

# **GETTING TO YES: THE CANADIAN NORTHERN CORRIDOR CONCEPT**

2018 Energy Leaders Roundtable  
Kananaskis, Alberta

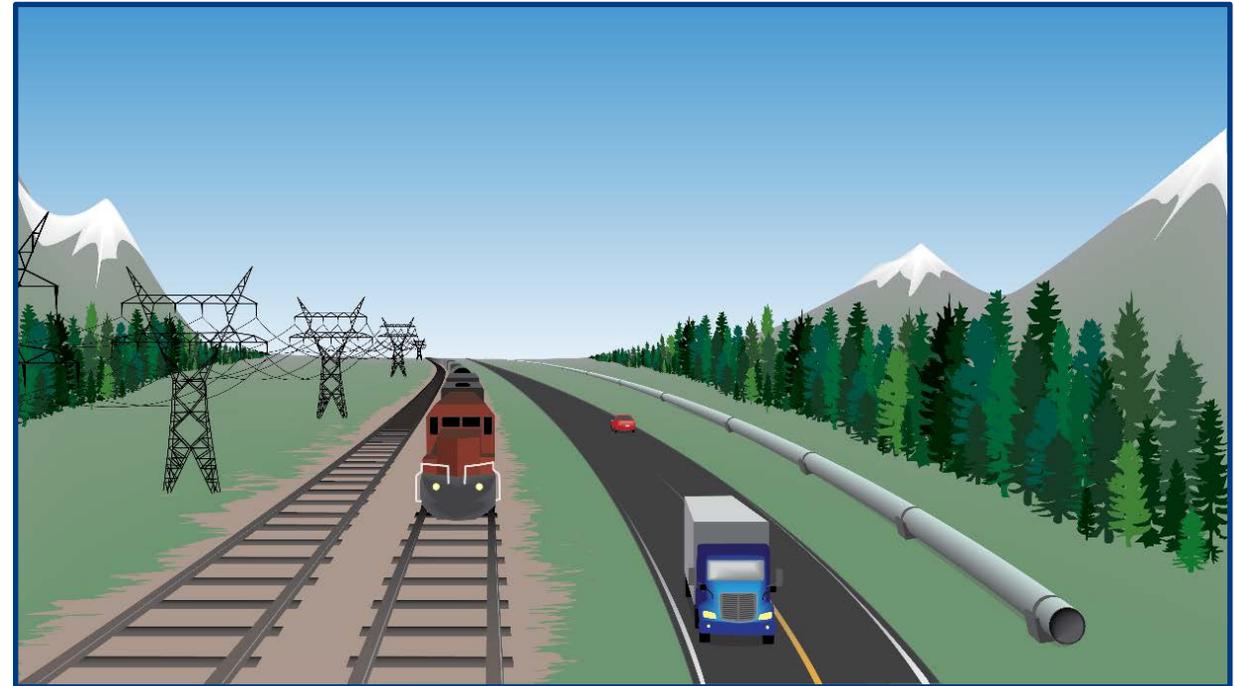
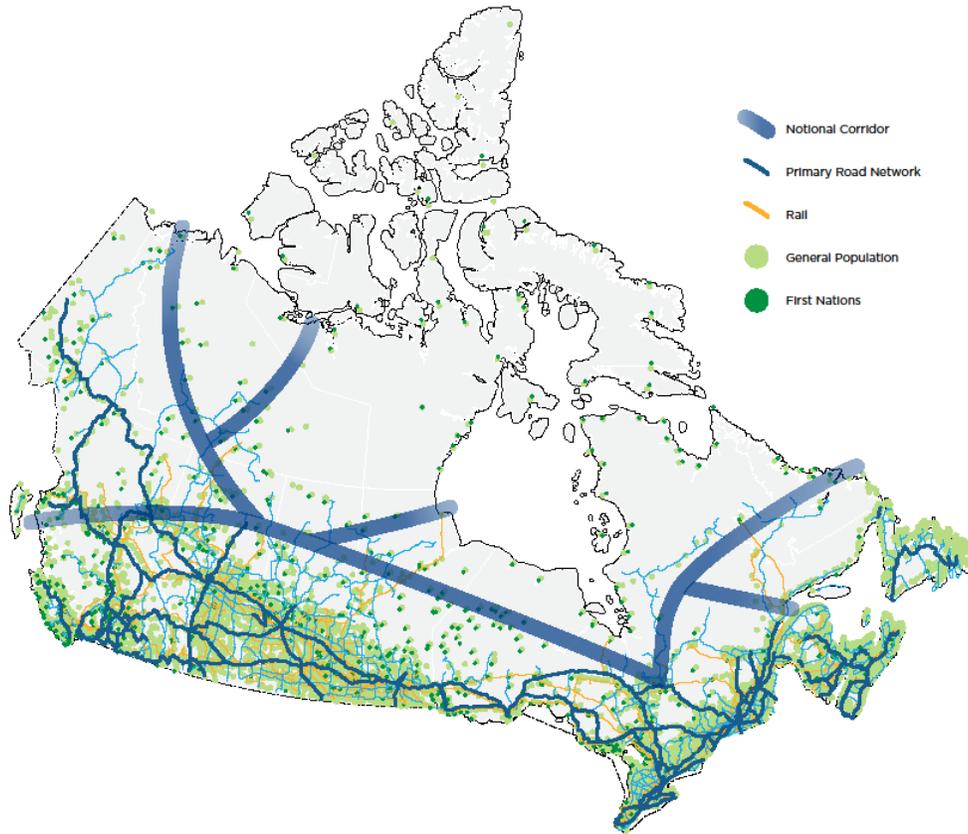
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## THE POLICY PROBLEM

- Canada faces policy fragmentation in developing new infrastructure
- Consequences of this policy environment:
  - Lost investment, economic activity and government revenues
    - Research from The School of Public Policy estimates annual gains of \$6.5 billion from improved transportation infrastructure
  - Increased attention from the public has led to an erosion of confidence in established procedures and processes
  - Congestion in existing transportation corridors, limiting internal and external trade
  - Transportation of dangerous goods through population centres

## **CANADIAN NORTHERN CORRIDOR: THE CONCEPT**

- Establishment of permissible corridors: defined multi-modal rights-of-way with an accompanying regulatory and governance structure.
- Long-term solution to geographic, political and economic challenges, providing growth and diversification via:
  - Creating the opportunity for use of new technologies and innovation
  - Providing certainty for development and investment
  - Access to rapidly expanding international markets
  - Reducing interregional trade barriers
  - Enabling access to un- and underdeveloped Canadian resources
  - Enhancing Indigenous and northern development opportunities
  - Strengthening Canada's infrastructure grid
  - Supporting northern security objectives.



## THE APPROACH

- Detailed and extensive studies to address the physical, financial, public policy and governance dimensions as well as strategic implications and the socio-economic and environmental impacts
- Collaboration with Indigenous communities and organizations to support their development objectives and enable a prosperous future
- Research supports strategic objectives of governments and industry

# CANADIAN NORTHERN CORRIDOR: WHY?

- Congested southern corridor with dated infrastructure

Compared to the current piecemeal, non-

- Lack of market to fastest growth



ces, facilitating

- Challenges development

## New Tuktoyaktuk road life-changing for Arctic community

ough multi-

print

ire and promote

- Accommodate long run growth in population and the economy

- Enhance safety and security
- Provide certainty for development and investment

## WHY PURSUE THE CORRIDOR APPROACH NOW?

- There is urgency to demonstrate that Canada can overcome the paralysis and fragmentation in infrastructure development, a significant contributor to Canada's loss of competitiveness.
- Renewed Government of Canada focus on infrastructure
- Governments of Northwest Territories, Yukon and Nunavut are prioritizing infrastructure corridors.
- Supports the Government of Canada's regulatory reform agenda, specifically regarding regulation of transportation and infrastructure.
- Promotes regulatory certainty, de-risking the regulatory process for infrastructure investment in Canada and prepares the way for privately-funded and economically driven projects.
- Supports closing of socio-economic gaps in Indigenous communities through improved infrastructure, economic development opportunities and job creation

## **CANADIAN NORTHERN CORRIDOR: FOUNDATIONAL QUESTIONS**

- **Cost: What is the cost of such a corridor?**
  - How might it be financed?
  - What is the role of government versus private corporations?
- **Legal: how does the corridor concept align with Canada's existing legal framework, including Indigenous self-determination?**
- **Feasibility: Is it even possible, given Canada's existing challenges with developing new infrastructure?**
  - How can a corridor succeed when one-off projects cannot?

# RESEARCH AGENDA

## Strategic and Trade Dimensions

1. Arctic sovereignty and national purpose benefits
2. The case for transportation systems in Northern development
3. International trade and investment implications

## Geography and Engineering

1. Mapping and visualization of corridor dimensions
2. Engineering challenges and routing options
3. The potential for transportation system rationalization
4. Potential construction timelines and costs

## Funding and Financing Dimensions

1. Private- and public-sector business cases
2. Equity and debt financing options
3. Potential private sector, government and Indigenous participation

## Legal and Regulatory Dimensions

1. Federal, provincial and territorial legislative and regulatory approaches
2. Land ownership and right-of-way issues
3. The case for project-specific expenditure programs

## Organization and Governance

1. Oversight and accountability
2. Community consultation and engagement mechanisms
3. The case for inclusive project-specific institutional arrangements

## Economic Outcomes

1. Potential overall impact on the Canadian economy
2. Potential regional economic impacts
3. Potential industrial impacts by sector

## Social Benefits and Costs

1. Potential impact on life in the north – jobs, cost of living, social amenities
2. Potential impact on Indigenous groups and communities
3. Potential impact on life in the south from transportation system rationalization

## Environmental Impacts

1. Potential net overall environmental impact
2. Policy options for mitigating impacts
3. Policy options for environmental assessment

## **SUPPORTING ORGANIZATIONS AND ENDORSEMENTS**

- **Senate Standing Committee on Banking, Trade and Commerce**
  - 2017 report “National Corridor: Enhancing and Facilitating Commerce and Internal Trade” recommended \$5 Million in funding.
- **Minister of Transportation’s response to “National Corridor” Senate report**
  - Supported the Senate recommendations
- **Denendeh Investments Incorporated, representing the for-profit investments made collectively by the Dene First Nations of the Northwest Territories on behalf of the people of Denendeh**
- **Government of Northwest Territories**
- **University of Calgary faculties of business, engineering and law**
- **Centre for Interuniversity Research and Analysis of Organizations (CIRANO; comprises several Montreal-based universities)**
- **Social Sciences and Humanities Research Council**
- **Edmonton Chamber of Commerce**
- **Alberta Chambers of Commerce**
- **Canadian Chamber of Commerce**