ARCTIC SHIPPING BY R.BRUCE STRIEGLER

Nunavut Eastern Arctic Shipping: the little marine transport company conquering the Arctic

uzanne Paquin, CEO of Nunavut Eastern Arctic Shipping, calmly states that in the Arctic there's really no infrastructure; there are no roads, no railroads. She says there are airlines, there are ships and sealift. "Sealift is truly the most economical way of moving or getting your goods." Nunavut means our land in Inuktitut, one of two Inuit languages. It is vast, covering 1,877,787 square kilometres of land and 160,935 square kilometres of water. Nunavut was formed in 1999 when it was separated from the Northwest Territories and is the least populous (34,000 souls in 2012) and the largest region of all of Canada's provinces and territories

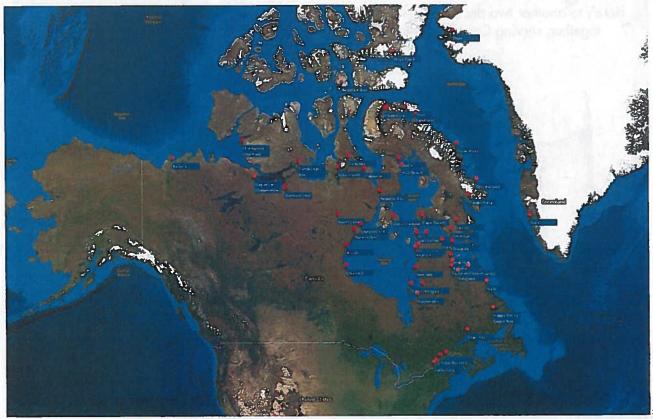
A year earlier, in 1989, Nunavut Eastern Arctic Shipping (NEAS) was formed. As a Nunavut Inuit majority-owned enterprise, 51 per cent of the voting shares are held by local Nunavut Inuit companies. The remaining 49 per cent of shares are held by NEAS Inc., owned jointly by Makivik Corporation, the Inuit Birthright Corporation

from Nunavik, and Transport Nanuk Inc., a joint venture between Logistec Corporation and The North West Company. Headquartered in Igaluit, NEAS delivers marine transportation across the Baffin, Kivalliq and Kitikmeot regions of Nunavut. "We have offices in Montreal, In Valleyfield, Quebec, and front-line offices in Kuujjuaq in northern Quebec, and Nunuivit in Rankin Inlet," explains Paguin.

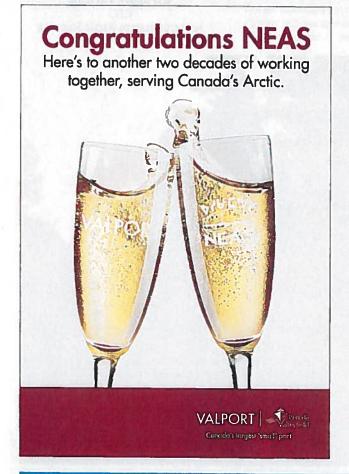
"NEAS came together to enhance sealift services for customers across the eastern and western Arctic," says Suzanne Paquin. "Our strategy has been to modernize our fleet, and at the same time improve cargo handling techniques so as better serve our customers. Among our objectives was an increase of the sealift reliability while at the same time providing choice and improved customer service." Paquin describes NEAS as a modern Arctic sealift venture whose container ships have replaced traditional tug and barge operations. "I have to say, that with 25 years in this business, it has worked. We



SUZANNE PAQUIN CEO Nunavut Eastern Arctic Shipping



MV Quannutik olf Brevoort Island, located in the Labrador Sea



have grown our fleet significantly and now have much larger capacity than we had when we began, and we have increased our customer base"

Supplying the Arctic with the essentials of life

For a small shipping company, NEAS does have a remarkable fleet. Its four vessels provide container capacity totalling 2,594 TEUs (twenty foot equivalents). Two of the ships (MV Camutik and MV Mitiq) have a capacity of 730 TEUs, and the other two, (MV Umiavut and MV Avataq) 567 TEUs each. The newest ship in the fleet was built in the Netherlands in 1995, the oldest, built in Japan in 1988. All are multi-purpose, container ships strengthened for heavy cargo. Suzanne Paquin explains the ship names; Umiavut means our ship, Avataq is a float, the kind one finds on harpoons, Camutik is a sled used to bring provisions to community. She explains the latest vessel was the subject of a community contest, receiving scores of entries. "In the end, we choose 'Mitiq' our word for eider duck."

Cargoes NEAS carries includes mining equipment, retail supplies, construction materials, dry goods, or as Ms Paquin says, "Anything that is essential to sustain life, although we do not carry bulk oil." She notes that lately she is seeing modular homes as part of the cargo mix. Operating in the Arctic brings unique challenges and operational timeframes that few outsiders would comprehend. Paquin lays it out, "Our actual sealift operations are fitted into a tight window. We start to load in June and finish sailing mid-to-late October, or even mid-November, it's all weather dependent. To do that, we open cargo service centres around the first of April or May, again, depending upon the weather."

She describes what happens in the winter off-season, "Many years ago we started dealing with the Amsterdam-based Spliethoff Group which is the largest shipowner in the Netherlands and we purchased from them." The agreement includes a condition that in winter, they'd take the ships back and return them to their pool.

ARCTIC SHIPPING

When the Arctic shipping season resumes, the ships return. Ms Paquin says that in the early days, NEAS was looking for a formula to renew the fleet that was affordable. "We didn't want to have ships tled up for months costing money without operational income, and it would be very difficult to renew the fleet under those conditions. This arrangement has allowed us to be quite competitive in the north."

Operating in extreme conditions just part of the job

She describes what she feels are some of the chief problems working in the Arctic, "The fact that it's a seasonal operation is one factor, but one we feel we have overcome. The biggest issue we have is lack of infrastructure which adds tremendous cost to our operations." She reels off a list of requirements that NEAS must provide for its own operations including lighting, fencing, clearing beaches, providing tugs and barges. "We bring our entire infrastructure with us, we call it a vessel kit," she explains. She adds that in addition to those functions, NEAS acts as its own local meteorological service, with a critical function being to monitor the north's extreme tidal action,

which can dramatically impact discharging or loading processes across the remote region.

That kit is aboard each vessel and consists of two tugs, a barge, and three forklifts which include one 15-tonne machine. "We bring everything we need to clear, maintain and secure our beach working area and to safely deliver the cargo to our customer's door." She adds that all this adds to operational costs, which are ultimately borne by the company's customers. Paquin clearly does not like charging these costs, again reminding us, "There really is no infrastructure; we're saying the shores are the same as when Martin Frobisher landed here." (Frobisher was the English seaman who made three voyages to the New World in search of the Northwest Passage. His first attempt was in 1576)

"Iqaluit is the largest community we service, and the tides there can be as high as 35 feet, we work perhaps four hours at a time with tides. Across the Arctic there are large swells, and we can't discharge during these times. There are no ports or repair facilities so the vessels must be very well maintained. We work in extreme cold and high winds, weather constantly varies.

Arctic shipping is like no other, you're really on your own." In response to a question about external safety support, she says that when things go wrong they work with the Canadian Coast Guard, Transport Canada and any other help that may be available. "It can take a few days for Coast Guard to reach you, so contingency planning is essential." Another big issue is charting, since only about 10 per cent of the north is charted and she says, "Without charts, you can't really go where you want to go."

Suzanne Paquin concludes, "We have a very dynamic team, with a lot of young people. We promote internally so many who were on ships are now working in our offices. We know how difficult it is to live in the Arctic," and she pauses before continuing, saying, "When one orders a new pickup to be delivered by sealift, and we're only calling on your community once a year, we want to make sure we get it right. NEAS is a major contributor to local sustainable development and we think we are very good at delivering reliable transportation services. We're proud of the training, employment and opportunities for the Inuit, we're proud of the new economic prospects we are bringing to the region."

