



Transport
Canada

Transports
Canada



NORTHERN TRANSPORTATION

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Key Factors in Trade and Transportation

Integrated Global Economy

- Global marketplace integration has driven the distribution of economic activity, as well as the expansion of world trade
 - Global Value Chains: pre-eminent business model
- North American Heartland: destination for production, intermediate value added and final consumption, which all rely on the transportation network

Current Economic Climate

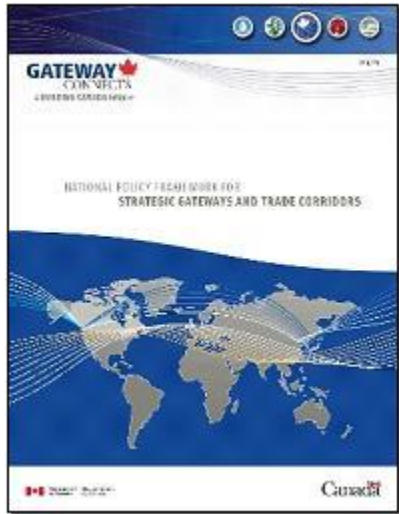
- Economic conditions challenging markets and profitability
- Competitiveness strategies are more important than ever

Role for Transport Canada (TC)

- Fluid, reliable and efficient transportation systems are key economic enablers
- Greater competitiveness requires deeper integration across Canada's freight transportation system to support trade within North America and globally



Canada's National Policy Framework

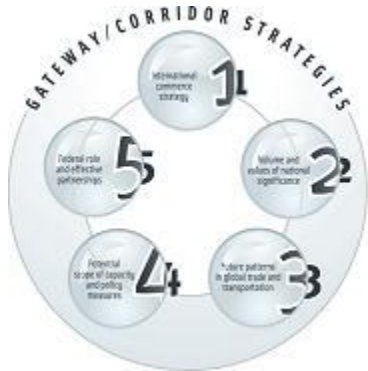


The National Policy Framework for Strategic Gateways and Trade Corridors: Canada's response to the evolving dynamics of global trade and transportation, released in July 2007

- Developed to advance the competitiveness of the Canadian economy on the rapidly changing playing field of global commerce.
- Emphasizes Canada's geographic advantages, long-term planning, public-private collaboration, and integrated approaches to infrastructure, policy, regulatory and operational measures

The Framework uses Five Policy Lenses

1. Align transportation system with international commerce strategy
2. Focus on nationally significant volumes and values of trade
3. Forward-looking plans based on system analysis
4. Address interconnected issues that directly impact system performance
5. Respect the federal role and foster effective partnerships





Transportation in the North

Climate Change

Rising temperature



Less ice/permafrost
degradation



More traffic

BUT

Increased hazards

Loose ice, ships running
aground, oil spills, etc.

Resource Development

Abundance
of minerals



International
interest

BUT

**Volatile commodity
prices mean high risk**

Re-supply

Population
growth

+

Resource
development



Challenge existing
infrastructure

Need easier and safer
loading and unloading



Transportation in the North

- Traffic volumes in the North are relatively low
- Transportation infrastructure needs relate to reducing re-supply costs, facilitating resource development, improving safety, etc.
 - Rather than addressing the kinds of congestion and modal integration issues facing existing international trade volumes, as required by *The National Policy Framework for Strategic Gateways and Trade Corridors*
- Recognizing the need for long-term Northern transportation research and studies, TC has allocated \$1M from the Gateways and Border Crossings Fund
- Integrated Northern Strategy: Canada's distinct approach
 - Aboriginal Affairs and Northern Development Canada leading whole-of-government efforts
 - TC's Northern engagement on transportation is making an important contribution to the Northern Strategy



Canada's Integrated Northern Strategy

- *Our North, Our Heritage, Our Future* (July 2009)
- The Government of Canada has a clear vision for the North and is taking concrete action to achieve it

Sovereignty

Economic and Social Development

Environmental Protection

Governance

DOMESTIC AND INTERNATIONAL DIMENSION

Exercising our Arctic sovereignty as international interest in the region increases

Encouraging social and economic development and regulatory improvements that benefit Northerners

Adapting to climate change challenges and ensuring sensitive Arctic ecosystems are protected for future generations

Providing Northerners with more control over their economic and political destiny

TRANSPORT CANADA INITIATIVES SUPPORT THE FIRST THREE PILLARS



Transport Canada's Northern Engagement

Supports Canada's Northern Strategy with

- Regulations and legislation
- Infrastructure
- Research





Regulations and Legislation

- Amendments to extend the *Arctic Waters Pollution Prevention Act* (AWPPA)
 - Extend AWPPA's application from 100 to 200 nautical miles offshore
 - Asserting sovereignty and protecting the environment
- **NORDREG**
 - Mandatory reporting system for large vessels destined for Canada's Northern waters that pose the greatest risk to the environment
- **Mandatory Polar Code: International Maritime Organization (IMO)**
 - Under development by the IMO
 - Leading role by TC
 - Expected in 2012





Infrastructure

- 2007 Building Canada Plan: stable, flexible and predictable funding to address critical economic needs (\$844M over 7 years)
 - Over \$270M over 7 years to each Territory through the Provincial/Territorial Base Fund
 - Funding provided based on Capital Plans submitted by the Territories
 - Federal contributions of up to 75 percent of eligible costs of Capital Plans
- Airport Capital Assistance Program (ACAP)
 - ACAP has provided \$63M for 40 projects at 23 airports in the three Territories since 1996
- Further investments under various infrastructure programs from other government departments
 - Includes recreation, green infrastructure, as well as \$500M for Northern housing



Research

- Northern Transportation Systems Assessment (NTSA)
 - Identify transportation infrastructure needs over the next 20 years
- Northern Marine Transportation Framework
 - Working with industry to align actions with better understanding of socio-economic and environmental trends and implications, service capacity issues and critical infrastructure needs
- Northern Transportation Research Initiative
 - Partnership program to build scientific knowledge and capacity
- Transportation Development Centre initiatives
 - Research and Development projects under the TC priority: Adaptation to Cold and Changing Climates
- Northern Transportation Adaptation Initiative



Conclusion

- Going forward, Transport Canada will continue to work towards supporting Canada's Integrated Northern Strategy
- Transport Canada's efforts are focused on three over-arching themes
 - Climate change impacts and adaptation
 - Promoting sustainable resource development
 - Efficient northern re-supply
- Transport Canada is working with its partners in the North to address opportunities and challenges in northern transportation



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Thank You

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