

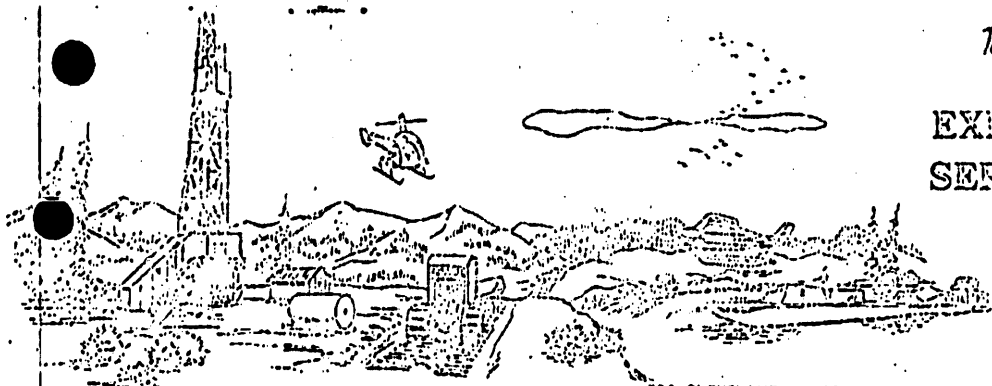
**LEGISLATIVE ASSEMBLY OF THE
NORTHWEST TERRITORIES
6TH COUNCIL, 38TH SESSION**

TABLED DOCUMENT NO. 23-38

TABLED ON JANUARY 30, 1969

Tabled on Jan. 30, 1969

CALGARY

EXPLORATION
SERVICES LTD.

530 CLEVELAND CRESCENT S.E., CALGARY, ALBERTA

PH267-2068

January 27th, 1969.

Re: Calex - Fort Providence to Inuvik
Winter Road System, Northwest Territories.

Considerable discussion by Members of the Government of the Northwest Territories, Council Members and the General Public has occurred during the last week in regards to the operation of a Commercial Road System linking communities of the MacKenzie Basin Area.

To properly and factually present the actual Winter Road Program and it's use by the Government, Commercial users and the General Public, Calgary Exploration Services would like to present the following information for your attention and consideration. Calex - through it's manager R.A. Laycock, would also like the opportunity to present this information to the members of the Territorial Council, Government of the Northwest Territories.

Calgary Exploration Services Ltd. (Calex) with Head office in Calgary, Field offices in Enterprise, N.W.T. and Norman Wells, N.W.T., is a Northwest Territories Company, which has operated only in the N.W.T. since August 1963; has a permanent staff of six employees and from fifteen to thirty hourly employees - most of whom are local labour. Calex's Enterprise location serves as a base, is on an eight acre site, railroad siding, married quarters, and is a commercial supply and transportation base for Exploration and Development supplies for Fort Simpson, Wrigley, Fort Norman, Norman Wells, area, etc.,

over the Calex Winter Road System.

In addition to the Winter operations, Calex has contracted and sub-contracted summer construction on the Fort Smith highway, Mackenzie highway, Hay River Airport, has averaged a payroll of between \$150,000 to \$265,000 per year, with a total revenue of between \$450,000 - \$700,00 each year. Calex purchases their supplies, fuels, services and hires employees in the immediate work area and are proud to be a Northwest Territories Company.

Calex in the Winter of 1963/64 opened and constructed an access road and right of way for the installation of the C.N. Telecommunication Land Line from Fort Simpson to Inuvik, a distance of some 750 miles.

Under a use agreement between the Department of Indian Affairs and consented to by C.N. Telecommunications, Calex opened and expanded the route from Fort Providence to Fort Simpson; altered the right of way in some places between Fort Simpson and Inuvik for truck traffic, and has opened and operated a Commercial Winter Road System of some nine hundred (900) miles in length during the Winters of 1964/65, 1965/66, 1966/67 and 1967/68.

The road primarily constructed, operated and paid for by commercial exploration traffic, has provided the residents of the area free and dependable traffic access from December 15th to April 15th each year, as mentioned above. To date no charge has ever been made by Calex for the use of the road by the Public, Commercial Trucking companies hauling to stores and local service of the communities.

The Road has, is and continues to be, paid for by Calex and it's commercial contract users, has never been subsidized by Government Funds and in fact under the new Lease in operation, pays the Federal Government a yearly cash rental for the use of Crown Lands.

Under a Lease applied for by Calex, and granted by the Government of the Northwest Territories and the Department of Indian Affairs and Northern Development during 1968 .. 3

1. All Public Traffic is allowed free access over the entire Road System.
2. All Government Vehicles and C.N. Telecommunication Vehicles are allowed free usage.

Under a commercial usage agreement with Commercial Trucking companies, who service Fort Simpson stores, no charge has or is made in any way, and their traffic is given priority.

The Crown Lease granted to Calex provides for annual audit, provisions for protection of Crown Property and Public interest. The Lease does not give Calex any sole rights to service the area and any person, Company or Government Body, who may wish to take the initiative and have the financial backing may compete and construct their own system.

It is estimated by Calex that in providing the Public, Government and C.N. Telecommunication vehicles free use of our Road System that we have saved the Taxpayer of Canada \$50,000 in Road Grants, together with the availability of the Road System.

By opening, maintaining, and operating our Road System free of charge to trucking firms who service the Fort Simpson area, Calex has reduced the cost of local groceries and services by from 10 - 15% to the customer of Fort Simpson; provided a road which has been heavily used for Christmas Holiday traffic for families from Fort Simpson, and for the first time ever allowed inter traffic between Fort Simpson, Wrigley, Fort Norman, Norman Wells, Fort Good Hope, Arctic Red River, Little Chicago, Inuvik and Aklavik in the MacKenzie Basin Area. To these small communities, the opportunity of traffic to larger centers, employment opportunities for local labour, increased business, need for groceries, meals and accommodation has been the first and only economic change to the communities because of the Calex Winter Road System.

Calex in its operation of opening and maintaining the Winter Road System has employed local labour and local construction contractors in Fort Simpson,

Fort Norman, Norman Wells, Fort Good Hope and Inuvik, and in doing so have provided work and employment where it is urgently needed.

By providing commercial winter access into the MacKenzie Basin area, exploration crews now have access to all of the area and the economic advantage to the local resident is obvious.

Calex would point out that in 1963/64 Winter only one Exploration crew worked in the Fort Simpson area. In 1964/65 two crews; in 1965/66 five crews; in 1966/67 three crews, in 1967/68 thirteen crews, and in the 1968/69 Winter Season Fort Simpson has twelve Seismic, six drill Rigs, one slim hole rig. To provide service for this increase Fort Simpson must have good access.

From the date of our opening of the road on December 12th, 1968, Calex has handled the following traffic -

(a) Total Traffic to January 15th, 1969 of 5,985.8 tons.

MADE UP OF

(b) Commercial Traffic under Calex Road Agreement of 4,104.6 tons

(c) Commercial Job Haul traffic of 971.5 tons

(d) Private and local Fort Simpson truck traffic (FREE) of 909.7 tons

(e) Contemplated traffic for 1968/69 Season between Fort Providence and Fort Simpson Landing - North side of MacKenzie, of 20,000 tons.

(f) Contemplated traffic for the area Fort Simpson Landing to Fort Good Hope of 800 tons.

At the present time the Federal Government have under construction the extension of the MacKenzie Highway to Fort Simpson up the South side of the MacKenzie River. Fifty miles has been completed. Thirty-Five miles has been graded to the Trout River and the third fifty miles will be under construction during the summer of 1969. The last sixty miles to join to the Liard River is presently published for tender and construction in 1969 and 1970.

An attempt to open a Winter Road from Fort Simpson, by the Federal Government, was unsuccessful in 1967/68 Winter at a cost to the Canadian Taxpayer of \$9,000.00, even though the Calex System was open and free to the Public a full month before the attempt was made.

A further expenditure in Public Funds was and is underway at the present time to provide a Winter Road from Fort Simpson, south of the MacKenzie River, to the completed section of the MacKenzie Highway system.

Exploration industry access has opened the South road and, although extremely rough, provides seismic crews access into Fort Simpson.

Since the Calex North road has provided access for the public since December 12th, 1968, and because the quality of the Calex Road allows better access for all traffic, the present expenditure of Public Funds on the South road benefits only the Seismic and Exploration companies who are quite capable of providing their own access.

Calex as a Property Owner, a Tax Payer, and a Resident of the Northwest Territories objects to the misuse of Public Funds to subsidize private enterprise who are already subsidized by Tax incentives, exempted from Sales Tax, etc.

IN SUMMARY Calex takes the following stand on its present and planned future usage of its Winter Road System.

1. Calex has for the last Five (5) years provided free access to the Fort Simpson and North Area.
2. The Access has provided a stimulant to the local economy and trade and has made Winter access and exploration possible.
3. Calex has provided employment for residents and their families which is much needed in this area.
4. Due to the length of the Road System (900 miles) the busy Southern portion subsidizes and makes possible the more remote Northern portion to provide opportunities and Winter road access to all.

5. By co-ordinating exploration traffic and their requirements, the Calex Road provides excellent Winter access to the Public and Government without the expenditure of Public Funds in any way.
6. No limitation of Public Traffic has ever been made in any way, nor has the granting by the Federal Government of the Road Lease to Calex, placed any incumbrance or limitation on Public traffic or Commercial traffic to the local stores.

On the other hand it is hard for a tax paying resident of the area, or to the Management of Calex, to understand why there is opposition from certain persons in the Fort Simpson area to the operation of the Calex Winter Road System. It is also hard to understand why anyone would wish to limit or curtail the operation of Calex and its private enterprise, when many people in the area are employees and their livelihood and families depend upon the Calex operation.

It is also hard to understand why anyone would wish to close the Calex Road from Fort Providence to Fort Simpson and thereby limit the commercial access and resulting business of Fort Simpson, together with the closing of the road North to Norman Wells and beyond.

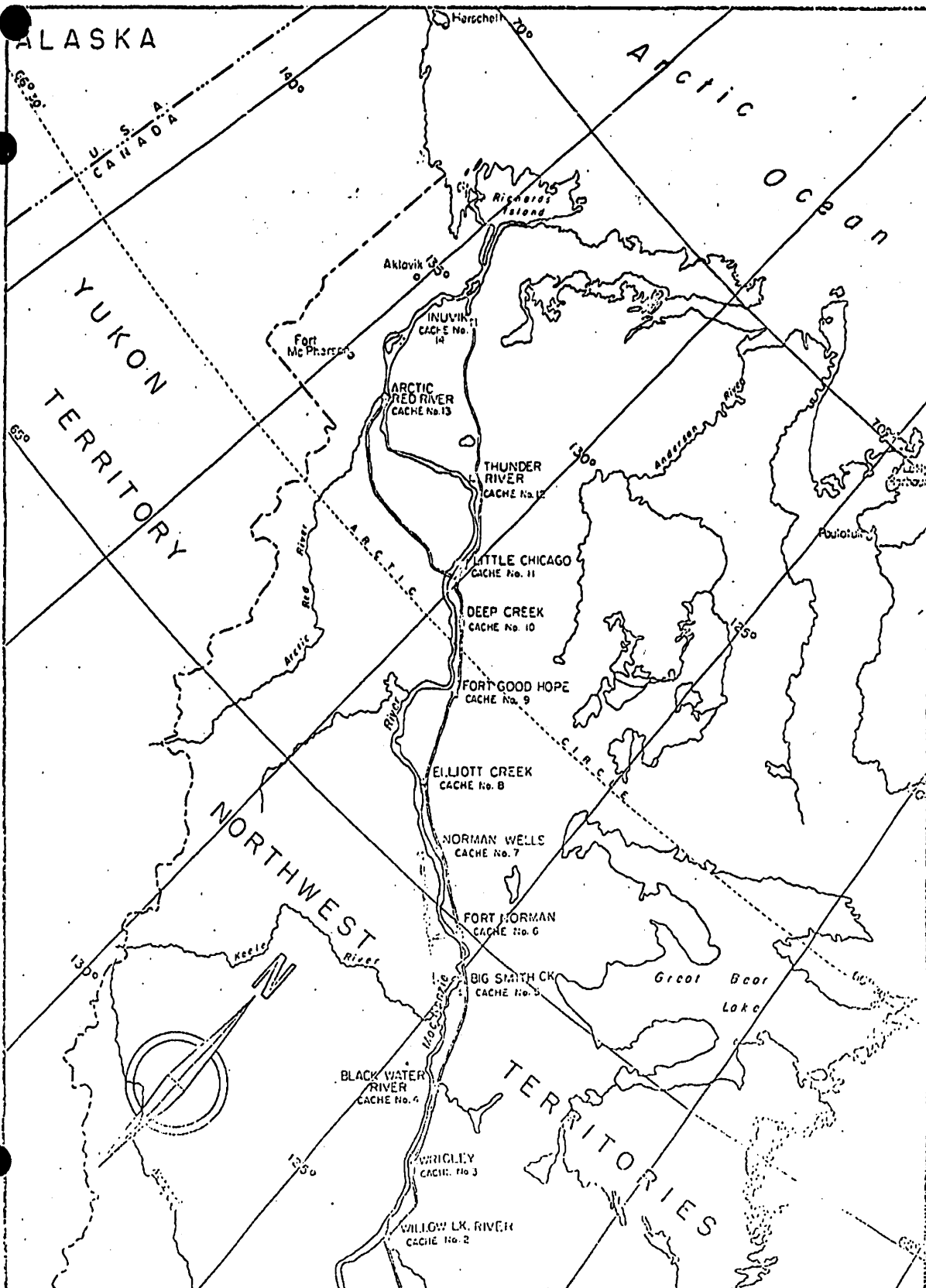
It is therefore respectfully suggested that interested persons should acquaint themselves with the actual facts of the Calex Winter Road Lease, its benefits and advantages, so that they may be better informed.

As a service to the Public, Calgary Exploration Services Ltd. has attached a road map to this brief and welcomes any traveler to check in and have a coffee at our Check Points.

All traffic over the Calex Road is asked to complete check slips in order that statistical information can be compiled for the Department of Indian Affairs and Northern Development, Ottawa.

Inquiries are welcome at - Calgary Exploration Services Ltd.,
P.O. Box 457, Hay River, N.W.T.
Telephone - 2223 Enterprise

OR - 536 Cleveland Crescent S.E.,
Calgary 24, Alberta - telephone 227-2065



ALASKA

Arctic Ocean

U.S.A.
CANADA

YUKON
TERRITORY

NORTHWEST
TERRITORIES

TERRITORIES

Harshel

Anlovik

Fort McPherson

INUVIK
CACHE No. 14

ARCTIC
RED RIVER
CACHE No. 13

THUNDER
RIVER
CACHE No. 12

LITTLE CHICAGO
CACHE No. 11

DEEP CREEK
CACHE No. 10

FORT GOOD HOPE
CACHE No. 9

ELLIOTT CREEK
CACHE No. 8

NORMAN WELLS
CACHE No. 7

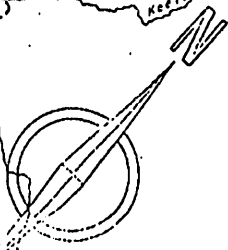
FORT NORMAN
CACHE No. 6

BIG SMITH CK
CACHE No. 5

BLACK WATER
RIVER
CACHE No. 4

WRICLEY
CACHE No. 3

WILLIOW LK. RIVER
CACHE No. 2



65° 30'

140°

65°

130°

130°

70°

70°

70°

70°

70°

70°

70°

120°

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120°

Great Bear
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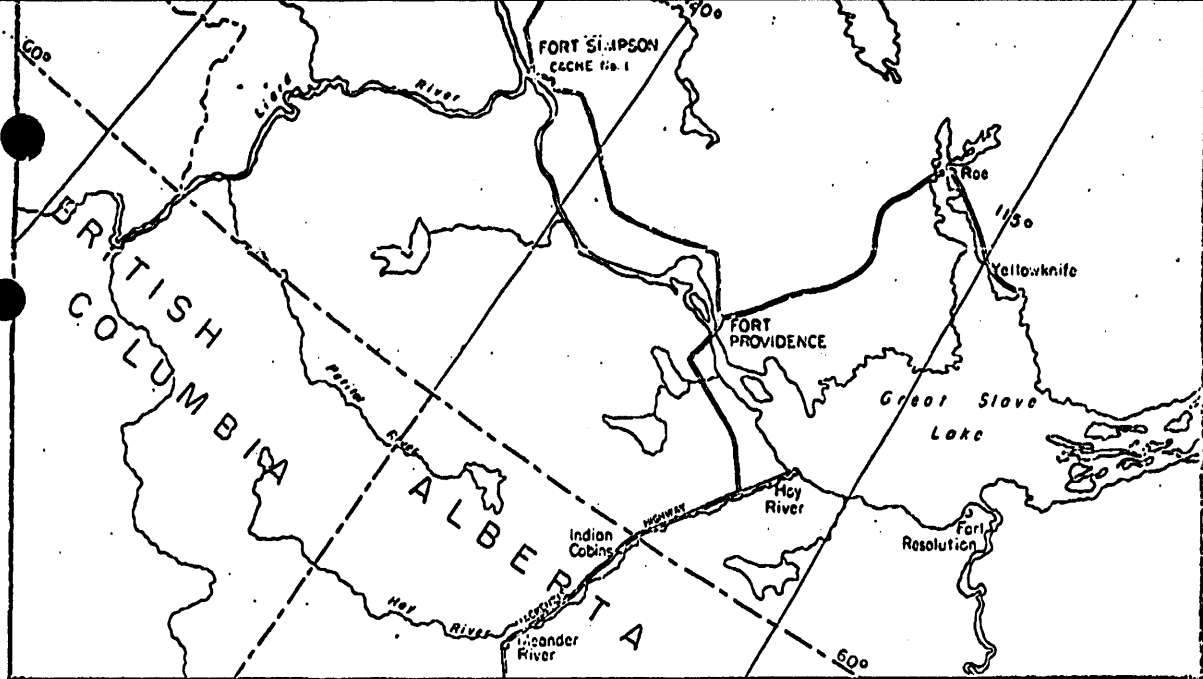
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CALGARY EXPLORATION SERVICE LTD.

ACCESS CONCESSION ROAD
MACKENZIE RIVER VALLEY-NWT.

PROPOSED RIGHT OF WAY

