

GNWT Marine Transportation Plans

Mr. Speaker, last December, the Department of Public Works and Services took measures to secure the core assets of the Northern Transportation Company Limited, or NTCL a company that went into receivership after serving the Northwest Territories through more than 80 years of operation.

NTCL was the largest marine transportation services provider in the Northwest Territories, delivering essential petroleum products and cargo, including consumer goods and construction materials, to communities along the Mackenzie River and across the Western Arctic.

NTCL served ten Northwest Territories communities, including four that are inaccessible by winter road. Marine resupply is the only realistic option for these four communities, where it is prohibitively expensive or impossible to provide fuel and large cargo by air transport. For other communities accessible by water, marine transportation provides an economic and reliable alternative.

Mr. Speaker, in purchasing the vital marine assets once owned by NTCL, the GNWT supports the continuity of dependable and competitive marine services and the delivery of essential goods to our communities on the Mackenzie River and our ocean waters. The importance of a viable Mackenzie River marine transportation service to meet the needs of government, industry and residents cannot be understated.

The Department of Public Works and Services has made efforts to secure a marine carrier to operate the assets purchased by government and offer the comprehensive transportation services once provided by NTCL. Those efforts were unsuccessful and by November it had become quite clear that the gap left by this company's exit would not be easily filled.

The GNWT has the staff, expertise and resources needed to run this operation, and is now focused on making sure that marine transportation services in the NWT continue unaffected through the 2017 sailing season. This requires that we inspect and make ready the tug and barge fleet and our port facilities, and fill key positions to manage the operations of the 2017 sailing season. We will engage a professional marine crewing operator to hire experienced and reliable crews to maintain and operate our vessels. We expect many of these individuals will be Northwest Territories residents, knowledgeable people who worked for NTCL for many years performing the very operations that the GNWT will now execute.

We are committed to ensure that services are provided this sailing season, that fuel and cargo is delivered to all of the marine-accessible communities of the Northwest Territories, and we are committed to operating safely and responsibly. The experience of operating the business this season will inform the GNWT as we determine the future model of operation. We are well into the development of maintenance plans to reactivate the tug and barge fleet. We are taking stock of the properties and assets purchased. We will draw upon our expertise in environmental site assessment and management of potentially contaminated lands, to determine the nature and extent of any environmental contamination associated with these properties.

While our purchase was made out of necessity, it has also revealed opportunities. Our investment in the marine transportation sector can lead to improved marine infrastructure, the creation of meaningful jobs, and a comprehensive self-funding made-in-the-North marine transportation service that is essential to our communities. GNWT marine transportation services secures a vital link that connects Canada's northernmost railhead to its northernmost inland port, and preserves the final northern link of an intermodal supply chain that stretches all the way from the Gulf of Mexico to the Mackenzie Delta.

Mr. Speaker, this unique situation has presented us with a short window to prepare, but work is well underway to make sure that this sailing season is a success. Our future operating model is yet to be determined, but it will be one that balances the needs of government, residents, businesses and small barging operators, who will all benefit from the continued presence of a reliable and affordable marine carrier. Our focus is on safety and reliability, and we will endeavor to limit increases in shipping rates that would negatively impact the cost-of-living in the NWT and crucially, in the service of citizens and businesses. We will preserve and deploy the marine assets that are so important to future economic activity and to the development of the Northwest Territories.

Thank you, Mr. Speaker.