

# National “Gateway to the Arctic” Strategy

## Issue Statement

As can be evidenced over the past decade, climate change has rapidly opened Canada’s Arctic as never before, in many cases year round. This opening of the Arctic is expected to significantly increase international marine traffic through the Northwest Passage, as well as expand access to resources that Canada asserts claim to, such as minerals and oil and gas reserves. Even with substantial actions taken by the government in recent years, Canada still faces a significant challenge in the immediate term, with pressure from this international community over control of and access to the Arctic region.

## Background

Canada’s Arctic will be vital to the country’s long-term economic future. From a resource development perspective, the Arctic could hold 412 billion barrels of oil equivalent (undiscovered conventional oil and natural gas resources; U.S. Energy Information Administration). Extensive mining activity worth billions annually is underway throughout the North, and is expected to grow substantially with increased access to the region. Spin-off business from resource development activities is worth hundreds of millions annually to northern and southern Canadian firms. From this perspective, protecting the sovereignty of our Arctic regions is of paramount importance.

Canada has recognized this and invested significantly: \$720 million to procure a new Polar Icebreaker – the CCGS John G. Diefenbaker, procuring new Arctic/Offshore Patrol Ships, expansion and modernization of the Canadian Rangers, establishing a Canadian Forces Army Training Centre in Resolute Bay, establishing a deep-water berthing and fueling facility in Nanisivik, launching RADARSAT II satellite and ongoing military exercises and surveillance operations are all forward-thinking initiatives.

However, the threat of loss of control of Canada’s Arctic region is real. A number of countries are laying claim to all or a portion of the Arctic region, including Russia, the United States, Denmark, and Norway. For a variety of reasons, Canada is currently in dispute with several countries regarding the status of certain portions of the Arctic sea region. For example, since 2004, Canada and Denmark have been quarreling over claims to Hans Island, a small, uninhabited parcel straddling the marine border between Greenland and Canada (Nunavut).

The United Nations set 2013 as the deadline for countries to submit survey data on the extent of their underwater continental shelves in the Arctic. Based on the geography of these shelves, nations could lay claim to economic zones far beyond their visible coastlines. For example, in August of 2007 Russian explorers planted their country's flag on the seabed 4,200m below the North Pole to further their claim to the Arctic. Additionally, Japan and the United States would like to see the Northwest Passage declared international waters, should it become ice free.

Other countries have advanced their own Arctic initiatives: China’s \$12B for the Trans-Siberian Railway will halve Beijing-Moscow freight time for instance, and many countries have developed extensive infrastructure to service the oil and gas industry in Arctic waters.

International management of Canada’s offshore has been an important and often contentious issue. Organizations such as the United Nations are requesting information on continental shelf mapping to resolve international claims in the Arctic in determining access to:

- Strategic northern transportation routes;
- Offshore resources including various fisheries and hydrocarbon deposits; and
- Established, clear rules on the management of coastal and international waters.

In November 2010, Manitoba committed to develop an Arctic Gateway Strategy which includes improving health services, economic development, transportation and tourism. To accrue such social and economic benefits to the people of the Arctic as well as nationally rather than regionally, a made-in-Canada solution is required with significant input from key northern stakeholder groups. This would augment the Government of Canada's national made-in-Canada Northern Strategy.

The 2007 Northern Strategy advances needed work in the Arctic region of Canada; however, additional efforts will allow it to create comprehensive and permanent links to and from the southern part of the country. A coordinated national plan of Gateways to the Arctic is required to avoid the Northern Strategy helping to develop a region that is not connected to the rest of the nation. Having a national strategy connecting this vital region to the rest of Canada will also indicated, internationally, that Canada is serious about sovereignty and other strategic issues in its vast north.

### **Recommendation**

That the federal government:

1. With a sense of urgency and importance, build on its forward-looking 2007 Northern Strategy by generating a specific and ambitious National "Gateway to the Arctic" Strategy. The development of this strategy must be done with key stakeholders and jurisdictions to address issues such as sovereignty, infrastructure development, environmental protection, and economic development, and,
2. Consider as priority initiatives infrastructure investments in regional Gateways to the Arctic in the East, the West and at strategic and economically viable points in central Canada, and,
3. For each regional Gateway to the Arctic strategy, create operational plans for Search and Rescue, climate/weather centre and technological bases based on the geography, oceanography and topography of each area, in particular to support labour intensive industries such as oil and gas, mining, and fishing.

**Submitted by the St. John's Board of Trade and Labrador North Chamber of Commerce**

**The International Affairs Committee and the Transportation Committee support this resolution.**