

Marine Transportation Services

Mr. Speaker, the Government of the Northwest Territories is nearing the successful completion of its first season delivering Marine Transportation Services to communities on the Mackenzie River and Arctic coast.

The delivery of essential goods by tug and barge to our communities on Great Slave Lake, the Mackenzie River and the Arctic coast sustains the vital services that our communities rely upon. Since early July when the first tug and barge tow of the season departed Hay River, GNWT Marine Transportation Services has successfully delivered all of the critical petroleum products and deck cargo to all scheduled communities and clients, and has met all of its commercial marine charter commitments.

This season, Marine Transportation Services registered and reactivated six tugboats, transported more than 37 million litres of fuel and carried more than ten thousand tonnes of deck cargo to communities and industry clients. This cargo includes diesel fuel, jet fuel, gasoline, construction materials, prefabricated housing units, heavy equipment, vehicles, and consumer goods. At the GNWT Hay River Shipyard, they completed maintenance work on Canadian Coast Guard vessels that provide critical support to navigation and shipping on NWT waters. Substantial charter work was also accomplished for large industrial clients. In this way, Marine Transportation Services supports small and large businesses, industrial operations and stimulates economic development in the Northwest Territories.

Mr. Speaker, Marine Transportation Services also provides important employment opportunities to residents, supporting the development of a strong northern workforce. For the 2017 season, the Department of Infrastructure engaged a marine crewing contractor to recruit and employ capable personnel to operate GNWT Marine Transportation Services. At the peak of the season, more than 140 people were employed, and 60 of those employees were Northwest Territories residents. In addition to the employment generated, MTS has purchased more than \$2.6 million dollars in goods and services from Northwest Territories businesses so far this year.

Mr., Speaker, this is a challenging business. To achieve these successes during its first operating season, Marine Transportation Services overcame many obstacles, including the challenge of moving the vessels necessary for community resupply from Inuvik to Hay River at the beginning of the season; and addressing several years of deferred maintenance of the tugs, barges, shipyard and terminals. High water levels in the Mackenzie River delayed the Canadian Coast Guard's buoy and navigation aid setup; and delays in supplier shipments of cargo fuel resulted in temporary delivery delays to two communities. The Government of the Northwest Territories will use the lessons that we have learned this season to implement strategies to enhance our operations in future years.

Drawing upon this experience, we are developing a long-term business and operating model for Marine Transportation Services; one that will best use business revenues to stabilize costs of essential marine services and enable the success of future operations.

Mr. Speaker, our investment in Canada's northernmost inland shipyard and in this tug and barge fleet signals that we value and support the Mackenzie River as a corridor for commerce and transportation. At the Port of Hay River, the most northerly connection of the continental railway system meets Canada's longest river. A reliable shipping route for generations, the Mackenzie River is the northernmost link of an intermodal supply chain that stretches from the Gulf of Mexico to the Beaufort Sea and beyond. The Mackenzie River is truly our marine highway to the Arctic Ocean. Continued improvement of marine operations in the territory depends upon investment in infrastructure, such as landings and wharves; channel maintenance through dredging; and improved charting and navigational aids.

The Government of the Northwest Territories is pursuing opportunities for funding that may be available through initiatives such as the federal Oceans Protection Plan to improve the state of marine infrastructure in the territory. The Department of Infrastructure has developed a list of priority marine infrastructure that requires improvement and has identified opportunities for investments to increase the safety and efficiency of marine operations. These include improvements to port and shipyard assets, intermodal facility improvements, harbour dredging, dock repairs, and maintenance at ferry landings and at all marine-served communities.

Mr. Speaker, we will build upon the success of the 2017 season. The Government of the Northwest Territories is committed to ensure that residents who rely on marine transportation services will get essential goods at a reasonable cost, and get them without fail, while making strategic investments in marine transportation, creating jobs, and stimulating the economy of the Northwest Territories.

Thank you, Mr. Speaker.