



PATTERSON SAWMILL LTD.  
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FAX TRANSMITTAL

DATE: Jan/18 2001

TO: *Louis Azzolina*  
*Environmental Assessment Officer*  
*MVEIRB*  
*Yellowknife*

FROM: Gene Patterson

pages including cover

*Re Land Use Permit MV2000 W0018*

January 17<sup>th</sup>, 2001

Patterson Sawmill Ltd.  
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Hon. Robert Nault, Minister  
DIAND  
Terrasses de la Chaudiere  
10 Wellington Street  
Ottawa, Ontario K1A 0H4

Dear Mr. Nault,

**Re: Stop Work Order MVLWB – Land Use Permit MV2000W0018**

For the past 37 years, our sawmill has harvested timber from Crown owned land in the South Slave. Unfortunately, we have consistently encountered some level of opposition from Aboriginal groups in the area. The basis for their opposition has been, firstly, that they own the land, and secondly that the harvesting of timber interferes with hunting and trapping. Fortunately in the past, the positive economic activity and the many jobs created (we have consistently employed Aboriginal people from the area) have prevailed, and our timber harvest permits were granted. Not only were permits granted for our operation, but for the Aboriginal operated sawmills in the area as well. It should be noted that the permits for logging by Aboriginal organizations have traditionally been unopposed.

The problem that now exists is that, after the required consultation process was undertaken and completed and the Land Use Permit was issued, we have been issued a stop work order. The MVLWB has advised that it will undertake an investigation, with no definitive timeline identified for completion. Indefinite timeframes for investigations and reviews are unacceptable to the private sector as we cannot afford the ongoing cost of awaiting the outcomes.

This action is in response to a request for an environmental review from the Deninu K'ue First Nation. I am very dismayed that this was accepted because any complaint or request for a review should have been made during the time of consultation as provided for in the legislation. The Deninu K'ue First Nation had opportunity to provide their opinion during the consultations and did not. Instead, they have chosen to intervene at the 11<sup>th</sup> hour, in what I perceive to be a political maneuver intended to halt Patterson Sawmill from harvesting. The request for

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this review came the day before a Timber Cutting Permit was to be issued, some six months after our application was sent for community consultation.

I am very concerned that this is a deliberate manipulation of the environmental review process by a specific group as a means of furthering their economic interests. Fort Resolution sawmill interests (Deninu K'ue Development Corporation) oppose harvesting in a chosen area (area 1) and are in favour of harvesting in an area of their choice (area 2), with existing environmental and trapping issues. I believe this is because harvesting in area 2 would require extensive road construction by Patterson, for which Deninu K'ue would ultimately become the principal beneficiary. Doing so is too costly for us and ultimately prevents us from accessing any timber. The MVLWB has now become involved as a vehicle through which these interests can be advanced and I am concerned that they are proceeding without a hearing to determine the true purpose of this environmental assessment request.

This stop work order will have serious consequences. Quite simply, without logs harvested this winter, we will be unable to saw in the summer, which in turn will put our company out of business. The closure of our mill will mean the loss of jobs for all of our employees. As owners, a lifetime of building a business will be lost and a considerable amount of assets will disappear, devalued by this process.

The end result will be that the Northwest Territories will lose its last operating sawmill and all of the economic activity and employment opportunities that go along with this operation.

I am angry and frustrated that the Federal Government would allow this kind of economic destruction which clearly is not part of DIAND's northern development mandate. I am also extremely disappointed with the Federal Government's circumvention of the Government of the Northwest Territories' right to grant timber harvesting permits.

Therefore, I am requesting that you undertake an immediate review of the legal and political nature of this request for an environmental assessment and consider the broad implications and precedents of proceeding with it. I also request that you direct that the stop work order be removed and that the necessary permits to proceed with logging be upheld.

Yours truly,



Eugene Patterson

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**Cc: Mr. Bob Overvold, Regional Director General  
Ms. Shirley Serafini, Deputy Minister  
Mr. David Baker, Acting Assistant Deputy Minister  
Mr. R.P. Bailey, Assistant Deputy Minister, RWED  
Ms. Marie Adams, DIAND, Yellowknife  
Mr. Louis Azzolini, Environmental Assessment Officer, MVEIRB**

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January 15, 2001

**NOTICE TO EMPLOYEES AND CONTRACTORS  
SUBJECT: TERMINATION OF EMPLOYMENT**

As most of you are aware, the Company has been denied use of our Land Use Permit. The consequence of this is, that we will be unable to log this winter. Without being able to replenish our log supply, no sawmilling will take place next season.

Your job will last until the present log supply is sawn into lumber. Please make your plans accordingly. When our present log supply is exhausted the mill will close indefinitely.

Eugene Patterson