discussion followed during which it was agreed that although objections had been raised to the establishment of a liquor store within the Territories yet in view of the increasing mining population, the unauthorized importation of liquor from outside points, and the growth of home brew manufacture, there was no satisfactory alternative but for the government to authorize the establishment of a store at Yellowknife under regulations which would permit of rigid control. Moved by Mr. Gibson and seconded by Dr. McGill that the officials of the Northwest Territories Administration be authorized to negotiate with the Hudson's Bay Company with a view to establishing a liquor store at Yellowknife, Northwest Territories, and following these negotiations, draft regulations to be presented for discussion by Council.

(ii) Interdicted list submitted -

A list of the names of fifty-four residents of the Northwest Territories who are not considered eligible for liquor permits was presented. In explanation Mr. Gibson stated a person was placed on the interdicted list because of infractions of the liquor regulations or some offence arising from the misuse of liquor. Those in receipt of relief or with destitute children supported by the Administration are also debarred. However, if a person who has received government aid repays the amount expended, his name is removed from the list.

✓ 3. Influx of miners, prospectors, and others to the mining areas -

Dr. Camsell reported that the Minister had asked him to draw the attention of Council to the fact that steps should be taken to discourage the influx of white people to the Yellowknife mining area unless they had employment in view or were adequately equipped and financed, otherwise they would likely become public charges. Under existing regulations they would not be eligible for hunting and trapping licenses while further restrictions in this regard were contemplated. Council was of the opinion that much could be accomplished in this regard through periodic press notices and by having the Royal Canadian Mounted Police at points of embarkation such as Edmonton and McMurray endeavour to dissuade them. The Deputy Commissioner stated that Mr. L. E. Drummond had intimate knowledge of conditions and labour requirements in the mining areas and after returning to Edmonton following

his recent tour of inspection in the Yellowknife area, he had given an interview to the press. The Minister had likewise given a recent interview which appeared in the western papers. It was thought that these releases would serve as a deterrent. Colonel Wood agreed to notify his western detachments to interview as many prospective entrants as possible with a view to discouraging them from proceeding to the Northwest Territories unless they had some definite object in view. Council also agreed that periodic press statements issued through the office of the Alberta and North West Chamber of Mines, Edmonton, would likewise be desirable.

#### 4. Northwest Game Act and Regulations -

- (i) Control of trapping and trading -
  - (a) Offences against Northwest Game Act - Cancellation of permits -

It was explained that this item relates to a suggestion that the license privileges of persons convicted for a second time of an offence against the game regulations be cancelled automatically. Mr. Daly stated that he and Superintendent Fletcher of the Royal Canadian Mounted Police, were to discuss this but it had to be deferred owing to the latter's illness. Stand.

- (b) White trappers - further restrictions -

It was reported returns show a marked decrease in the number of fur bearing animals taken in the Northwest Territories and that suggestions had been received from departmental officials, missionaries and others, that further limitations be placed upon the issue of trapping licenses to white men. The proposal was to limit the issue of such licenses to white residents and their children who are presently dependent upon trapping for their livelihood. A general discussion of game conditions followed during which Dr. McGill remarked that the current reduction in the amount of fur taken was due, in part, to over-trapping and lower fur cycles. It was agreed that the advent of the aeroplane had had a decided effect and owing to the fact that the native population was dependent upon the fur resources for their livelihood, the time had arrived when definite action would require to be taken to further safeguard these resources. Mr. Gibson remarked that government expenditures under such headings as Hospitalization and Destitution, had increased substantially in the last few years. This was attributable mainly to reduction of wild life upon which the natives were dependent. He also mentioned that the provinces were setting aside large areas as game preserves and were restricting the hunting and trapping privileges of white men in order to conserve the game regulations for those who had prior right thereto.

It was moved by Mr. Daly and seconded by Dr. McGill that those eligible under the game regulations for hunting and trapping licenses shall be -

*Amended at  
80<sup>th</sup> Session -*

*19<sup>th</sup> April, 1938 -*

*9<sup>th</sup> Nov. 2(11)*

*page 1341*

- ⓐ (a) Residents of the Northwest Territories as defined by these regulations who at the present time hold hunting and trapping licenses and who continue to reside in the Northwest Territories.
- ⓑ (b) The children of such residents who have their domicile and continue to have their domicile in the Northwest Territories.
- (c) Use of aircraft in trapping operations -

The draft amendment to the Northwest Territories Act with a view to providing authority to search aircraft believed to contain Northwest Territories furs was discussed. Mr. Daly reported that the revised draft prepared by Mr. Miall was an amendment to Section 39 of the Northwest Game Act, as follows -

"A judge of the Exchequer Court of Canada shall grant a Writ of Assistance upon application made to him for that purpose by His Majesty's Attorney General of

Canada and such writ shall remain in force so long as any person named therein remains an officer be the same game officer, game warden, constable or other peace officer, whether in the same capacity or not.

(2) Under authority of such a Writ of Assistance the person named therein may enter in the night time if accompanied by a peace officer and in the day time without being so accompanied, any place, building or premises or any vessel, vehicle, aeroplane or conveyance of any description without the Territories and within the jurisdiction of the court or judge granting such writ in which he has reason to believe there exists any thing the export whereof from the Territories is prohibited conditionally or otherwise by any Act of Canada or Ordinance of the Territories and may search for any such thing and may seize any such thing there found and for the purpose of such search or seizure may in case of necessity break open any entrance or door, wall, floor, window or gate and any chest or package;

(3) Any thing, the export whereof from the Territories is prohibited conditionally or otherwise by any Act of Canada or Ordinance of the Territories and any receptacle of any kind whatsoever and any vehicle, motor car, automobile, boat, canoe, aeroplane or conveyance of any description found containing or to have been used to remove from the Territories such thing shall be seized by any peace officer having a knowledge thereof and be subject to forfeiture;

(4) The provisions of sections 171 to 184 inclusive of the Customs Act as to the proceedings upon seizure or alleged penalty or forfeiture incurred shall apply mutatis mutandis to any vessel, vehicle, goods or thing seized under the provisions of this section to the end that the Commissioner of the Northwest Territories may give his decision respecting the seizure, detention, penalty or forfeiture or refer the matter to the Exchequer Court of Canada."

Colonel Wood inquired whether it was the intention to issue Writs of Assistance to any but the Police. Mr. Daly replied that writs would only be issued to those who held them under the Excise Act. In reply to a question by Dr. Skelton, the Commissioner stated that the object of this legislation was to effect collection of fur export taxes which had not been paid prior to exportation from the Northwest Territories.

(d) Transfer of Indian family from Fond du Lac, Sask., to Tow Lake, N.W.T. -

Dr. McGill reported that he had asked his Agent for particulars regarding the transfer of an Indian family from Fond du Lac, Saskatchewan, to Tow Lake, Northwest Territories, by an Assyrian trader. The object of this transfer apparently was to enable the Indian family to secure fur for the trader. Mr. Gibson reported that Indians of the provinces who had previously hunted and trapped in the Northwest Territories were permitted to continue under existing Northwest Territories Game Regulations but the Department had never acknowledged the right of Indians to move from the provinces to the Northwest Territories in order to take advantage of the fur resources of the Territories and that while the Indian might move he should not be encouraged to do so unless the Indian Affairs Branch first approved. The rights of Indians to move from province to province was mentioned by Dr. McGill and as there was no legal restriction on their movements the item is to be dropped from the Agenda.

(ii) Conservation of wild life -

(a) Wolf bounty -

Dr. Camsell reported that the Province of Saskatchewan had increased bounty on wolves to \$10. and Alberta would in all likelihood do likewise. In order to bring the Northwest Territories in line with the provinces, an item had been placed in the Supplementary Estimates

to provide for the payment of a bounty of \$10. on mature wolves and \$5. on wolf pups killed in the Northwest Territories. The Minister had informed the Province of Saskatchewan accordingly while a similar communication had been written to the Province of Alberta.

(b) Muskrat ranching in Great Slave Lake area -

It was reported the recommendations of Mr. Thomas Lamb have been carefully studied by Dr. C.H.D. Clarke, but there is not sufficient information available to determine definitely whether water levels have a really important bearing upon the muskrat situation. Dr. Clarke considers there are other factors besides water levels and fur values which affect the muskrat situation. He suggests an experiment be made in the Wood Buffalo Park to determine the factors affecting the muskrat population.

Mr. Gibson stated there is an area in the Wood Buffalo Park where such an experiment could be made. There is a warden service and the scheme could be safeguarded and supervised to a reasonable extent. Dr. Camsell said this appears to be a good opportunity and Dr. McGill agreed to give the matter consideration.

(c) Illegal shooting of caribou in N.W.T.  
by Madge Magrum of Peace River, Alta. -

This case was brought to the attention of the Northwest Territories Council as Miss Magrum had entered the Territories in July, 1937, and on the 23rd February last was convicted on a charge of shooting caribou without a license contrary to the provisions of the Northwest Game Act. A fine of \$5. without costs was imposed. As Miss Magrum will be ineligible for a hunting and trapping license under the Northwest Game Regulations, the matter was considered closed.

(iii) Improper preparation of muskrat pelts  
by natives -

The practice of accepting unstretched muskrat pelts from the natives was introduced by Mr. H. E. Pepper of Aklavik and referred to by Mr. A. L. Sawle of Northern Traders Limited, during his recent visit to Ottawa. After discussion it was felt that the matter was one between the trappers and the traders but Dr. McGill said he would do what he could through his Agents to induce the Indians to present their furs in proper manner.

5. Allowance for stenographic assistance -  
L. E. Drummond -

It was reported that Mr. L. E. Drummond who acts as Sub-Mining Recorder for the Northwest Territories at Edmonton, issues Liquor Permits and carries out other business in the Territories, reported it has been necessary to increase his staff and asked that an allowance of \$200. per annum be paid for stenographic assistance. Mr. Gibson stated the Department pays \$200. annually to the stenographer employed by Mr. H. Milton Martin of Edmonton who also acts in a similar capacity. The volume of work handled by Mr. Drummond for the Department and the probable increase was fully appreciated. Dr. Camsell thought the proposal was justified. It was, therefore, moved by Mr. Gibson and seconded by Colonel Wood that \$200. per annum be paid to Mr. Drummond's stenographer with effect from the 1st April, 1938.

6. Mackenzie District Matters -

(i) Transportation -

(a) Proposed improvements Athabaska-Clearwater Rivers -

Dr. Camsell stated he had received a copy of the report prepared by the Board of Engineers dealing with transportation on the Athabaska River. In this report it was recommended the river be dredged for approximately fourteen miles below McMurray to provide a draft of 4 ft. 4 in. The project was estimated to cost \$150,000. for equipment and \$150,000. for the execution of the work which would take about three



years. After an intensive study the Board reported that if this work is undertaken and carried through, the computed cost of transporting 21,500 tons of freight to Goldfields or Fitzgerald with average depth 2 ft. 4 in., at \$11.00 per ton is \$236,500.00 per year. If clear depths can be increased to 3 ft. 4 in., the transport rate would be reduced to \$5.80 per ton, or \$124,700.00 per year. If it can be further increased to 4 ft. in., transport costs would be reduced to \$4.20 per ton or \$90,300.00 per year. The matter has been submitted to the Department of Public Works. Mr. Gibson stated that the Athabaska River was a very important link in the chain of transportation facilities into the Northwest Territories and anything done to improve this river would reflect to the advantage of the Territories. It was moved by Colonel Wood and seconded by Dr. McGill that Council approve of the report of the Board of Engineers and recommend the improvements suggested therein be carried out.

(b) Freight rates Alberta and Great Waterways Railway -

Dr. Camsell referred to the representations made by the Alberta and North West Chamber of Mines to the management of the Northern Alberta Railways regarding the freight rates on that road particularly north of Lac La Biche, (copy of report, 5th March, 1938, from L. E. Drummond, Secretary-Manager, Alberta and North West Chamber of Mines, attached). Dr. Camsell stated this railroad is now under the control of the Board of Railway Commissioners and undoubtedly the rates are excessive. He instanced the case of a shipment of machinery from Illinois to Goldfields. The cost of freight between Edmonton and Waterways exceeded the rate from the point of shipment in Illinois to Edmonton. Dr. Camsell discussed this matter with Mr. Murdock, Director of the Canadian National Railways who stated he would take it up with the Traffic Manager to see whether an arrangement could be made to present the case before the Board of Railway Commissioners. It was not considered that the Northwest Territories Council should take this matter up with the Board of Railway Commissioners as it would be preferable that the representations be made by a private organization such as the Alberta and North West Chamber of Mines, the mining or transportation concerns. Dr. Camsell is to communicate with Mr. Murdock in Montreal to ascertain the result of his talk with the traffic management of the Canadian National Railways.

(c) Hydrographic Survey of Lake Athabaska and Great Slave Lake -

Mr. Cumming recommended that a hydrographic survey be made of Lake Athabaska and Great Slave Lake with a view to facilitating transportation through these waters. Dr. Camsell pointed out the need for a charted route from the mouth of Slave River to Yellowknife as the Yellowknife sector of Great Slave Lake is a maze of islands and shoals which were a distinct hazard to navigation. He will take the matter up with the Surveys and Engineering Branch, Department of Mines and Resources.

(ii) Geologist to investigate conditions at Fort Smith, etc. (Co-operation Mines and Geology Branch) -

Mr. Gibson reported that Dr. J. F. Henderson, Mines and Geology Branch, Department of Mines and Resources, would proceed to Fort Smith by first boat to carry out an investigation as to the cause of the landslide which took place last fall. He will also make a geological examination in the Bell Rock area, look into the matter of a water supply for the settlement of Fort Smith and similar matters. In this work he will co-operate with the departmental officials and with the Engineer of the Department of Public Works who will reach Fort Smith about the same time to take charge of waterfront developments.

7. Medical Services -

(i) Proposed Anglican Hospital at Norman - equipment -

A letter has been received from Right Reverend A. H. Sovereign (copy attached), asking whether the Department of Mines and Resources would contribute 40% of the cost of furnishing the hospital which the

Anglican Mission will erect at Norman this year. Dr. McGill said that the present per diem rate of \$2.50 paid the missions for the treatment of patients was intended to cover furnishings and maintenance costs and that the present policy should not be departed from. Council agreed.

(ii) Medical administration of the  
Northwest Territories -

Mr. Cumming reported that Dr. G. F. Homer who had been appointed as Medical Officer to assist Dr. Urquhart at Aklavik had, since relinquishing his duties, submitted certain suggestions regarding medical administration in the Northwest Territories. These suggestions had been commented upon by Dr. Urquhart in a letter dated the 16th February, 1938. As there are several matters under the heading of Medical Administration to be discussed, it was agreed to allow this item to stand.

(iii) Aerial Medical Services -

Dr. Camsell stated that a lady in England whose name was not divulged would like to donate £5,000 toward the establishment of a memorial to her late husband. This offer had come from Mr. Bradford Washburn through the Governor General. Council discussed ways and means by which this fund might be properly utilized including medical research in the Northwest Territories, which offered a wide field for this class of endeavour. It was agreed that while such a suggestion had many merits, it was doubtful whether the donor would be satisfied to make the contribution for a purpose of this kind. Dr. Camsell is to see His Excellency the Governor General and Mr. Washburn and the matter will be further discussed.

8. Pensions for the blind -  
(Order in Council P.C. 656,  
30th March, 1938) -

Reference was made to an Order in Council passed recently which provided for the payment of pensions to blind persons in the Northwest Territories. Mr. Gibson remarked that Treaty Indians were not included but provision was made for the payment of pensions to Eskimos as pending a determination of their status they are considered to be white men.

9. Radio Stations (Private Commercial) -

(i) Hudson's Bay Company -

- (a) Application to transfer radio station  
from Gjoa Haven, King William Island  
to Perry River post on Flagstaff Island -

Mr. Cumming reported that a permit has been granted the Hudson's Bay Company to maintain a trading post at Perry River, Flagstaff Island, for the period of one year from 18th March, 1938. The Company requests permission to transfer their present radio station at Gjoa Haven, King William Island, to the site of their trading post at Perry River. Council approved.

- (b) Application to establish eight additional  
radio stations at various points in  
Northwest Territories -

This is to enable communication between the Hudson's Bay Company posts and with terminal stations operated by the Department of National Defence and the Department of Transport. It was moved by Mr. Gibson and seconded by Mr. Cumming that this application be approved. Carried.

10. British Sovereignty in the Arctic -  
(Discussion of report prepared by  
Mr. T. L. Cory) -

Mr. Gibson stated he thought Dr. Skelton was familiar with this document. It was written some time ago by Mr. T. L. Cory. The object was to put within covers a fairly complete story of what has taken place with regard to British, now Canadian sovereignty, in the Arctic and to

affirm that the Dominion is administering all territory between the mainland and the Pole. There are some comments that Mr. Cory put in as a result of his study of the material he had before him which he added on his own responsibility to promote discussion.

Dr. Skelton asked if this report was for reference or for publication purposes and was advised it was intended for record purposes only, to be maintained in the Archives of the Department of External Affairs and the Northwest Territories. Mr. Gibson mentioned the desirability of having Dr. Skelton peruse this report in order that Council might consider whether anything further should be done by way of maintaining sovereignty. Dr. Skelton stated a member of his Department had already studied the report but he would undertake to examine it carefully and hoped to have something prepared for presentation at the next meeting of Council.

11. Request of Bishop Turquetil for permission to invite Eskimo family to attend National Eucharistic Congress in Quebec -

Mr. Gibson submitted a request made by His Lordship Bishop Turquetil for permission to have an Eskimo family attend the National Eucharistic Congress in Quebec this year. His letter dated the 7th April, 1938, reads, in part, as follows:-

"Besides choosing an Eskimo who is well used to white men, we will have him accompanied by Rev. Fr. Ducharme, all the way from Chesterfield to Montreal.

Also at each stopping place, viz: Churchill, The Pas, Winnipeg, Montreal and Quebec, we will have this family boarded at the residences of the Oblate Fathers, and will not allow it to be an exhibit at any hotel or other public buildings nor to be tempted by things which are prohibited in its country, such as drink for instance.

This family will reach Montreal only a few days before the Congress, stay at my own place in the meantime, and soon after the Congress will go back North on board my boat the M.F. Therese.

With this written guarantee from me, I do not doubt that you will kindly approve as I feel myself bound in conscience to choose a worthy Eskimo family, and to see to it that such a trip will not be detrimental to them in any way."

In view of the assurance given that this family would not be used for exhibition purposes and would be returned to the North at the conclusion of the Congress, it was moved by Mr. Daly and seconded by Mr. Gibson that permission be granted. Carried.

12. Water Power -

- (i) Application of Consolidated Mining and Smelting Company for water power privileges on Yellowknife River -  
(Report Surveys and Engineering Branch)

Dr. Camsell stated an application had been received from the Consolidated Mining and Smelting Company for water power privileges at a site on Yellowknife River at the outlet of Prosperous Lake. A report had been made by the Water and Power Bureau, Department of Mines and Resources, recommending this company be given a priority permit. A copy of this report has already been submitted to Council.

Mr. Gibson remarked that the company would not itself require the full amount of power available and would not likely develop beyond the immediate market indicated. He pointed out, however, that the priority permit or agreement could be so worded as to require the company to develop whatever power is needed for the district up to the reasonable capacity of the site awarded should the local needs justify. The practice of granting priority is entirely in accordance with the policy followed by the Department of the Interior, now part of the Department

of Mines and Resources, for a good many years. After some discussion Council approved of the Consolidated Mining and Smelting Company being granted a priority right to develop power at the site mentioned.

- (ii) Inquiry on behalf of purchaser of  
DeMelt claims situated at outlet  
Prosperous Lake -

Mr. Gibson reported that the DeMelt mineral claims (owner not known) had been disposed of and an inquiry had been received from a legal firm in Edmonton regarding the development of power on the Yellowknife River near the site of these claims (power site Y 1 now awarded to the Consolidated). In view of the prior application received from Consolidated Mining and Smelting Company and which had just been recommended, Mr. Gibson stated the Water and Power Bureau would be advised of the legal position so that the inquiry could be answered by the Deputy Minister.

### 13. Legislation -

#### Pharmaceutical Association Ordinance -

Mr. Daly reported this ordinance had been drafted in co-operation with the Department of Pensions and National Health and that every effort had been made to word it in such a manner as to meet the peculiar problems of the Northwest Territories. The draft is to be submitted to the Department of Justice and presented at an early meeting of Council. Members of Council were furnished with a copy of the draft ordinance.

Mr. Gibson referred to the application received from Mr. J. L. Gerow of Edmonton, who applied for a license to operate a drug store in the Northwest Territories. On investigation it was found he had been convicted of certain crimes. Council was of the opinion that in view of this his application should not be granted.

Council then adjourned.

*Charles Cusack*

.....  
Commissioner.

*J. J. W. Taylor*

.....  
Acting Secretary.

P.C. 585

Certified to be a true copy of a Minute of a Meeting of the Committee of the Privy Council, approved by His Excellency the Governor General on the 23rd March, 1938.

The Committee of the Privy Council, on the recommendation of the Minister of Mines and Resources, advise that, pursuant to Section 8, Chapter 142, Revised Statutes of Canada, 1927, Colonel Stuart Taylor Wood, Commissioner of the Royal Canadian Mounted Police, be appointed a member of the Northwest Territories Council, vice Major General Sir James Howden MacBrien, K.C.B., C.M.G., D.S.O. - deceased.

Sgd. E. J. Lemaire,  
Clerk of the Privy Council.

The Honourable,  
The Minister of Mines and Resources.

P.C. 686

Certified to be a true copy of a Minute of a Meeting  
of the Committee of the Privy Council, approved  
by His Excellency the Governor General on the  
31st March, 1938.

The Committee of the Privy Council, on the  
recommendation of the Minister of Mines and Resources,  
advise that, pursuant to Section 8, Chapter 142, Revised  
Statutes of Canada, 1927, Oscar Douglas Skelton, M.A.  
Ph.D., LL.D., Under-Secretary of State for External  
Affairs, be appointed a member of the Northwest Terri-  
tories Council.

(Sgd.) E. J. Lemaire,  
Clerk of the Privy Council.

The Honourable,  
The Minister of Mines and Resources.

ALBERTA AND NORTH WEST CHAMBER OF MINES

McLeod Building,  
Edmonton, Alberta.

March 26, 1938

Mr. R. A. Gibson,  
Deputy Commissioner,  
Administration of the Northwest Territories,  
Ottawa, Canada.

Dear Mr. Gibson,

Re Liquor Permits

Thanks for your letter of March 22nd which reached me on my return from the north. Your letter has cleared up a good many points which were in doubt. I will notify the Canadian Airways and Mackenzie Air Service that any applications which they may have should be delivered to Mr. Meikle at Fort Smith.

May I outline some of the recent problems which have developed on this liquor situation. At Yellowknife this week the police had about 20 cases of liquor in their rooms with more coming in and the mines complained of the difficulties which they encountered when a quantity of liquor was imported into their camp, disrupting their organization and stopping their work, usually for several days. They had no objection to one or two bottles coming in, but when a case of two gallons was brought in for medicinal purposes by several parties, the results were disastrous on the camp. Their suggestion was that the import quantity which may be imported at any one time be reduced. Mr. A. K. Muir of the Camlaren Mines Ltd. has notified all employees that if a full case is imported by any employee he will be discharged.

If the importation of one 26 oz. bottle at one time could be arranged without unduly prejudicing the permittee by an increased cost of permits, it would allow him to import 12 bottles during the year which would be more satisfactory for the men and save the companies a great deal of grief. The bootleg liquor, which represents a considerable quantity, is being sold from \$10 to \$12.50 per bottle of 26 oz. This individual bottle is favoured by the companies and curtails the revenue derived by the Northwest Territories. On the other hand the legitimate shipments are causing complications and excesses.

You will probably have applications for a Vendor's store at Fort Smith to cope with the increased demand for liquor. If this is not feasible, it has been suggested that the Alberta Liquor Board Control establish a liquor store at Fitzgerald. I am inclined to

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think that this would be favourably considered and would like to have your advice on the matter, if we can be of any service.

Yours very truly,

ALBERTA & NORTH WEST CHAMBER OF MINES

(Sgd.) L. E. Drummond  
Secretary-Manager.



## ALBERTA AND NORTH WEST CHAMBER OF MINES

McLeod Bldg.,  
Edmonton, Alberta,  
March 5, 1938.

Mr. R. A. Gibson,  
Deputy Commissioner,  
Administration of Northwest Territories,  
Ottawa, Canada.

Dear Mr. Gibson,

Re Application of the Hudson's Bay  
Company to operate "S.S. Mackenzie  
River" on Great Slave Lake and  
"S.S. Athabasca River" on Lake  
Athabasca.

For your information we are outlining the transportation  
situation to the Northwest Territories, both rail and water.

We submitted to the Northern Alberta Railways a brief re-  
questing a reduction in the freight tariffs of that road. This was in  
accordance with an understanding which we had with the two Traffic  
Managers last November in Ottawa and Montreal and which was discussed  
with you. The compilation of the data required a little time and we  
felt it would be advisable to secure the endorsement of the Provincial  
Government, the City, mining groups, navigation companies, wholesalers  
and other bodies who are vitally concerned in the northern developments.  
All these groups were represented when we appeared before Mr. MacArthur,  
General Manager of the Northern Alberta Railways and presented the letter,  
copy of which is herewith enclosed.

The only comment which was made by Mr. MacArthur was an  
inquiry upon the rates of the navigation companies and whether an  
assurance could be given that the water transportation rates would not  
be increased if the railroad rates were adjusted. We, therefore, sub-  
mitted a memorandum showing the reductions which had taken place in the  
water transportation rates during the past five years, which was sub-  
stantial.

The only increase in water rates which has occurred was  
due to the order of the Department of Transport preventing the  
"S.S. Athabasca River", which is operating on the Athabasca River, carry-  
ing its load to Goldfields. I thought we should bring this matter to your  
attention because the transportation problem affects the developments  
and although we would not venture to criticize the ruling, it might be a  
subject of further consideration and any rate reduction would be appre-  
ciated by the mining groups. The question appears to be one of design  
and safety, whether a vessel can be constructed which will operate on  
the shallow rivers and navigate on the lakes without endangering life  
and property - a vessel which will carry supplies from the terminus of  
the railway to the mines without transfer of shipment.

Yours very truly,

ALBERTA & NORTH WEST CHAMBER OF MINES  
(Sgd.) L.E. Drummond, Secretary-Manager.

Feb. 23, 1938.

Mr. J. M. MacArthur,  
General Manager,  
Northern Alberta Railways,  
Edmonton, Alberta.

Dear Sir,

All the mining groups developing in Northern Saskatchewan, Northern Alberta and the Northwest Territories have urged that we submit for consideration the railroad freight charges which are applicable upon that portion of the Northern Alberta Railways from Lac La Biche to Waterways.

We have not pressed (up to the present time) for any reduction in freight rates on this section to make them comparable with the Prairie schedule in force throughout Alberta, because we recognized that the line has, so far, been unremunerative but the tonnage over this line during 1937 practically doubled and further increases are assured by the mining groups who are undertaking developments and these increases will be progressively greater each year. The mineral discoveries are rapidly extending and the increasing number of well financed mining groups planning mining work and construction guarantee a steadily increasing quantity of shipments and these developments will also create a return haul.

The tariffs effective on the Lac La Biche subdivision are on the Standard Prairie Distributing and Class Rates basis, but the charges on the Waterways sub-division are higher than any other railroad operating under similar conditions in Canada, and run as high as 149 per cent of the Pacific scale, a scale justified by heavier grades and difficult operating conditions.

We contend that the increasing tonnage justifies consideration and a modification of existing rates to encourage the developments. This encouragement is of vital importance to induce greater confidence by Eastern Canadian and foreign groups who are undertaking the developments and we believe will reflect and accelerate the business done by the railroad company.

Since the road is now jointly owned by the Canadian National and Canadian Pacific railways and must be considered as a branch line, nourishing the main arteries of traffic, it is urged that it be regarded as part of the whole system and co-ordinated with it. It is not our desire to ask for anything unreasonable, but we feel that the schedule rates should be less arbitrary and more helpful to the area which the road is designed to serve.

Exhibit (1) is a comparison of the first class rates to and from Edmonton to points on the A. & G.W. Railway, and the point to point first class rates on that Railway from Carbondale north, with the Prairie Standard first class rates, and the Pacific Standard first class rates. We have shown the rate from Edmonton as column (1). The rate to Edmonton as column (2). These two columns are self explanatory. The local rates shown as column (3) apply on shipments between any two points, Carbondale to Waterways,

- 2 -

also on interchanged traffic from other sections on the Northern Alberta Railways and the Canadian National and Canadian Pacific Railways where the rates of the Locals to and from Carbondale are used. The (4) column shows the first class Prairie scale and the (5) column the first class Pacific scale, which are used in connection with the Canadian National and the Canadian Pacific Railways. The last six figures on the exhibit represent the percentage. These three different rates, namely the rate from Edmonton, the rate to Edmonton, the local rate, are of the Prairie and the Pacific Standard mileage first class rates. The rates from Edmonton are 85% of the Prairie scale as far north as Lac La Biche. Beyond that point they run as high as 159% of the Prairie scale, and 137% of the Pacific scale. The rates to Edmonton from Lac La Biche and points south thereof are on the Prairie scale, north of Lac La Biche, as high as 150% of the Pacific scale.

Exhibit (11) is a statement of the first class rates on the Canadian National and Canadian Pacific Railways to points on the A. & G.W. Railway compared with rates to points on the Edmonton Dunvegan and British Columbia Railway for similar mileages from Edmonton to both A. & G.W. and E.D. & B.C. points. We would point out that the rates from Edmonton to Lac La Biche are the same as from Edmonton to Smith for a similar mileage. This is because of the fact that the class rates from Edmonton are on the Prairie basis as far north as Lac La Biche. When the rates are compared to Margie with Kinuso, similar mileages, the percentage increase to the former is 65%. When compared, Waterways with Watino, the percentage increase to the former is 88%.

From Winnipeg to Lac La Biche and to Smith, the increase to the former is 12%. From Winnipeg to Margie and Kinuso, the increase is 35%, and from Winnipeg to Waterways and Watino, the increase is 47%. Similarly Saskatoon, percentage increases are 16, 57 and 69. Calgary, increases are 32, 75 and 85. Vancouver, increases are 6, 24 and 37. Ft. William, increases are 9, 24 and 37. Montreal, increases are 6, 17 and 26.

From the above summary, you will note that the excess first class rates on Waterways over a point equal distance from Edmonton on the E.D. & B.C. Railway, from the six cities listed above, run from 26% to 85%.

The rates are here compared and are substantially higher than upon other lines operating in Alberta. May we solicit your favourable consideration for a reduction in freight rates upon the Waterways sub-division for we believe it will materially encourage the potential developments and this encouragement will be reflected in increased business to the railroad company.

We would urge that this matter be considered before the navigation season opens this spring so that any adjustment will apply on the freight being handled this year.

Yours very truly,

ALBERTA & NORTH WEST CHAMBER OF MINES

Secretary Manager.

(1)

Statement showing first class rates To and From EDMONTON on the Alberta and Great Waterways Railway as well as Point to Point rates on above line, and the first class Prairie and Pacific Standard mileage rates. Also showing the percentage that the three first rates are of the Standard and Pacific Mileage rates.

Station	Miles	Rate	Rate	Local	Prairie	Pac.	% of Prairie	% of Pac.
	From	From	To	scale	scale	scale	scale	scale
	Edmonton	Edmonton	Edmonton					
		(1)	(2)	(3)			(1) (2) (3)	(1) (2) (3)
Excelsior	27.	30	35	48.	35	39	-85-100-137	77-89-123
Bon Accord	32.6	30	38	53	38	42		
Fedorah	40.8	35	42	61	42	50		
Cpal	47.8	39	45	64	45	50		
Egremont	54.8	39	47	71	47	56		
Thorhild	63.2	45	53	79	53	63		
Abee	70.4	50	57	85	57	68		
Newbrook	77.2	53	60	88	60	69		
Alpen	83.9	53	63	91	63	72		
Ellscott	89.6	56	65	95	65	75		
Boyle	96.8	60	69	102	69	81		
Bondiss	102.2	60	72	107	72	84	-83-100-148	71-85-127
Caslan	111	65	77	110	77	89		
Noral	117.4	65	77	110	77	89		
Hylo	124.3	69	81	115	81	92		
Venice	128.5	69	81	115	81	92		
Lac la Biche	137.4	72	84	124	84	95	-85-100-147	75-88-130
Barnegat	145.6	98	110	132	89	99		
Tweedie	153.2	110	123	141	92	102	119-133-153	107-120-153
Pitlochriel	163.4	120	131	153	95	107		
Philomena	175	128	138 $\frac{1}{2}$	163	98	113		
Behan	185.8	134	144	172	99	116		
Margie	197.9	149	137	178	102	119	146-144-174	125-123-149
Devenish	207.6	155	154	184	107	123		
Conklin	217.2	158	157 $\frac{1}{2}$	187	110	126		
Leismer	227.5	167	162	189	113	128		
Chard	237.3	170	165 $\frac{1}{2}$	191	116	131		
Pingle	242.6	177	171	196	117	134		
Wigley	265.8	180	174	199	120	137	150-145-165	131-127-145
Warper	265.1	186	179	200	123	140		
Cheecham	271.4	189	182 $\frac{1}{2}$	206	126	144		
Kinosia	277.5	189	182 $\frac{1}{2}$	206	126	144		
Anzac	286	192	187 $\frac{1}{2}$	212	128	149		
Lenarthur	290.5	195	191	219	131	152	149-145-167	128-125-144
Lynton	298.7	201	191	219	131	152		
Draper	306.1	207	196	223	134	155		
Waterways	309.8	213	202	223	134	155	159-150-166	137-130-144

Local scale applies on shipments between any two points Carbondale to Waterways, also on interchange traffic from other sections of the Northern Alberta Railways and the Can. Nat. and Ca. Pac. Railways, where the sums of the locals to and from Carbondale are used. This scale runs as high as 174% of Prairie scale and 149% of Pacific scale.

Columns-1, 2 & 3 represent rates from Edmonton, rates to Edmonton and the local movement scale. The six last columns represent the Percentage these three different rates are of the Prairie and Pacific Standard Mileage scales.

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Rates from Edmonton are 85% of Prairie scale as far as Lac La Biche; beyond, they run as high as 159% of Prairie Scale.

Rates to Edmonton from Lac La Biche and points on this side are on the Prairie scale; beyond, they run as high as 150% of Prairie scale.

Tariffs:	N.A.R. No. 3	C.R.C. No. 3
	" X 11	" " 649
	A.G.W. 248	" " 161

Statement of First Class Rates from various points on Canadian National and Canadian Pacific Railways to Points on the A. & G.W. Ry. compared with rates to points on the Edmonton Dunvegan and B.C.C.C. & P.V. Rys.

T•	Lac La Biche	Smith	Excess rate	% in-crease	Margie	Kinus•	Excess rate	% in-crease	Waterways	Watin•	Excess rate	% in-crease
Miles from Edmonton	137-4	140-9			197-9	201-2			309-8	308-2		
From -												
Edmonton	\$ .72	.72	-	-	1.49	.89	.60	67%	2.13	1.13	1.00	88%
Winnipeg	2.76	2.46	30	12%	3.48	2.57	.91	35%	4.08	2.76	1.32	47%
Saskatoon	1.89	1.62	27	16%	2.67	1.70	.97	57%	3.20	1.89	1.31	69%
Calgary	1.59	1.20	39	32%	2.30	1.31	.99	75%	2.87	1.55	1.32	85%
Vancouver	3.05	2.87	18	6%	3.77	3.02	.75	24%	4.40	3.20	1.20	37%
Fort William	3.72	3.41	31	9%	4.40	3.53	.87	24%	5.06	3.69	1.37	37%
Montreal	5.11½	4.80½	31	6%	5.79½	4.92½	.87	17%	6.45½	5.08½	1.37	26%

Tariffs

N.A.R.	No.	4	C.R.C.	No.	4
E.D. & B.C.		330	C.R.C.	W	496
A. & G.W.		229B	C.R.C.	W	459
C.N.R.	W	235B	C.R.C.	W	542
C.N.R.	W	185	C.R.C.	W	656
C.N.R.	W	200E	C.R.C.	W	600
C.P.R.	W	5771	C.R.C.	W	2848
C.P.R.	W	175	C.R.C.	W	2933
C.P.R.	W	160	C.R.C.	W	2929
C.F.A.		4E	C.R.C.		107

## DIOCESE OF ATHABASCA

37, Porchester Square,  
London, W. 2,  
England.

March 15th, 1938.

R. A. Gibson, Esq.,  
Deputy Commissioner,  
N.W. Territories,  
Ottawa.

Dear Mr. Gibson,

Re proposed Fort Norman Hospital

Will the Government assist in the furnishing of the hospital (beds, etc.) to the extent of 40% of the cost, as in the actual construction of the building? Kindly reply by return of mail for I sail the first week in April. I hope to call at Ottawa on my way West.

I sincerely hope that the estimates of your Department are honoured and that the hospital may be built.

Yours faithfully,

(Sgd.) Arthur Athabasca.