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Chair

Mr. Michael Levitt

Standing Committee on Foreign Affairs and International Development

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● (1530)

[*English*]

The Chair (Mr. Michael Levitt (York Centre, Lib.)): Good afternoon, everyone. Welcome to meeting 111 of the Standing Committee on Foreign Affairs and International Development. We will be continuing with our Arctic sovereignty study today. We have two sets of esteemed witnesses testifying before us.

Our first witness is Jessica Shadian, who is chief executive officer and founder of Arctic 360 and a distinguished senior fellow at the Bill Graham Centre for Contemporary International History at the University of Toronto.

We also have Whitney Lackenbauer, who is Canada research chair in the study of the Canadian north and professor at the School for the Study of Canada at Trent University.

Welcome. We will have each of you speak for around eight minutes, then we'll open it up to the floor, because I know my colleagues will have lots of questions for you.

Ms. Shadian, we will begin with you.

Dr. Jessica M. Shadian (Chief Executive Officer and Founder, Arctic 360, and Distinguished Senior Fellow, Bill Graham Centre for Contemporary International History, As an Individual): Hello, everyone.

[*Translation*]

Thank you for the invitation and the opportunity to talk to you about Canada's sovereignty in the Arctic.

[*English*]

We cannot have a conversation about Canadian Arctic sovereignty, both protecting it and strengthening it, without turning our attention to the critical need for infrastructure investment in the Canadian north. The magnitude of infrastructure required, however, necessitates a new vision and strategy for the north. Rather than having a conversation about whether or not Russian battleships and submarines are making their way to Canada's north, the dual political conversation about Canada's Arctic sovereignty should be on building a strategy that lays out a long-term Canadian vision not only of the north in itself but as part of a grander vision of the future role of Canada in global politics and economics, and what the north has to offer in that respect.

Dave McKay, the president and CEO of RBC, repeated an interesting comment in numerous speeches about what Canada needs to do to remain competitive in the global economy following the April 2017 U.S. tax legislation. When I relisten to his words, it shouted “north” in every sense, yet I think we can fairly assume that the Canadian north was not on his mind at that time. In those speeches he said, “We need roads, rail and pipelines to continue to harness our natural resources, which pay for much of what we take for granted and connect our country together.”

In that vein, I'm going to begin today with my conclusion. I believe that Canada needs not only a northern strategy for the next 12 years but a Canadian version of China's road and belt initiative, a strategy of how the north fits into Canada's vision for its role in the world in the future.

There is an enormous opportunity for Canada to strengthen its sovereignty in the vast economic and geopolitical potential that is not yet being realized. There is a narrative to build that would both improve many Canadians' understanding of and interest in the north and that can be used for export that would reaffirm to the global community that Canada is a northern nation and takes its north seriously. I will explain where I'm going with this argument through the examples of Russia and China.

I'm going to begin with Russia. In 2009 Russia released its Arctic strategy and that strategy makes a case that the Arctic is critical to the future of the Russian economy. In part it's due to the abundance of natural resources that exist there and, particularly, oil and gas.

To exploit those resources and profit from them Russia is turning the northern sea route into a new maritime corridor so it can get its resources to global markets, for global markets such as shipping to pass through the NSR between Europe and Asia and for foreign ships to access Russia's resources. In addition the NSR has become a means for generating additional revenue through user fees paid by those who pass through the route. The user fees are for icebreaker escorts, which are almost always needed, and thus a fee is almost always paid.

The process to turn its northern sea into a viable and regulated maritime route included a grand vision, the completion of several economic feasibility studies, followed by a strategy. Accompanying this, Russia has and continues to make massive investments in icebreakers and other military equipment, human resources, ports, roads and the list goes on.

A maritime corridor that includes ships and tankers travelling across Russia's entire northern coast through waters where scattered ice is the norm, carrying people and products such as LNG or oil, requires civil-military investment from icebreaker escort services and search and rescue equipment, including surveillance, to identify, prevent and/or combat threats, whether they be terror-related or environmental. Thinking about the NSR in this context one could well argue that much of the military buildup in the Russian Arctic is to protect Russia's sovereignty in its own region rather than to challenge Canada's sovereignty.

Moving over to China, in 2013 China announced its new belt and road initiative, a long-term strategy for constructing a global infrastructure system where essentially all roads lead to Beijing. Sherri Goodman from the Council on Foreign Relations stated it well when she said that China is a like a spider and its road and belt Initiative is its web. Likewise China's strategy is not based on election cycles but on centuries.

Recognizing the geopolitical changes that climate change is already creating in the north, including enabling greater access to mineral and other natural resources, is compounded by interest in Arctic research to better understand the long-term impacts of climate change. In January of 2018, China released its Arctic strategy. The strategy included its polar silk road, which became China's vision to bring the Arctic into its road and belt initiative based on what it expects the Arctic will look like in the next 20, 30, 50 years and so on.

At the moment China's main focus is on the NSR, and it moved quickly to fill the investment gap when the Russian sanctions took effect. Russia has since made some significant investments into the Russian LNG as well as infrastructure investments. That is not to say that the Chinese are not interested in the Canadian and broader North American Arctic. Investments or active efforts to invest in resources and infrastructure have already taken place and many others are in the process of negotiation.

● (1535)

Though the Northwest Passage is not close to becoming a reliable alternative maritime route, it is reasonable to argue that it is nevertheless becoming increasingly navigable and navigated. There's also a growing consensus that at one point in the near distant future it will be possible to go over the pole.

China's polar silk road policy is based on the assumption that major maritime changes are coming to the Arctic and those changes have strategic value for its larger belt and road initiative. The Chinese are essentially preparing now for an open Arctic Ocean. They are also investing today in the resources and scientific knowledge that they need and want.

In the North American Arctic and Iceland, active investments range from ports and research stations in Iceland to rare earth minerals in Greenland, to a gas pipeline in Alaska, and several mining investments in Canada.

The social ills from the lack of northern infrastructure in the Canadian north are well documented, as are the implications of the infrastructure gap on the economic viability of mineral and other natural resource projects there, further undermining northern communities' abilities to benefit from the development of those resources. Likewise, the reality is that if the federal government wanted to build all of the infrastructure needed for the north, it just could not afford to do so. Subsequently, communities are competing to attract the good graces of the federal government's limited resources to fund individual projects.

Currently, much of Bay Street has no idea about the potential value of the Canadian north. If someone asks a question, I can bring more up about that. Most on Bay Street do not think there is a rationale to invest in northern infrastructure. This is partly due to ongoing negative stereotypes about the north, as well as the lack of incentives to make it attractive or that would provide adequate rates of return. They argue that northern infrastructure is a social development and not an economic opportunity and thus it's the responsibility of the federal government.

Consequentially, the northern territories, indigenous development corporations, etc., look to China for capital investment. What does that mean for Canadian sovereignty? It means nothing, perhaps. It's like Norway. Its institutions and economy are strong enough to stand on their own in the sense that Norway has the necessary bargaining power. Is that the case in Canada's north? That's something I'm not in a position to say, but I will just say that the Chinese see the critical value of the Canadian and North American Arctic. I think all Canadians should as well.

I have a good example of this with the Chinese version of Google Loon, if someone wants to ask me.

Can an opportunity be created when, according to the Financial Times, the Canada Pension Plan Investment Board plans to invest double the assets it allocates to the emerging economy of China over the next seven years? At the current moment there is not a single Canadian pension plan fund that invests even a small proportion of its money in northern Canada. Could some of its investment dollars go north instead of the north asking the Chinese for capital investment?

For Bay Street to be interested in the north, however, it first needs to know and understand the north. That includes seeing the region's human value and its economic potential. Essentially, Canada needs its own polar silk road strategy, which would result in decisions for funding infrastructure projects based on an overarching rationale, rather than made in isolation, precisely what is required to attract private capital.

Bay Street and global finance agrees that China is an emerging economy, but we need to do more to advance the recognition of the North American Arctic as also an emerging economy. That narrative really needs to start somewhere.

Rather than battleships and missiles to fend off the Russians or Chinese, the largest threat to Canada's north is a real overarching lack of vision to bring about investment to build critical infrastructure. The infrastructure gap profoundly undermines northerners' own security, their quality of life, and the ability to protect and strengthen our own sovereignty.

I think we also need to reflect on Russia's northern sea route system, in light of creating a North American Arctic seaway, which I think was discussed a little bit in a previous meeting. I hope to discuss this more in the question and answer.

To summarize, Bay Street and global capital will not invest in the region without a grand rationale and a strategic plan. China is an exception because they took the initiative on their own to make their own strategic plan for the Arctic. If Bay Street capital is preferred to Chinese capital investing and owning the infrastructure of the Canadian north, or at least if it is preferred that Canada sets the terms of engagement for that investment, or if Canada wants to talk about its Arctic security with Russia, or to others about Russia, I think we really need a Canadian “belt and road and polar silk” vision.

This would detail Canada's strategic role in the Arctic and in the world through the 21st century, and moreover, we need to put that vision into motion.

● (1540)

[*Translation*]

I look forward to answer your questions.

Thank you.

[*English*]

The Chair: Thank you very much, Ms. Shadian.

We'll go straight to Professor Lackenbauer, please.

Professor Whitney Lackenbauer (Canada Research Chair in the Study of the Canadian North and Professor, School for the Study of Canada, Trent University, As an Individual): Thanks.

Good afternoon. It is my pleasure to appear before the committee on this important theme.

Canada's Arctic sovereignty is a subject rooted in many misperceptions, and it's less sensational a subject than it's often made out to be. You heard last June from Alan Kessel, the legal adviser at Global Affairs, that “increased vessel traffic, if conducted properly and in accordance with Canadian law and policy, actually serves to reinforce Canada's Arctic sovereignty.”

That is correct, as is his assertion that no one disputes Canada's sovereignty over our Arctic lands, with the minor exception of Hans Island. The northern maritime disputes with the U.S. in the Beaufort Sea and with Denmark in the Lincoln Sea are well managed and will be resolved in accordance with international law when there is a perceived imperative to do so. In neither case do I anticipate an immediate need to solve these boundary issues. They really come down to an issue of political will to compromise with neighbours with whom we have a long history of co-operation.

If we went back a decade, I would spend most of my time countering what I saw as misplaced narratives about an alleged race for resources and threats of naval or commercial ships driving through the Northwest Passage and destroying Canada's legal position that these are our waters. Despite all the hoopla back then, this has not occurred, nor do I see activities of this sort posing a great threat to Canada's Arctic sovereignty today or in the foreseeable future.

You've heard from far greater experts than me, such as Mr. Kessel and Professor Lalonde, that Canada considers all the waters of our Arctic archipelago, including the various waterways commonly known as the Northwest Passage, to be internal waters by virtue of historic title. We have built up a strong legal position since the Second World War, and I do not feel that it is in particular peril today.

However, I'm sure you're less interested in blanket statements such as these than in my thoughts on the three main topics your committee is studying at present: Russian militarization of their Arctic, China's growing Arctic ambitions, and Canada's extended continental shelf claims. All are interrelated, but I'll take each one in turn.

First, in regard to Russia, although the end of the Cold War seemed to portend a new era of deep co-operation between Canada and Russia, lingering wariness about geopolitical motives and a mutual lack of knowledge about the other's slice of the circumpolar world are conspiring to pit our countries as Arctic adversaries. Furthermore, Russian aggression in the Ukraine and Syria, and strategic bomber flights to the limits of North American airspace, suggest a return of great power competition globally. These activities warrant careful monitoring and analysis in concert with the United States and other NATO partners. Although meeting near-peer competitor threats may require new or renewed capabilities in the Canadian Arctic, such as modernizing the north warning system, I would highlight that these threats are not borne of Arctic-specific sovereignty issues or disputes.

Russian military activities in its Arctic do not in any obvious way relate to environmental change or maritime corridors, or military threats in or to our Canadian Arctic. Commentators often make a false correlation by conflating Arctic issues, those threats emerging in and from the region itself, with global, grand strategic issues that may have an Arctic nexus but are appropriately dealt with at a global rather than narrowly regional level. In my view, this must be reflected in official Canadian policy, or the policy itself may create the very misperceptions that build mistrust and create conflict.

In short, Canada and Russia will find themselves on different sides in an era of renewed great power rivalry, but I do not think that this general state of competition portends Arctic conflict. Instead, there is still room for substantive co-operation and collaboration in the circumpolar world in areas of common interest, which I am happy to discuss, based on respect for each Arctic state's sovereignty and sovereign rights, as long as circumpolar co-operation is not held political hostage to broader geostrategic rivalries.

Although some media and academic commentators point to China as an emerging military competitor or sovereignty threat in the Arctic, I have argued in a recently co-authored book that this is based on speculation and I don't think it has any basis in verifiable evidence. Accordingly, I would suggest to you that alleged Chinese threats to Canadian Arctic sovereignty are a red herring that should not deflect attention or resources from more important issues.

Now, lest I be accused of being naive about China's Arctic interests, I'd like to qualify that statement by explaining that there are security and safety issues that arise from the activities of China and other non-Arctic states in our Arctic. These could include espionage, resource development or shipping activities that harm the environment, and even the loss of Canadian economic sovereignty. I would argue, however, that these are not “Arctic sovereignty” issues as we typically discuss them, and are best considered in the broader context of Canada's relationship with China as an emerging global actor.

Finally, I'll offer a series of suggestions that I'd be happy to elaborate upon during the question and answer period.

While references to Arctic sovereignty and security have been conspicuously absent from official Government of Canada statements on the Arctic since November 2015, public opinion polls conducted over the last decade have demonstrated that these concepts resonate with Canadian audiences. Accordingly, it's important for official Canadian statements to refer to sovereignty and security, but to be very clear about how these concepts are being used.

● (1545)

Accordingly, I recommend that the Government of Canada adopt a legal definition of sovereignty in its public messaging to avoid confusion, particularly when it comes to international audiences. A state-based definition used with international audiences should then be complemented by messaging explaining how Canada exercises its sovereignty in partnership with its indigenous peoples as rights holders within our country who also have particular rights internationally.

Second, Arctic coastal states hold, under international law, specific interests and responsibilities in the Arctic Ocean region. In exercising these rights, Canada should undertake full consultations with its domestic stakeholders—provinces, territories, indigenous governments and organizations—prior to international meetings and negotiations. This does not change the legal reality that the delineation of the outer limits of the Arctic continental shelf beyond 200 nautical miles is a process that is conducted by states.

Given the UNCLOS article 76 process, Canada's ongoing research to delineate the limits of its continental shelf is aimed at fulfilling its obligations as a coastal state. The rights to a continental shelf are already ours as a party to UNCLOS and have nothing to do with historic rights, occupation or usage. Presuming that the science supports our case, our continental shelf will overlap that claimed by our Arctic Ocean neighbours. Efforts to foster dialogue with all our coastal state neighbours, including Russia, should be encouraged, as the eventual resolution of this critical issue for Canada will necessarily involve negotiations between all the concerned parties. This is not a cause for alarm but a process that can serve the national interests of all the Arctic coastal states.

Finally, we cannot solve the Northwest Passage issue with the United States bilaterally. This is a pipe dream. Instead, I urge you to recall an important point made by Professor Lalonde last week that the difference of opinion on the legal status of transit rights through Canada's Arctic waters is an international one, not a bilateral one. Countries like China are playing their cards close to their chests, as she explained to you. There is no simple solution to this long-standing issue, and anyone offering one, I would argue, is ignorant of history and of evolving international political realities.

Nevertheless, our legal position is not in jeopardy. We should operate from a position of confidence. Our Arctic foreign policy should reiterate, wherever possible, that Canada welcomes navigation in our waters in the Arctic as we do elsewhere, provided that ships respect Canadian regulations related to safety, security, protection of the environment and Inuit interests. This includes vessels from countries like China and Russia, whether research icebreakers or cruise ships, that comply with Canadian regulations. This approach also means having robust capabilities to maintain vigilance in ensuring that these vessels are not undertaking activities that are against Canadian laws or counter to our national interests.

Finally, we need to embrace the benefits of working with our allies and circumpolar partners to maintain a rules-based order in the Arctic. This does not require amplifying safety and security issues into so-called sovereignty threats that seldom warrant a long-term investment of resources, both material and intellectual. Instead, I would argue, we need to convince Canadians across the country that we already have Arctic sovereignty. We just need the national will to help northerners realize their dreams for the region as fellow Canadians.

[*Translation*]

Thank you.

● (1550)

[*English*]

The Chair: Thank you very much to you both.

We'll go straight to questions, and we'll begin with MP O'Toole, please.

Hon. Erin O'Toole (Durham, CPC): Thank you very much.

Thank you both for your presentations.

Dr. Shadian, I read your op-ed with Clint Davis in the Globe some months ago. I worked with Clint when I was on Bay Street and he was at CCAB.

You're probably the first person who has really talked in economic terms with respect to the Arctic. I'd love to expand upon that. On the vision statement you were looking to that no politician has articulated, I think Diefenbaker did with his “roads to resources”.

Dr. Jessica M. Shadian: We're still talking about it.

Hon. Erin O'Toole: Yes. In the modern sense, we have not.

Where do you see partnerships between levels of government and indigenous development corporations? Is there a vehicle the federal government should be providing to allow the prioritization of infrastructure to be Inuit-led?

Dr. Jessica M. Shadian: That's a great question. Thank you.

I would say it should be done by a combination of the federal government, indigenous development corporations and private capital.

Of late, I've been working with many Inuit first nation development corporations on trying to educate Bay Street about the north and to dispel the stereotypes. We're trying to take Bay Street up to the north and bring folks from the indigenous development corporations to the south to do internships. It has been a slow process, and I've received a wide range of comments, from really bad negative stereotypes to.... I've piqued a few persons' interest.

There is now the beginning of an interest coming from Bay Street, I would say. I feel as though I have to reel them in one at a time, and I feel very happy when I actually do it. It's amazing to see the light bulb go on. One of the pension plans actually came with me to the Arctic Circle conference in Reykjavik. You're just blown away. How is it that we don't know about all of this?

I would say, then, that it's a tripartite effort. It's the federal government, and it should come from the territories and indigenous development corporations themselves. We also need the help of private capital. This would provide a lot of avenues for us to understand how to bring indigenous equity into these public-private partnerships, and also show what kind of public-private partnerships are possible and thus what the federal government should be doing to provide incentives.

● (1555)

Hon. Erin O'Toole: Let me stop you there.

The Liberal government is doing this, just not in Canada. It has tasked Ambassador Blanchard to speak to pension funds and private capital about investing in the developing world under sustainable development goals, as part of its UN Security Council seat bid. The frustration I have is that we have an infrastructure gap—that's an understatement—for the north, and we have Inuit who are frustrated with the Prime Minister for treating their areas like a park and not even consulting on declaring vast stretches of the Arctic as out of bounds for resource development, and then pushing private sector money to go to developing countries overseas.

Do you think that same approach should be applied not through its UN bid, but perhaps partnering with first...?

Dr. Jessica M. Shadian: It should be both, possibly. The thing is that we're going against the grain. Normally there isn't an emerging market in the OECD, but when you look at Alaska, Canada and Greenland together, they are absolutely an emerging market, with many of the same characteristics of an emerging market anywhere else in the world, minus possibly a lot of the risk factors because they're stable economies.

What Canada does in the international development realm is really important, but I also think that we should be thinking of our own north as a real opportunity.

Hon. Erin O'Toole: I've been talking about this for some time. Part of our sovereignty claim—and I've heard Professor Lackenbauer and previous witnesses say they don't even like us talking about this—and part of the Canadian insecurity is about our lack of presence in our north. That lack of presence doesn't exist for our partners in the north. Their northern stretch has 0.5% of our population and 40% of our land mass.

I've proposed a few times that the federal government, through National Defence, put in infrastructure and follow up with what former prime minister Harper did for Nanisivik. Many airports are worried about a lack of service because of a lack of runways. We should put in infrastructure dollars as part of an overall NATO 2% plan that also includes infrastructure in the Arctic, which has the by-product advantage of helping exert our presence in the north.

What are your thoughts on that approach?

Dr. Jessica M. Shadian: I would take more of an economic approach. The military stuff would come as a by-product of a rationale that would create an infrastructure system.

There are so many projects out there that everyone is trying to see funded in the north. Everyone wants their own project done, because there's not that much money. I think there needs to be a larger strategy. We need to think of ways to connect those projects together, and they need to be taken—

Hon. Erin O'Toole: If we took airports and ports off the territorial list, because the federal government would be responsible for those, that would shorten the list down to roadways and a number of economic development-focused projects.

Dr. Jessica M. Shadian: Also, it would be roads that would be leading to resource development projects, which would be leading to ports. A lot of these are connected activities.

I think that to put military just to put military is not really going to serve a purpose. There's no reason it couldn't look like northern Norway. Some of the Arctic countries are not worrying about presence in their own north. It's filled with vibrant economies, and there's no reason it couldn't be the same here. I would hesitate to put all of the focus on military. I think the focus should be on economic development, and then the military infrastructure would come with that, obviously. That would be my take on it.

The Chair: Thank you very much, Dr. Shadian.

We will now go to MP Saini, please.

Mr. Raj Saini (Kitchener Centre, Lib.): Thank you very much to both of you for coming here.

Dr. Shadian, I'll start with you. I'll go back to the Fairbanks Declaration of 2017. Something important that came out of there was the funding model for their permanent participants. The endowment that was created provided some stability in terms of an annual funding model for them and also funding for projects that were specific to collaborative initiatives.

One thing that was not.... I go back to an article that I read. You talked about infrastructure specifically, saying that it will cost at least $1 trillion for infrastructure spending in the north. No country or entity, I don't think, can do it by itself. However, you have eight Arctic Council members. You have 39 observer states. You have six permanent participants who are there. Let's just focus on the observer states.

Right now, they are limited by a 50% spending rule when it comes to specific projects. If we are really going to tackle the infrastructure problem in the north, do you still believe that the observers should be limited by that 50% rule, or should there somehow be a more collaborative nature, irrespective of how much someone is spending, to make sure that the north is developed in the way that it should be?

● (1600)

Dr. Jessica M. Shadian: Actually, that's an interesting question, and it came up because Global Affairs Canada was at a panel that I participated in at the Arctic Circle, and it was talking a lot about this infrastructure piece.

Because the focus of Global Affairs Canada has largely been on the Arctic Council, it was posed to me what the Arctic Council could do to address some of these issues. I think this speaks a little bit, maybe, to what you're talking about. There has been discussion out there and interest from various entities in creating some sort of investment vehicle for the Arctic, whether it's some sort of investment fund or infrastructure bank. I kind of mentioned that maybe this would be something that would be an appropriate discussion topic for the Arctic Council because you would have all the heads of state of the Arctic countries. You'd also have the observers there to be part of this discussion.

Obviously China has a lot more money than some of the other Arctic states. It's a way for them to be a part, rather than thinking in terms of how much they could be spending in terms of direct participation in the Arctic Council—

Mr. Raj Saini: I have a separate question for you, Professor Lackenbauer. I don't have that much time. That's why I want to make sure... These two questions are important to me.

The second question I have is specific to you, Professor Lackenbauer. When the Kiruna Declaration was signed in 2013, there were six observer countries that were added—China, India, Italy, Japan, the Republic of Korea and Singapore—which I find an interesting bunch of countries that are interested in the Arctic.

You wrote specifically on India. I'm not going to use India as a test case, but there are certain themes that came out of that article that you wrote that I wanted to explore a bit in terms of the geopolitical ramifications of allowing those six observer countries to join the other observer countries.

India had an Antarctic model, which it was using, but through whatever reasoning, it's not going to be applicable to the Arctic model. Something that came out of that paper, highlighted by India, was the global commons—the idea that this area would be able to be used by anybody, not just the Arctic coastal states.

Something else that came out of there, which was equally important, was the fact that now we have different definitions of what is going on there. You highlighted those definitions by saying either Arctic race, Arctic saga, polar lows or polar preserve.

Not using India necessarily as an example, but talking about the geopolitical strategy of the new great game and looking at all the people who are involved there—Italy, Japan, Republic of South Korea, Singapore, and 34 or 35 other observer countries—just so it could be better explained, which way are we headed geopolitically in the definition that you prescribe in your paper?

Prof. Whitney Lackenbauer: Thanks for the question. It's a wonderful one.

Looking at India is fascinating, in that it shows how some of the preconceived notions that have been developed by non-Arctic states in the context of other parts of the world, in the case of India, during the non-aligned movement era of the 1950s, looking at Antarctica and transposing that model onto the Arctic, which is a very poor analogue to Antarctica—the Arctic of course being primarily an ocean rather than a continent, and also much of it falling within the sovereign space of different coastal states, and of course having people—is pretty key. Watching Indian commentators become more sophisticated in their understandings of the Arctic over the last decade and refining their appraisals of what the Arctic future should look like, to my mind, gives hope that we are indeed heading towards a polar saga, as opposed to a polar race.

One of the other lines of reasoning coming out of some of the Indian commentaries was that in fact it was the responsibility of non-Arctic states such as India to save the developing Arctic world—those smug Arctic capitalist countries—from destroying the planet by exploiting resources in a highly vulnerable area. In fact, India was almost beginning to position itself as being, as it did back in the days of the non-aligned movement, the voice for the marginalized, to ensure that the planet was going to be sustainable.

I think that India's becoming an accredited observer—and according to the rules of the Kiruna Declaration it's a very circumscribed role, by no means in any way giving it a role comparable with that of the Arctic states, such as Canada—has actually encouraged an education process. It's great to have questions coming from outside the Arctic world.

At the same time, it's a great opportunity for countries such as Canada to play a leading role, as we espouse we are doing, in educating the world about this future and ensuring that it's one that can actually create conditions from which everybody can benefit.

● (1605)

Mr. Raj Saini: The reason I mentioned India is that you said certain things in that article, especially about climate change and the warming of that area but also about the fact that India's annual rainfall depends on the monsoon season, which brings 80% of its rain. Even countries that don't have any coastal connection per se will still be affected by the actions that happen in the Arctic.

If we broaden it out further, outside the eight nations to the 39, would that not geopolitically reduce the risk of anything really serious happening, but also increase the participation of those countries to make sure that things are done moderately and governed well?

The Chair: I'll limit you to a yes or no kind of answer to that, because we're out of time.

Prof. Whitney Lackenbauer: Yes. It's helpful, especially in the realm of science, to have partnerships with experts from all around the world, including non-Arctic states, and certainly knowledge is in my mind conducive to peace and prosperity.

Mr. Raj Saini: Thank you.

The Chair: We will go to MP Blaikie, please.

Mr. Daniel Blaikie (Elmwood—Transcona, NDP): I want to return to some of the economic themes. I have two main lines of questioning. The first has to do in some ways with how this place works. We talk about having a long-term strategy for the Arctic. One of the barriers to having one is that governments change. As long as plans for the Arctic are wrapped in a really intensely partisan blanket, as it were, then when the government changes a new government doesn't want to own the strategy that was there before. We see this happening now. The Harper government had an Arctic strategy; then we got a new government and they're developing a new Arctic strategy.

What that blocks is the idea that you could make a 10-year, 20-year, or 100-year plan and that a new government would then come in and feel that it could pick up that plan and continue on the same investment plan without giving credit to the other guys. Part of it is having a really heavily executive-led plan for development.

This may be outside your wheelhouse, but I'm wondering whether you could speak to how this place can work better on this issue, and perhaps others, to do long-term planning for the country on some of these really important issues. What does it mean for a committee such as this or other committees, and the legislative branch more generally, to try to become more involved and be taken more seriously by government if we're going to do long-term planning?

Is this important, or do you see a path for...?

Dr. Jessica M. Shadian: Absolutely. It's a fantastic question. I'm not smart enough to get into the weeds of how things work, especially as I'm not originally Canadian.

My first thought would be, is it possible to create some sort of bipartisan or tripartisan or multi-partisan committee? What was suggested from the end of this whole weekend with OP Trust was that perhaps an independent committee should be established to focus on this.

To share a vision should, I think, be something that is in the interest of all parties. Maybe it could specifically be just on the economic needs.

Prof. Whitney Lackenbauer: Let me jump in.

I take the opposite view. I don't think we need another committee. We've had a Canadian northern or Arctic strategy since 1970. It was articulated by Pierre Trudeau, it was continued during the Mulroney era, and it has continued right through to the present.

Yes, four pillars may go to seven pillars in the latest draft that I've seen from the Government of Canada in the Arctic policy framework, but at the end of the day, it has been about three main things. It's about people, about the environment and about development, although the order and prioritization of resources for it may have shifted over time.

At the end of the day I would love to see a truly non-partisan agreement to say that we've had a strategy in place for almost 50 years at this point. It's one that has been under both Conservative and Liberal banners and has been generated out of all-party committees including NDP representation over the years. It's Canada's northern strategy. Now let's get around to actually investing and properly resourcing that vision.

We have taken great strides. We're not all the way there yet, but we've taken strides by investing a tremendous amount in the last 15 years for redesigning governments within our country in truly innovative ways. The co-management systems and the partnerships we've developed that are allowing us to be in this moment of reconciliation have tools in the north—I think very powerful tools to proceed forward with—that are ones we have built collectively as a country.

I would say that rather than having this be bogged down in committee more—pardon the pun—I'd love to see this adopted as a truly Canadian national policy and recognize that this is something that truly is—

● (1610)

Dr. Jessica M. Shadian: I would also argue, however, that you can have a policy that makes broad strokes. We believe in the people in the north, we believe in sustainable development, and we believe in our sovereignty. I'm talking about a specific kind of strategy that would lay out—I don't know, but we're talking about today's version of "roads to resources"—how this northern economy can fit into Canada's foreign policy and its role in the world. Maybe we can go back to the tripartite approach that I was talking about, but I think we need to go deeper into thinking about, in that specific area, how we can better think about incorporating the north of Canada into the larger economic goals that the country has.

Mr. Daniel Blaikie: When we were up north, one of the things we heard was that there is interest by some private capital in developing certain projects, but the mainline infrastructure isn't there. Short of a plan that actually names roads and names ports so that private capital has some confidence that these things are going to be built within a certain time period, it's hard to attract that kind of interest.

That's part of what I'm wondering, whether, if you did have a more multi-partisan agreement on a more specific strategy—not just the general pillars but projects—it would be part of selling the idea of investment to private investors.

Dr. Jessica M. Shadian: Yes, absolutely it would, because private investors need to know that there's a commitment and an overarching strategy with the Canada Infrastructure Bank. In one of these past Senate hearings, looking at the northern corridors project, the way it was described was that at the moment they are interested in the projects that private capital is interested in. Private capital, however, doesn't know about the north, and that's the issue. A lot of this is about education.

Mr. Daniel Blaikie: The other part of this piece that I want to get to before we run out of time is about climate change, which we mentioned earlier. It's real and it's an important issue. The Arctic is a sensitive environment. How important is it, then...?

When we talk about major infrastructure investment, a big part of the debate is about certainty, about environmental licensing processes, respecting indigenous rights and having indigenous peoples on board. Professor Lackenbauer was right. Some of the structures in place for recognizing indigenous rights as part of the process are stronger in the north than they are elsewhere in the country. How important is it that the long-term plan also discuss these issues—that is, how to do projects in ways that are environmentally responsible and how to determine which projects to say no to, if they violate certain principles or if they're not good enough?

How important is it to have those things as part of that long-term plan, if we get to have one?

The Chair: Let me limit you to a short answer on that, because we're running a little over time.

Dr. Jessica M. Shadian: I would say, take them into account as a project would anywhere else in the world. There's an environmental factor whereby you have to do an environmental assessment for any project anywhere in the world. You have to build in those risks and you have to build in the long-term aspects of them.

It should be treated like any other project. We don't want to build anything anywhere that's not sustainable, having a sustainability consciousness. I would just put it in that context.

The Chair: Thank you very much.

Next, we're going to go to MP Wrzesnewskyj.

Mr. Borys Wrzesnewskyj (Etobicoke Centre, Lib.): Thank you, Chair.

Professor Lackenbauer, you mentioned that the people are one of the three critical components of what the discussion should be about in the Arctic. I'd almost say that it's probably the most important of the three, in fact, even on the topic of sovereignty. Our sovereignty hinges on the fact that for our Inuit this has been their ancestral homeland from time immemorial.

One of the things that we regularly heard about was the quality of life. An example that was referenced a number of times was the Inuit communities of Greenland. We haven't heard anything about Denmark and how they've approached that aspect, the human aspect. What have they done that's so different? Across the bay, there are actually many family connections and people are commenting on the differences in the quality of life.

I was wondering if either of you would like to expand on that topic.

● (1615)

Prof. Whitney Lackenbauer: Wonderful, I agree wholeheartedly with your sentiment of people first. I think that seems to be coming out of the consultation process towards the new Arctic policy framework in terms of really affirming that message strongly. As well, I think it has come out of the northern consultations that the government has undertaken. I think they're pointing in the right direction.

Obviously, the social indicators and the health indicators in the north are dismal. This is very much a black mark on Canada's international reputation, and it's something that we should all be taking seriously. It's certainly worthy of our intention and our investment, not only in material resources but also in intellectual resources, to come up with new models of delivering.

Looking across to Greenland, realizing that it is a different colonial history—albeit a very colonial one as well—given the nature of how the North Atlantic flows up to those coastlines, a lot of those communities, ironically, even through they're just across the Davis Strait, are open for much larger parts of the season and have viable fisheries and different economic opportunities than have existed to date within the Canadian Arctic. There's a very striking visible reality when you go to a community such as Uummannaq in Greenland versus, say, one of our wonderful communities of Baffin Island. They have a different feel to them.

Again, looking outwardly, rather than inwardly as we've consistently done as a country, in looking at the Arctic and potential models I think we should look at best practices, and perhaps Greenland will be one of them. From the economic models, we can look at success stories like Baffinland and how they've made things work with limited infrastructure, and what that offers in terms of opportunity. They've undertaken quite a miraculous achievement in what they've been doing out of the Mary River mine in the last decade.

I'm not trying to dodge your question. It's just to say, again, that in opening up our aperture a bit as a country, in looking outside our own borders and at some of the comparisons, we'll be realizing that we do have a lot of uniqueness in our north, and that a lot of our challenges are in some cases shared within the circumpolar world, such as abysmally high suicide rates, rates of tuberculosis that are scandalous and, in my mind, unconscionable for a country like ours to have. In essence, we have to be careful that when we're comparing apples and oranges, we're realizing that they're both fruits, but in some cases they're different fruits.

Dr. Jessica M. Shadian: I would say that you really have to take the historical aspects into consideration. The governance issue is very different, I would say, in northern Canada than it is in Greenland. Greenland has great aspirations but complete territorial sovereignty. I'm not sure if that's where any of the Inuit communities are going toward.

I would argue that there are also a lot of vulnerabilities that exist still in Greenland. The human aspects are suicide, lack of infrastructure.... There are many similarities.

Rather than asking what we can learn from that model, I would think that because there are so many differences in where northern Canada, Canadians and Inuit in Canada want to go, versus where the Greenlanders expect to go in the future, maybe it's about how we can work together better. Already, Inuit in northern Canada and in Greenland are looking for ways that they can better connect.

The big issue for them is how they can do better trade. There's discussion about making a free trade agreement between Inupiat in Alaska, Inuit in Canada and Greenlanders. For them, they're looking for ways that they can co-operate better together, I think, rather than specific models. Both have vulnerabilities and advantages in their own way, I would say—apples and oranges.

Mr. Borys Wrzesnewskyj: Ms. Shadian, you spent quite a bit of time in your presentation discussing the economic development, particularly in Russia. There are two parts to this economic development. One is obviously what everyone is talking about: the Northwest Passage and the Northeast Passage.

I don't see them as competing, but do we have any studies that have shown what is the economic benefit and value of that Northwest Passage, for instance, to shipping to the east coast or from the east coast to Asia? What are we looking at in terms of numbers?

There are the economic benefits of the shortened supply routes, and then there is the actual development of the Arctic. You referenced Bay Street. Have there been any studies in terms of what kind of infrastructure development would be required? This part isn't the human part and talking about food safety or energy self-sufficiency in the Arctic, etc. It's just the economic potential.

● (1620)

The Chair: Once again, could I limit that answer to a short answer? We're running over.

Dr. Jessica M. Shadian: I would say that it's getting two birds with one stone or whatever. There has not been a feasibility study done that I am aware of, and I think there should be.

I can get into more about the discussions I've had. I've been working with a former lieutenant governor of Alaska on creating some sort of St. Lawrence Seaway idea between Alaska and Canada. I think this was brought up the other day, briefly, but there is actually some momentum for this that's gaining. We can talk about that.

Mr. Borys Wrzesnewskyj: Thank you.

The Chair: We're going to do two short questions with MP Sidhu and then MP Alleslev. We'll keep it shorter because we're going to finish at 4:30 to get the next panel in. It will be four minutes and four minutes, if that's okay.

Mr. Jati Sidhu (Mission—Matsqui—Fraser Canyon, Lib.): Thank you, Mr. Chair, and thanks to both of you for your testimony this morning.

Ms. Shadian, you talked about Canada Pension Plan Investment Board investing in the Arctic, not in China. On the contrary, in this committee, we studied how the Canadian development finance initiative should be investing overseas. I wonder if you can give us an insight or some sort of mechanism so that we can suggest to Canadian pension plan investment to invest in the Arctic.

Dr. Jessica M. Shadian: Again, this comes back to the discussion and what I was saying. Someone has to start the narrative and get it out there that the North American Arctic together works better because they're very connected—seeing it as an emerging market. Perhaps you're saying to go internationally and to put the money.... They are putting in their money. They're putting their money into China and Australia.

The conversation came up with one of the pension plans, which said, “God, this is crazy. We put so much of our money in Australia.” Australia has quite similar instances of aboriginal population and a large territory and all this kind of stuff. Why are we putting all of our money there? Why are we not doing something to put just a piece of our money in our own north?

If money is invested in the north and we could find a way to make it work, then obviously it would have benefits in many other ways in terms of improving the economy and the tax dollars that go to the north. Some tax dollars that go to having to do things that are just maintaining a subpar standard of living for people could be going to other activities.

You're talking about encouraging the money to go towards developing countries....

Mr. Jati Sidhu: This is what we studied on this committee, actually. Investing money in the Arctic I fully understand, but we have only 100,000 people living in three territories, so where do you see this money going? Roads, bridges...?

Dr. Jessica M. Shadian: Yes, and as part of that, there could be ways to generate revenue if you create some sort of Alaska-Canada regime.

I'll use a Google example. Google is trying to create this Loon, right? It doesn't have to be Google. It could be anyone else. I've had someone come to me who does crazy IT stuff and a bunch of Chinese entrepreneurs who said, “We want you to help us build a Loon.” They said they wanted to provide Internet connectivity to the north.

You're not going to go gangbusters making money providing Internet connectivity to northern communities, but where you're going to make a lot of money, and what their interest is, is that if you have a Loon, what they're actually doing with all of this is collecting a lot of data. That data is very valuable and has a lot of importance.

I think we need to start thinking about infrastructure in a 21st century sort of way. There's a ton of opportunity. Smart infrastructure is the future. How do we think beyond bringing revenue back just through tolls or user fees or something else, but in a much more future kind of way...?

Mr. Jati Sidhu: For Mr. Lackenbauer, you said there's no threat to Canadian sovereignty—people coming in travelling....

My concern is climate change. Would they be respectful to our waters? Would they be polluting our waters? We don't have anything to monitor that. The first ship we're trying to put into the water is next year, if they build it in Vancouver. The second one is not due until 2021.

How do we manage that?

● (1625)

Prof. Whitney Lackenbauer: First of all, I would separate out sovereignty. My legal definition would be “the internationally recognized right to control activities in a given jurisdiction”. Canada has the right to control activities within that jurisdiction.

A different issue is the security and safety issues attendant with undertaking that role of enforcing our laws to make sure people are not polluting, and cruise tourism is being done in a sustainable way that's respectful of the environment and archeological sites and so on. I think that's a subset that comes.... Once we really recognize that we should have more confidence in terms of our sovereignty, we can instead put our energies into implementing a plan for dealing with safety and security.

I certainly think, over the last 10 years, the tools that have been developed, focusing on initiatives like the oceans protection plan, some of the Inuit marine monitoring plans, and long-standing initiatives like the Canadian Rangers—one of those great Canadian success stories in having human sensors in place to make sure that people passing through or coming to visit the region are behaving in a way that's in accordance with Canadian interests—are some things we're positioned right now to be able to take action on.

However, I don't think it's a sovereignty issue.

The Chair: Thank you very much, Professor Lackenbauer.

Let's go to MP Alleslev.

Ms. Leona Alleslev (Aurora—Oak Ridges—Richmond Hill, CPC): Thank you very much.

I think this is a critically important conversation. I thank you for exploring it so thoroughly.

You outlined that there is essentially a military, civil and economic imperative for us to focus on our north. I like your analogy of it being an emerging market, and that we are not looking at policy but rather need to look at a pragmatic, practical, executable strategy.

Toward that end, can you tell me if we have a clear, concise definition and scope of the economic opportunity in the Arctic?

Prof. Whitney Lackenbauer: If I could jump at that one first, I would say no.

What I've been struggling about in the last 20 years that I've been looking at this issue in earnest is a lack of clarity. We have a lot of generalities about the need to have a combined economy that will mix both traditional harvesting activities and, at the same time, be prepared for market-driven, capitalist development. I see lots of—

Ms. Leona Alleslev: When we look at emerging markets, of course, we have a compelling economic focus of what the size and scope of that market is. Obviously, it's hard to make a similar argument if, in fact, we don't have the clear, concise and compelling economic scope of the conversation.

Prof. Whitney Lackenbauer: I would love to see that narrative be developed. I think that takes a feat of imagination.

Going back to MP Saini's comment as well, if we're going to have an Arctic saga, if we're going to see scenarios, they may include very careful, deliberate considerations of potential investors, like the Chinese, in ways that are not threatening to our interests.

However, it needs to be fully developed.

Ms. Leona Alleslev: If I might, because I only have three minutes, the next piece is that it can't just be the scope of the opportunity. It has to be the gaps, then, in terms of manpower, infrastructure, whatever other elements we need—situational awareness, technology, equipment—and then what the priorities should be to arrive at that.

Dr. Jessica M. Shadian: This is exactly what I'm talking about. We need to do this.

Ms. Leona Alleslev: Does it exist?

Dr. Jessica M. Shadian: No. That's what I'm saying. We need to put this all together.

I would have to go and ask.... I know the people to ask. There are numbers.

There is Tom Hoefer. There are people who do mining and the mining association. I'm sure he has a number of what he thinks the mining potential is in the Canadian north.

Ms. Leona Alleslev: We have the pieces of the puzzle.

Dr. Jessica M. Shadian: We have pieces that are not put together.

Ms. Leona Alleslev: We don't have one compelling puzzle that defines the scope, the gaps in achieving that scope, and makes some recommendations around what the priorities are to—

Dr. Jessica M. Shadian: No, and this is what I have been trying to do and look forward to doing.

Prof. Whitney Lackenbauer: Ms. Alleslev, I think one of the challenges, though, that will come up, and it certainly came up during the Harper era, is some of the critiques of the northern strategy unveiled in 2009 were that it was a top-down sort of approach.

Private sector investments will eventually bring prosperity through trickle-down approaches—not Prime Minister Harper's words, but my simplistic way of looking at it—and allow for vibrant, thriving, healthy northern communities.

Dr. Jessica M. Shadian: No, but this is where—

Prof. Whitney Lackenbauer: In essence, the other model would be to invest in people, invest in the skills and the training and the development, and eventually they will then be able to create and forge and imagine their own destiny.

I think the challenge is—

Ms. Leona Alleslev: Just let her jump in, if you would.

Dr. Jessica M. Shadian: Yes, because I am. I'm working with the territorial government. I'm working with a lot of the indigenous development corporations, and a lot of them have equity. They want to figure out how to bring their equity into these projects and have equity shares. They want to own this infrastructure at the end of the day. This is not something I'm talking about sitting up on some pillar. This is something of which I only know what I know because I've learned through the people I've worked with.

● (1630)

Ms. Leona Alleslev: It will take everybody, and each—

Prof. Whitney Lackenbauer: Yes, the challenge is needing to have a phased plan that's not everybody saying that they want everything, which is what I hear, this cacophony of voices of late where everybody's identifying that there's a need and there's a desire to do something, yet there is no clear plan that's phased in that's actually articulating where relative emphasis should be placed. If the efforts of this committee and other Government of Canada thinkers begin to articulate a feasible, pragmatic plan that can then be discussed, and challenged, and pursued, that would be of great benefit going forward.

Ms. Leona Alleslev: It's too big to tackle otherwise; is that fair?

Prof. Whitney Lackenbauer: Absolutely.

Dr. Jessica M. Shadian: We're just going to be doing one project at a time, and one thing, otherwise, it's never going to get done.

The Chair: With that, I am going to thank both of you for a lively and engaging discussion, and for getting us warmed up today. Thank you very much. We're going to suspend for a minute and a half because we've run a little over, and then we'll begin again.

● (1630)

(Pause)

● (1635)

The Chair: We're resuming.

We're now ready for our second set of guests this afternoon. I want to welcome David Perry, vice-president, senior analyst and fellow at the Canadian Global Affairs Institute, and adjunct assistant professor at the Centre for Military and Strategic Studies at the University of Calgary.

Also, by video, we have Andrea Charron, who, it appears, is at the University of Manitoba, because that's what it says on the screen. She is an assistant professor and director of the Centre for Defence and Security Studies at the University of Manitoba. She's with us from Winnipeg.

Thank you to you both.

Since we have you by video, Professor Charron, we can maybe have you go first. Sometimes these video links can be a little bit iffy. While we have you and you're clear as a bell....

You can each take about eight minutes and then we'll open it up to the floor for questions.

Dr. Andrea Charron (Director and Associate Professor, Centre for Defence and Security Studies, University of Manitoba, As an Individual): Thank you very much for the invitation.

I thought it might be helpful to pull together the testimonies heard to date. The conclusion I have reached is that there are two seemingly contradictory schools of thought on Arctic sovereignty, yet they are arguing for the same ends. For decades we have heard many arguments that Canada's Arctic sovereignty is in peril—or that it is not. What is fascinating, however, is that both schools are urging action to the same common ends.

The common theme is as follows. Successive governments fail to provide enough resources and/or policy guidance to either re-establish presumably lost Arctic sovereignty or maintain the status quo of just enough sovereignty. Both camps have raised valid concerns, but the solutions are lost because of the opaqueness, misunderstanding and misuse of the term “sovereignty”.

Southern Canadians use sovereignty as a shorthand replacement to suggest they have a general fear or concern about something but can't always articulate exactly what, or how to ameliorate the situation. What is more, successive Canadian governments have used sovereignty as a catch-all response to demonstrate concern about Canadian interests without needing to be very specific about what is being done or addressed. The term “exercising” sovereignty suggests all-or-nothing solutions, when what's been recommended are resources and nuanced responses that are not in the abstract or in theory. Furthermore, the term confuses and confounds allies and Arctic states, as Canada is the outlier in referencing sovereignty threats rather than threats to the homeland or capability gaps or surveillance challenges.

Here are four issues that both schools agree need to have continued support, now and in the future.

The first is all-domain awareness in the air, sea, land, space and cyber domains. Operation Limpid is part of that puzzle, as is the common maritime operating picture provided by the MSOCs. We have NORAD's two warning missions and the information provided by government departments and allies, yet a vital source of domain awareness, the north warning system, is coming to the end of its serviceable life. Resources are not earmarked for its replacement or reimagining. At the same time, we've heard that the RADARSAT constellations launch is now delayed.

Of course, all of these missions are under enormous resource and personnel pressures. What keeps me up at night is that I am not sure, for example, we'll be able to attract, train and retain personnel in all of Canada's safety, security and defence-related fields. This is not specific to the Arctic. Even the very successful ranger program and now the new Coast Guard Auxiliary program are in competition to attract the same individuals.

The second issue is the continuous governance challenges in the Arctic, such as the lack of services for the peoples of the Arctic—and for remote communities in Canada in general, for that matter. Housing prices are still too high, and the supply is too low. Nutrition North is not achieving the ends it seeks, which is to ensure that affordable, nutritious food is available. Businesses operate, but note that the growing bureaucratic red tape is making it difficult. Canada will not be able to attract or retain entrepreneurs if we can't guarantee the basic services. If projects like the retrofitting of an existing deepwater port take over a decade to materialize, this sends the wrong message.

It is perhaps not surprising, then, that Canada's Arctic is the only one of the eight Arctic states that has a stagnant Arctic GDP, as reported in the last “Arctic Human Development Report”. At the same time, we do know of some successes—for example, the new Arctic region announced today by the ITK, Fisheries and Oceans, and the Canadian Coast Guard. These are all steps in the right direction.

Third, every witness has been asked about Russia and China. These are questions that should be posed not only in the context of Canada's Arctic but in general. These potential near-peer competitors, coupled with the U.S., which seems determined to break or ignore international norms, rules and organizations that have allowed it and Canada to thrive to date, are not helped by discussions about sovereignty. Rather, we need analysis regarding intentions and capabilities.

NORAD and the Canadian Armed Forces have articulated their concerns about the capabilities that Russia possesses. They can reach Canada and the U.S. from Russian territory. China too has been investing in weapons that could threaten Canada, not the Arctic specifically.

● (1640)

Where discussions become very muddy is with respect to intentions because of the sovereignty debate. It is clear that the Arctic has proven to be a zone of co-operation, and it is thanks to the Arctic Council, numerous international laws and rules, not to mention Canadian laws, such as the Arctic Waters Pollution Prevention Act, or tools such as NORDREG, and of course Russia's and China's adherence to those rules to date.

Canada's attention needs to be on encouraging and fostering this co-operation and these accomplishments, like the High Arctic commercial fishing moratorium, which was just signed.

Finally, with respect to the Northwest Passage, it seems to me that all of the witnesses, and even the world, agree that it is Canadian. The arguments are about the rules that Canada can or should adopt to facilitate responsible shipping, protect wildlife and promote Canada's economy, regardless of its status.

Both sovereignty schools have argued for similar solutions and these ends. Canada needs to operationalize the Arctic maritime corridors initiative, which then prioritizes the location for navigational aids, future mapping efforts and sets the path for bathymetric surveys.

By continuing to fixate on sovereignty with references to the Arctic, there are some very serious problems that are obfuscated, and discussions we are not having with regard to Canada's national interests that transcend the Arctic, i.e., Canada's economic future, its defence and the future of a rapidly deteriorating liberal world order.

Thank you.

The Chair: Thank you very much.

We are now going to go straight to Professor Perry.

Mr. David Perry (Vice-president, Senior Analyst and Fellow, Canadian Global Affairs Institute, As an Individual): Thank you very much, Mr. Chair and members of the committee, for the invitation to speak to you today as part of your study on Canadian sovereignty in our Arctic.

For my opening remarks, knowing that I would be testifying alongside Dr. Charron, whose views on sovereignty I almost consistently agree with, I decided to focus on the aspect of your study addressing Russian militarization of their northern territories and the implications of that for Canada.

These hearings are happening at an important time, because the strategic environment in and around Canada's Arctic is becoming increasingly complicated. Advances in military modernization by Russia are presenting increasing levels of threat to Canada and our allies in and through the Arctic. These factors require Canada to treat the defence of Canada against conventional military threats more seriously than it has in the past and to enhance our ability to defend Canada and North America in the Canadian Arctic.

Canada's policy regarding the Arctic is strangely inconsistent however. With our NATO allies, we are strongly committed to the defence of Europe and the deterrence of Russia, including in the Arctic. In fact, at present we are currently sending roughly 2,000 troops, four ships and 11 aircraft to participate in NATO's exercise Trident Juncture in Norway. Part of the objective of that exercise is to "ensure that NATO forces are trained, able to operate together, and ready to respond to any threat from any direction."

Yet, as previous testimony from Canadian officials as part of this committee's study has indicated, Canada's official position is that the Canadian Arctic is a zone for peace and co-operation. That is certainly a desirable outcome. To increase the chances of actually realizing that, I think Canada should strengthen its ability to understand what is happening in our Arctic and bolster our defences there in an effort to better deter Russia.

In doing so, we would be taking the same prudent approach in the Canadian Arctic that we employ in Europe and the North Atlantic with NATO of increasing our defensive posture and deterring Russian aggression. As our chief of defence staff, General Vance, has stated that it is difficult to conceive of a strategic threat to Europe that would not also manifest itself in North America. At present, the most likely source of such threats would be the Russian north. For this reason it is time for Canada to treat the entire Arctic as an integrated strategic region and to adopt a more consistent defence approach.

I say this because over the last several years, the Russian military has significantly upgraded its air and naval forces and continues to do so. Much of this activity, including that related to Russian strategic forces, has been concentrated in the Russian north. The Russians have demonstrated the effectiveness of this new equipment as well as a willingness to use it to advance their own interests.

In Syria specifically, they've employed a sophisticated class of conventional air- and sea-launched cruise missiles that have greatly increased range, are difficult to observe and are capable of precision targeting. Three aspects of this are particularly troubling. First, these weapons come in both nuclear and conventional variants, therefore complicating efforts to assess the nature of Russian activity and providing them additional options for escalation in a crisis, which could increase the chances of miscalculation. Second, these missiles can be carried by Russian long-range patrol aircraft as well as their newest and most capable submarines. Patrols of both these aircraft and submarines have increased in the last several years, with the latter now reaching levels not seen since the Cold War. Third, because of the increased distances at which these new missiles can successfully hit targets and their low observability characteristics, the current arrangements for defending North America will have to be upgraded to counter them effectively.

Given the basing arrangements for many of these Russian assets, the Canadian Arctic will be heavily implicated in any future arrangements to successfully defend North America against these threats.

The increased Russian military activity in the Arctic requires that Canada enhance our understanding of what is happening in all of our air and maritime approaches and especially those in the Canadian Arctic. To that end, progress should be made to further upgrade and extend the life of existing platforms that conduct intelligence, surveillance and reconnaissance and to acquire new means of doing so to improve our ability to maintain awareness of any activity in our own territory. This should include upgrading the Canadian component of the north warning system with something better suited to both current and future threat environments.

In addition, the government should move quickly to replace our fighter aircraft with a fleet of highly capable fighters that are fully interoperable with the United States Air Force, with whom Canada defends North America often over the Canadian Arctic and its approaches.

Further, the government needs to invest in anti-submarine warfare capabilities to be able to detect and deter Russian submarine activity. Canada's submarines, our most capable anti-submarine warfare assets, are approaching the end of their current lifespan. The modernization and life extension of that fleet should be expedited and a project to acquire new submarines that could patrol all three of Canada's ocean approaches should be launched as soon as possible.

Finally, Russian developments require Canada to improve its ability to operate across the entire breadth of our Arctic. While Canada has a number of military assets that it can deploy to our north, they are almost exclusively based in southern Canada.

● (1645)

The transit time to the Arctic is lengthy, and the infrastructure in our north is limited. Advances in Russian military technology mean that Canada needs to improve its ability to quickly move forces into the Arctic and project them further north than we have previously. This all requires significant improvements in Canada's logistical footprint in the Canadian north.

Canada's "Strong, Secure, Engaged" defence policy has made a number of commitments that would directly address many of these issues, once those initiatives are actually implemented. To date, though, aside from the recent launch of the first Arctic and offshore patrol ship, it is difficult to find evidence of progress in actually implementing these initiatives.

To respond to Russian militarization of their northern territories, Canada should expedite the implementation of the Arctic initiatives in "Strong, Secure, Engaged", and adopt a consistent approach to defending against and deterring Russia in the entire Arctic region, including the portion that is Canadian.

Thank you.

● (1650)

The Chair: Thank you very much.

Let's move straight to questions.

We're going to begin where we left off, with MP Alleslev.

Ms. Leona Alleslev: Thank you very much, to both of you, for a very compelling and informative presentation.

There are many who have argued at this committee that Russia and China are not military threats in our Arctic. They do not justify concern in any way on our part, and therefore, we don't need to change our behaviour.

I'm wondering if you could comment and provide your perspective. If that's the case, has it changed recently, and have we changed?

Mr. David Perry: I'll go first if that's okay, Dr. Charron.

I would disagree with that assessment. I would agree with the assessment by officials at NORAD that both Russia and China do present threats to Canada. I would also add—

Ms. Leona Alleslev: That's in the Arctic.

Mr. David Perry: More generally, but particularly through the Arctic, because like it or not, our Arctic is between at least portions of those countries and over flight paths to the rest of Canada and the United States.

Even if we don't think there's a direct threat to Canada, I think that most senior American officials believe there is one to their country, and our Arctic is unfortunately in between.

Ms. Leona Alleslev: Do perhaps American perceptions and Canadian perceptions differ in this area?

Mr. David Perry: They would seem to differ, because the only Canadian officials, to my recollection, who would adopt the same characterization that I have are those working for the NORAD command in Colorado Springs.

Ms. Leona Alleslev: Ms. Charron, could you give us your thoughts?

Dr. Andrea Charron: I too look to NORAD for an indication of the level of threats for Russia and China, and it's not specific to the Arctic. I think one of the problems is that Canada treats the Arctic as being separate and apart from the rest of Canada, but it's fundamental to what Canada is.

What we're seeing, though, is that both countries, and especially Russia, have the capability to hit us. They don't need to come even close to our Arctic. It used to be the case that they had to come deep into Canadian territory before they could launch anything that might hit either southern Canada or the continental U.S. Now, that's no longer the case. They can launch missiles from deep in Russian territory.

That's why the Canadian government has done a few things, such as realign, or align the Canadian air defence identification zones. NORAD is undergoing a study called EVONAD, the “Evolution of North American Defence”. What we need to do in all cases, whether it's Russia, China, or whether it's any threat to North America, is to look up and out to try to stop the threat as far away from North America as possible.

Again, these are not discussions that are particular to the Arctic. In most cases, the Arctic is simply the avenue of an attack; it's not the destination of the attack. However, we cannot separate the Arctic from the rest of Canada.

Ms. Leona Alleslev: Outstanding.

Would you say that their capabilities—the enemy capabilities—have increased, while at the same time, perhaps our capabilities to address those increased capabilities have not kept pace?

Dr. Andrea Charron: If that's directed at me, I think the general suggestion is yes, we're seeing that China and Russia have invested heavily in all sorts of weapons, and not the conventional sort. We're looking at what they can do in terms of cyber-meddling and cyber-offensive action. Both are investing heavily in what we call hypersonic weapons, which then allow for missiles to skip along the atmosphere and come at us at Mach 5 or 6.

They're putting a lot of effort into capabilities, but the other side of that, of course, is intention. We're still trying to understand the intentions. That's why I might differ a bit from Dr. Perry, in that I see opportunities when it comes to conversations on the Arctic about search and rescue, the Arctic fishing moratorium. This is an avenue of diplomacy where we can talk about shared interests and perhaps have side conversations that might give us a clear indication of exactly what the intentions are.

I know right now, concern for Russia is the GIUK gap. We have certainly dropped the ball on monitoring that. However, with regard to the Canadian Arctic as the specific target, I don't think that's the concern.

● (1655)

Ms. Leona Alleslev: Mr. Perry, could you give us some thoughts on intentions, and then an idea of where Canada's role with NATO should lie in this conversation?

Mr. David Perry: Intentions can change a lot faster than capability. Certainly in the case of the Russian government, they now have the capability. They've demonstrated it in Syria, and if you draw straight-line distances from what they have demonstrated in that country, then we have room to be concerned. They've demonstrated an ability to do some of the things Dr. Charron was talking about at distances the current systems designed to defend North America aren't effectively positioned to defend us against.

There has been enough indication of other Russian malign intent —in Syria and in eastern Europe and Ukraine, as well as some of the attacks they've conducted in the United Kingdom—that would indicate they are a revisionist country that is looking to change the status quo. Even beyond that, though, if it's not yet clear they have intentions to do something towards Canada, the fact they're acting in what you could construe as an aggressive manner presents a significant possibility of miscalculation on their part, which could end up providing us with the same type of defensive challenge as it would if they were doing something with intent. Again, intentions can certainly change.

With respect to NATO, we're doing all the right things. The inconsistency for Canada is that we seem to draw a large imaginary line around the west coast of Greenland. West of that we treat the Arctic in a fundamentally different way than we do from Greenland east. From Greenland east, Canada is an active member of the NATO alliance, deterring and attempting to provide enhanced defensive measures against Russia in the North Atlantic at sea, and on the ground soon in Norway—right up to the Arctic Circle, I believe, from some of the discussions about Trident Juncture—as well as in the air. However, we seem to have a fundamentally different approach and characterization of the Arctic once you get west of Greenland.

Ms. Leona Alleslev: Is that something that should change?

Mr. David Perry: I think it should, because I don't understand the logic of having that bifurcated approach.

The Chair: Thank you.

With that, we will now go to MP Baylis, please.

Mr. Frank Baylis (Pierrefonds—Dollard, Lib.): We've heard a lot about the infrastructure gap. Both of you are clearly making the argument that we should be investing in military infrastructure, but I have a question here. Say there are limited resources, and we can invest a lot in the military or we can invest a lot in, like you mentioned, civilian housing, nutrition and all kinds of things like that. What would be the priority?

Given you want to do everything, and we're not doing anything but we want to do something, what would be the priority?

Mr. David Perry: For me, taking a defence approach, it should be placed more on the defence infrastructure. There's been a lot of focus in recent years on some of that other socio-economic development. I would fundamentally agree there's a need for it, but I think there hasn't been enough attention on the more specific defence applications.

Mr. Frank Baylis: You would put defence above roads, housing....

Mr. David Perry: At the present time, yes.

Mr. Frank Baylis: Professor Charron.

Dr. Andrea Charron: That's a tough one. I'm not so sure. That's the wicked problem that you have, as members of Parliament. You have all these competing needs and you need to prioritize them.

I like to look at Canada's national interest, though, as a guide. If we don't have the national interests protected, then we're talking about a very different Canada. Consistently, our national interests have been the economic success of Canada, the defence of Canada—and with that North America—and then preserving this liberal world order that we seem to be losing, in which case economic success can also be helped by an Arctic that can contribute more to our GDP. It's going to be a tough call, though.

Mr. Frank Baylis: In the movie business, if you show a gun in the first act, you have to use it in the third act. We buy all this weaponry. We could play a stunt like what happened with Russia in Turkey, where they kept quietly invading their airspace, and suddenly the president decided to shoot down a plane and all hell broke loose.

Would we, as Canadians, be ready for that eventuality? Let's say we bought that type of plane, and we had these encroachments occurring. Would we be ready to do that, or would we spend this money and not actually use it? What are your thoughts on that?

● (1700)

Mr. David Perry: The ultimate goal would be to spend the money and never have to use it. That would be the ultimate example of deterrents working. You spend that money and you don't ever have to actually employ it in an operational sense. To me, that would actually be a very good outcome of doing this.

To circle back to something Dr. Charron said, I would fundamentally agree with the idea that we should be looking for opportunities for co-operation. That's absolutely the case. I just don't see those as being antithetical to making stronger investments in our defence. You can do both things at the same time.

Dr. Andrea Charron: I think one of the things that successive governments have been able to do well is to leverage spending on defence to also benefit the Arctic. Something we may need to consider is that maybe we can achieve both via spending on defence. I'm thinking of things like the Canadian Rangers program.

Mr. Frank Baylis: What is the ranger program? Can you expand on the ranger program a bit?

Dr. Andrea Charron: Dr. Whitney Lackenbauer is the expert on the ranger program.

They're not reserves but they are an arm of the army that is located in remote communities and in the Arctic. They're the eyes and ears of the Arctic. They are not combat-capable, but they certainly can report things they see. They're often the first on the scene to provide information.

Certainly when the Canadian Armed Forces operate in the Arctic, they are there with the local knowledge that one needs to operate successfully in these areas.

Mr. Frank Baylis: Dr. Perry, you made an interesting point that we spend an awful lot of money on the east side of Greenland and nothing on the west side.

In a world where there are competing interests, would you see us reorienting our commitments and our commitments to NATO, going out there and all of those exercises, and saying, you know what, we're not going to participate in those, because we're busy, and our soldiers, planes and boats are back doing exercises in our waters? Would you see a rebalancing of exactly the same resources?

I know everybody's going to say give us more and more resources, but assuming there are only the same resources, would you rebalance those?

Mr. David Perry: I would say as a preface to the rest of the response that the existing defence policy that was published in June 2017 would provide more resources to do the types of things that I'm talking about, once they're actually acquired and delivered.

There's already a plan in the works, although parts of it, the upgrades to some of the North American defence assets specifically that Dr. Charron mentioned, haven't yet been funded. The policy commitment is to be able to do exactly what I'm talking about. I think the overall policy direction should be more balanced to have the same type of approach we're currently employing in Europe also take place at home.

We've done a lot of exercises in our north—

Mr. Frank Baylis: Would you like to see NATO exercises on this side of Greenland, not just Canadian exercises but actually talk to NATO and say, “Why don't you swing around this way?"

Mr. David Perry: I think that would be a very good idea, yes.

Mr. Frank Baylis: Professor Charron.

Dr. Andrea Charron: I swing back and forth on that. I think where NATO and NORAD work best is in covering those seams and gaps.

I think North America is well served by NORAD. I think the preference of both the U.S. and Canadian governments has been that NORAD is North America. We always have article 5, if push comes to shove, but because we have limited resources, I would like to see more strategic exercising of the seams and gaps, especially between USNORTHCOM and EUCOM and where NORAD is operating versus NATO.

I think the test is going to be in this new position that NATO has created. We used to have what was called the SACLANT position, which will be back in U.S. Fleet Forces Command. We're not quite sure what the role is going to be, but presumably that's going to help to provide the strategic oversight to make sure that those seams and gaps are better managed.

The Chair: Thank you very much.

MP Blaikie, go ahead, please.

Mr. Daniel Blaikie: Thank you very much.

Thank you both for your presentations.

I would be remiss if I didn't give a shout-out to Professor Charron as a fellow Manitoban. It's nice to be hearing a Manitoban voice on the committee.

One of the messages that I'm hearing loud and clear, from this panel anyway, is that it's a mistake to think of the Arctic as a separate entity. When we're talking about threats in the Arctic, we're really talking about larger strategic threats to Canada overall. We shouldn't be distinguishing between what we perceive as a threat to the Arctic and what we perceive as a threat in the larger Canadian context.

Nevertheless, we've heard a serious call for development in the north, which hasn't been happening. There's a need to be able to invest in the north, whether that's in defence infrastructure or civilian infrastructure.

When we talk about trying to have a strategy to bring that infrastructure into the north, perhaps especially on the civilian side by developing resources, etc., there's been a consensus among the parties that have governed, over the last 25 or 30 years anyway, to be pretty hands-off when it comes to trade, to be pretty hands-off and quite permissive when it comes to foreign capital coming into Canada, and to be pretty hands-off in terms of creating intentional strategies that have to do with Canadian presence and ownership—not necessarily public ownership but Canadian ownership, whether public or private. If we're trying to understand these threats that we see in the Arctic as threats that affect the entire country, but in the south have a very hands-off approach to development and inviting capital in, how do we square that with wanting to take a more intentional, Canadian-driven approach within the Arctic if we're trying to not hive it off and treat it as something separate and distinct?

I'm happy to start with Professor Charron and then go to Mr. Perry.

Thanks.

● (1705)

Dr. Andrea Charron: When we create infrastructure in the Arctic —I think of Churchill—the infrastructure can benefit both defence and civilian needs. In fact, in a country like Canada with limited resources, that's something that we need to leverage. We have a number of very successful mining companies in the Arctic that have quite a few resources, and over the years there have been MOUs to try to leverage their assets in times of emergencies. We don't have to think of it as spending either on defence or on civilian infrastructure.

We have to be smarter about bringing the two together and having agreements about who gets to use it when. We see this with satellites all the time. I see this very much as the driving idea behind the Arctic offshore patrol vessels. It's not going to be strictly defence. It's going to be a platform that can have both constabulary, safety, and defence—although limited—opportunities.

Mr. Daniel Blaikie: I want to give Mr. Perry a chance to answer, but I heard you mention Churchill. I've asked a couple of questions about Churchill over the course of these proceedings. Could you take a moment to speak to the role of Churchill, the deepwater port in Churchill, and how we might be able to better leverage that asset?

Dr. Andrea Charron: I'm not an expert in that area. I understand that a big report has just been released on all of Canada's ports—which ports are making money, which are successful, etc.—so I 'd really turn to those authors to answer this question.

However, we have in Churchill the potential for a pretty important deepwater port. Given the location of, for example, Murmansk, another big deepwater port, and the fact that the ice is melting, it seems to me that it's likely that we're going to get increased shipping. This is maybe an opportunity that we're missing if we allow something like the asset we have in Churchill to just atrophy.

Mr. Daniel Blaikie: Thank you very much.

Mr. Perry.

Mr. David Perry: I would add that, if we're looking at addressing some of our core defence considerations, then we should actually try to address the core defence considerations in doing so. If you can get socio-economic spinoff as a result, that's fantastic. However, I think there are actual, clear, strategic imperatives that we need to address. If there's a potential to do that in a complementary fashion that benefits northern communities, that's great, but that shouldn't be the fundamental objective.

Some of the existing programs, like the Canadian Rangers, do a lot of good things. I think they will do very little to address any of the issues that I'm talking about. Some things, like improving Arctic infrastructure—providing more capable runways or more logistical operations, for example—can have alternate uses. With regard to things like sensors or various radars that are designed to detect cruise missiles, I don't know that there's a lot of extra socio-economic implication for that. I think that we very much need to address some of those issues as the priority, not the wider set of issues, which I would agree are important but should be addressed through means that are appropriate to address those specifically.

Mr. Daniel Blaikie: One of the infrastructure needs we heard about when we were travelling up north, both for the people who are living in communities in the north and for the Canadian High Arctic Research Station, was fibre optic cable in order to get better Internet access. Do you see military applications for that? We had heard that in some other cases where there are underwater loops, a lot of sensors can be attached to those loops, which provide information. I think in the context we were talking about, it was more marine life monitoring and environmental-oriented monitoring.

Are there military applications to having fibre optic under the water through the Northwest Passage?

● (1710)

The Chair: Professor Perry, if I could get you to give a brief answer, that would be great.

Mr. David Perry: Briefly, I would say that having more communications is better. Both the civilian economy and the military would use those communications devices, but the military needs specific encrypted, secure communications that in some instances are separate from those that could be used more broadly.

Mr. Daniel Blaikie: Thank you.

The Chair: Thank you very much.

Next we'll move to MP Wrzesnewskyj, please.

Mr. Borys Wrzesnewskyj: Thank you, Chair.

Dr. Perry, during our travels through the Arctic we heard numerous claims of potential sightings of submarines. Now, some of those are perhaps hearsay, etc., but we even heard it from a military contractor that these sightings are somewhat regular when working in the Arctic. I think one of the most disturbing references was that in the islands leading into Hudson's Bay, there were potential sightings there as well. I was just quickly looking at the distance from there to Toronto. The distance from the east coast, which we keep careful watch of in the Atlantic, is almost twice the distance.

You referenced these new submarines, these Russian submarines. They have 42 in their Arctic fleet, and they're virtually silent. Are those the ones that carry these new cruise missiles?

Mr. David Perry: The Russian ones, yes, but I'm not sure those would necessarily be the ones that people see operating in our own waters. I think there's a strong likelihood that they could be American, British or French, in which case I personally don't have that much concern, because those are our friends. The real issue is about what the Russians are doing.

Mr. Borys Wrzesnewskyj: Okay.

That's it. Thank you.

The Chair: Next we'll go to MP Saini, please.

Mr. Raj Saini: Good afternoon to both of you.

Professor Charron, let me start with you. You've written extensively on Arctic sovereignty, and there's something that I'm hoping you can define for me or elaborate on to help me understand more.

You talked about previous history and you talked about sovereignty, and about de facto being a better definition than de jure. Now you've reversed that, saying that de jure today is more important than de facto. Can you explain that in terms of Arctic sovereignty?

Dr. Andrea Charron: Ultimately, my argument is that we have to stop talking about Arctic sovereignty because it clouds other issues. When I speak to students, I say that sovereignty is four things, which I remember by the acronym TRAP: you have territory, you need recognition, you need autonomy to make decisions, and you need to show some sort of control. Whereas it used to be that it would be quite common for countries to invade another country to get access to more resources or financing or things like that, we now have international laws that say that's not acceptable. They are rare occasions.

Where I get concerned is that when we constantly talk about sovereignty being “taken away” in the Arctic, what we're talking about, really, is people not recognizing our Arctic as Canadian anymore. I think that needs to be carefully considered. I think we do have presence. I think we do have Canadian laws. We do have international laws. I'd rather the discussion be not about sovereignty but about what infrastructure we need and how we will defend Canada. Those are conversations we can operationalize.

Mr. Raj Saini: As you know, the United States has not signed UNCLOS. Will that make the situation there more difficult in terms of any territorial continental shelf claims? Do you see any issues with that in terms of the impact there?

Dr. Andrea Charron: On the one hand, the United States still treats UNCLOS as customary law, so it certainly follows a lot of what's outlined in UNCLOS. What it does prevent the United States doing, however, is providing data to the UN commission on the limits of the continental shelf for it to have an extended continental shelf recognized. It has been collecting data to one day, presumably, provide that to the United Nations. This means, however, that if we have any potential overlap with the U.S., we have to wait until they are a party to UNCLOS to be able to go ahead and have that recognized.

My understanding is that they're allies, it's a managed disagreement and we collect information together. That's not something that worries me.

● (1715)

Mr. Raj Saini: I'm going to quote something that you wrote:

> Neither Canada nor the US can operate self-sufficiently in the Arctic should there be a major search and rescue or fuel spill scenario from a crippled ship.... The militaries need to work collaboratively via many hundreds of bilateral agreements....

Given the current U.S. administration, do you think that co-operation will be better, worse or neutral?

Dr. Andrea Charron: There's no indication that the U.S. and Canada wouldn't co-operate together, especially in a search and rescue scenario because, first, that's the law, and second, there's also the search and rescue agreement, which the U.S. and Russia were instrumental in drafting. In a search and rescue scenario, I can't imagine any country saying, no, we're not going to help. That's just anathema to me.

Mr. Raj Saini: The final question I have is that given that right now Finland is head of the Arctic Council and climate change is, obviously, a major topic of our time, is there any way we should be working collaboratively with them in prioritizing certain issues so we can advance the agenda in terms of international co-operation?

Dr. Andrea Charron: I think Canada does. The chair of the Arctic Council rotates every two years. We had our opportunity; the Finns now have their opportunity. The mandate of the Arctic Council is environmental protection and sustainable development. We're working towards both of those goals via the various working committees. I would just say that this needs to continue. I think we're working collaboratively with the Finns as we are with the seven other Arctic states. Long may this last.

Mr. Raj Saini: Dr. Perry, would you like to comment?

Mr. David Perry: I would agree with my colleague on pretty much all of that. I think the one issue that I would add is that what I'm talking about in terms of some of the response for defence considerations provides us both with more awareness, which helps enhance whatever definition of sovereignty you want to take. The other measures would be largely related to control—what we can do to, basically, maintain the integrity of that territory. I don't think they're contradictory positions.

Mr. Raj Saini: Okay.

The Chair: Thank you.

We're going to end with MP Aboultaif.

Go ahead, please.

Mr. Ziad Aboultaif (Edmonton Manning, CPC): Thank you, both. I think in assuring sovereignty there are two strategies that always come to mind, an infrastructure development strategy and a defence infrastructure strategy. On both sides, we do have a close neighbour and our enemies are a bit far away, but nowadays, with technologies and what they have, they can reach us from deep down in their lands, especially in Russia or even China.

I cannot envision moving forward on the Arctic without talking about the United States. Do you have any idea what's in the minds of the Americans at this point in time, whether on infrastructure development or on defence, and how we move forward from that? I think that's the question we have to ask ourselves, keeping in mind that we talk about the Chinese and we talk about the Russians but I think we also have to think about the Americans, our closest allies and neighbours.

Mr. David Perry: I can start.

I would totally agree with that. I think what Dr. Charron was talking about was part of the evolution of North American defence and modernization efforts that are happening with NORAD. The imperative is on us to work very closely with the Americans. We provide a small portion of the defence of North America. Some of that has been, in the past, strategically important in the Canadian Arctic. What I'm trying to lay out is that I think the importance of that has returned in a way that had, perhaps, gone away for a period of time. Certainly all of the modernization efforts to counter Russian activity and, potentially, Chinese activity we'd have to take in close co-operation with the United States. In the past, almost all of the facilities that were actually built in Canada were built under a joint funding model whereby the Americans paid the majority share. I'm not totally confident that, during the current administration down south, that potential deal would be on offer. If that's the case, then there will be a significantly larger tab for Canada to pick up in doing some of this.

Fundamentally, we can't defend Canada alone. We have to do it with the United States, so we have to take the American position on all of this very seriously, even if we don't agree fundamentally with everything. That's why, I think, one of the strongest things that we need to do with a lot of these measures in the new defence policy is to make sure that Canada maintains full interoperability with the United States government with everything that it's doing, because we can't do anything on our own.

● (1720)

Mr. Ziad Aboultaif: Dr. Charron, please.

Dr. Andrea Charron: I agree with Dr. Perry. NORAD has been looking at this for a number of years. We've had a number of initiatives. It started with NORAD Next. We now have EVONAD. They're considering the defence of North America in the six domains, including domains we have yet to consider, and looking far out to the future.

It's not just about infrastructure. The north warning system is something that both the United States and Canada need, and we're wondering what sort of system of systems will be in place. It's also about considering even how we structure command and control to make sure that it is as efficient as possible, and how we can allow the commander of NORAD to think strategically and up and out and not be bogged down by the minutia of their tasking orders, and allow the NORAD personnel to make that happen.

NORAD is something that sort of just happens. It is so fundamental to how we defend North America. I would urge all MPs to ask more questions, learn about how NORAD operates and ask them about what they're thinking in terms of the future. I think the language they're starting to use about going after the archers instead of arrows would shock many Canadians, but that's how concerned they are about future threats, not just by Russia, but by non-state actors and others. That's what I would encourage.

Also, there are things like the permanent joint board on defence, which is supposed to be the guide for how we defend North America. It seems to need life support. I would encourage Canada to make sure that the permanent joint board is operating as it should and that we have the top people there to help direct the defence of North America.

Mr. Ziad Aboultaif: We are in a race against time with two realities. One of them is on the defence side, and one of them is on the development side. China is coming on in both. I hear from Dr. Perry to put defence as the first priority and then talk about development. We need to develop a defence strategy in order to be able to protect that development.

To me, the low-hanging fruit is just to start development as soon as possible and start working our way through. I think that is for us the most reachable goal at the moment. Then, probably within the NATO agreement and what we have among our allies, we already do have that protection of our position, so I think we may have to speed up the process of getting some infrastructure into that region. What do you think of that?

Mr. David Perry: I would just reiterate the idea that we should be addressing our defence problems with the goal of addressing our defence problems. If there's good complementarity, we can have a way of having wider development benefits, but if there are programs that can't be addressed in an efficient way in a development sense by using a defence program, we shouldn't do it.

The Chair: Thank you very much.

With that, we're out of time. I want to thank both of our guests, and in fact all four of our guests this afternoon, for their testimony. We will now go in camera very quickly. Thank you very much for your participation.

[*Proceedings continue in camera*]