



# The NEAS Perspective: **Factors and Challenges in Canada's Arctic Supply Chains**

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# A little background about NEAS:

- Pioneers of Canada's Arctic trade, marine transportation and related services; introduced containerization
- NEAS is Inuit majority owned
- Our shareholders are our customers.
- Committed to local community socio-economic development; its in our mandate.
- Inuit investment, vessel ownership, local training, employment and promotion, better services.
- Customer focus



**Sakku Investments Corporation**

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QIKIQTAAŁUK CORPORATION



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**Makivik  
Corporation**

**Société  
Makivik**

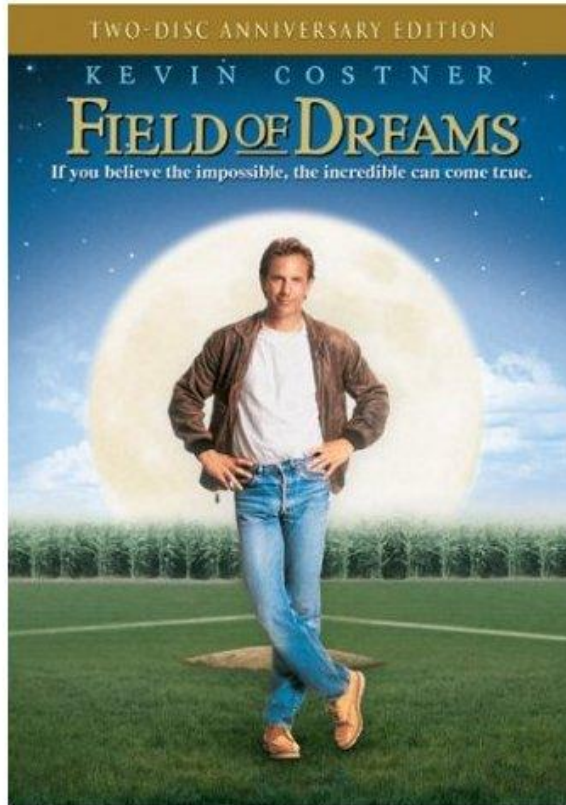


# Perspective on Arctic Extremes:

climate, environment, geography, socio-economic need



# Real Big Needs Need Realism



- Benefits of single **mega projects** must be balanced against the greatest good for the great number in the short and medium term...
- “... **build it and they will come**” strategies only work in the movies; they do not work for intermodal supply chains and infrastructure development.
- Learn from unsuccessful examples in south of poor project planning driven by politics, not demand and priorities...
- We need to focus on customer demands, identify needs and set priorities.

# An “*Arctic Algorithm*”

**Algorithm** /al-guh-ri-*th*'m/ *noun* a set of simple instructions that combine to accomplish a task.

# Common Conditions: Northern Supply Chains

- **Weather:** Extreme climates, winds, currents, and short navigational season
- **Communities:** Remote, lack of marine infrastructure, no safe or secure work areas, customer dependence on marine transportation for re-supply.
- **Mining:** generally remote and distant from population centres.
- **Government Contracting:** Services are regulated monopolies by way of restrictive winner take all regional contract awards... limits customer choice, reduces competition and increases costs.
- **Tides:** many communities have high tides resulting in operational delays.
- **Navigational Charts:** Inadequate hydrographic navigational charts and data - Approximately 10% of the Canadian Arctic is adequately charted.
- **Mooring Buoys and Navigational Aids:** Deficiency exists – few Nav aids and 1 Mooring Buoy in Nunavut.





# New Realities of Northern Supply Chains

It is not the same old

Shift towards multi purpose container vessels with lightering operations, as opposed to traditional tug and barge only operations.

Solutions have to work for all users;

Marine carriers, we are not only vessels, but also

- + - infrastructure, include two tug and barges per vessel, 15 ton fork lift, smaller fork lifts as well as office and admin...we bring everything we need to each community.

- Plus we clear, maintain and secure our beach working area; there is variation from community to community, with some communities this is being done by the GN but not in others....





Each vessel has its own kit...



# Improving Northern Supply Chains

1. Immediate need for safe and secure basic marine infrastructure in all local communities;
2. Improved inter-governmental relations; and
3. Greater customer focus! It is not about administration, its about the customer.

*“The sooner the better...”*



# Inequitable Approach to Clearing the Staging Area





Need for greater focus on safety and security of marine staging areas in communities...



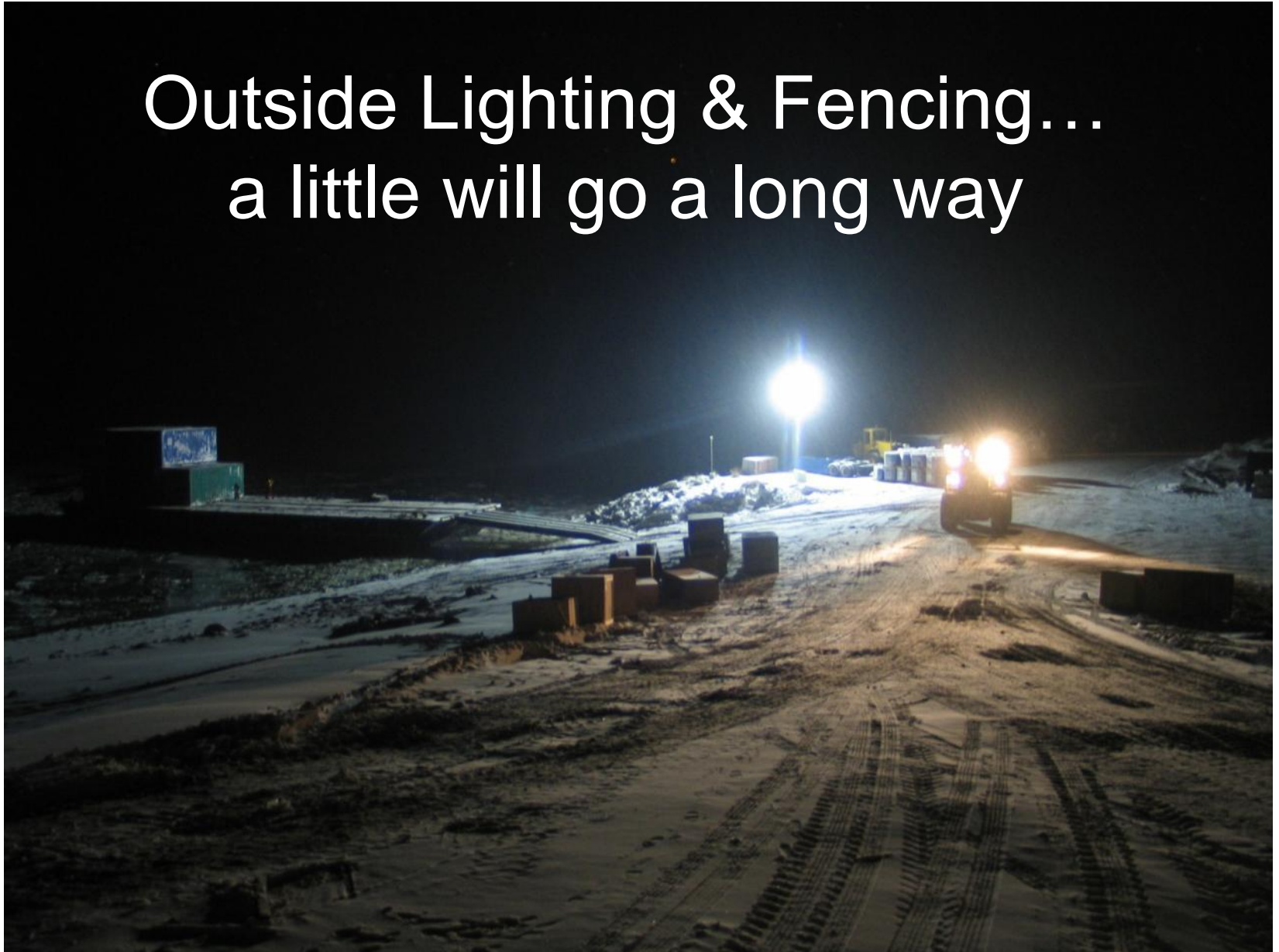


# Defined Staging Areas would improve cargo handling



# Outside Lighting & Fencing...

a little will go a long way





# Learning from Nunavik: identify, prioritize, execute



# NUNAVIK can serve as an ILLUSTRATION for NUNAVUT



Kuujjuarapik



Inukjuaq



Tasiujaq



# Fundamental Needs

- There is more than 100 million right now available from the federal Build Canada program
- The sooner the better... we need to act now to make a difference in the next 10 years
- Nunavut needs to commit to an Infrastructure Initiative in the next Capital Plan, including a marine project for each community,
- Improve collaboration between levels of government, and this includes an INFRASTRUCTURE ADVISORY COMMITTEE
- Open, fair, transparent procurement process which respects customer choice and promoting competition

# Set Priorities and Develop a Kit

## Need Nunavut Advisory Committee

- Define the Focus
  - ✓ Kid Safe and secure Marine Staging Area
  - ✓ Cleared Beach areas
  - ✓ Basic Access Ramp allowing access to Water around the tides
  - ✓ Fencing
  - ✓ Lighting .....
- Prioritize Projects
  - ✓ Community needs
  - ✓ Prioritize communities
- Allocate \$\$ in Capital Budget



# 1<sup>st</sup> Priority - IQALUIT Phase 1: THE CAUSEWAY



# Conclusion

## The Arctic Algorithm

CUSTOMER FOCUS  
+ IMPROVED INTERGOVERNMENTAL RELATIONS  
= COMMUNITY MARINE INFRASTRUCTURE



# Questions? Comments?

