

## **How a Lack of Northern Infrastructure is Choking Off Canada's North – The Costs to Northerners and to all of Canada Much Higher than Imagined – “Staggering” says Report**

For Immediate Release

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OTTAWA - Today, at a press conference in Ottawa, Dr. Kent Fellows released a report co-authored by Prof. Trevor Tombe that released startling numbers on the costs of insufficient infrastructure in the north.

These costs are particularly hard on Indigenous populations and are holding back territorial economies in a simply massive way.

The report measured the costs of trade in the north vs. the south. It found per-mile trade costs are 45 per cent higher for the territories, with lower quality infrastructure as an important cause. The gains from lowering such costs are large. The report found the combined annual GDP of Nunavut, Yukon and the Northwest Territories could increase by nearly \$4.7 billion – a massive increase of roughly 50 per cent.

According to co-author Kent Fellows, “everyone knows things are more expensive in the north, but these numbers were frankly staggering. People pay 60 cents on the dollar more for goods and services in the north. It costs business fully 3 times more to open and expand in the north. Lack of infrastructure is not only choking the flow of goods and services into the north, it is choking off exports. Until Canada gets serious about infrastructure in the north, it is simply not serious about overall development of the north.”

The authors pointed to The School of Public Policy's Northern Corridor concept as a viable solution. It is a multi-modal right-of-way that will dramatically reduce the regulatory burden and increase the certainty and efficiency of development of rail, road, transmission and other transportation modes from coast to coast to coast. The concept has been endorsed both by the Senate and Government of Canada. Fellows argued that “Given the time involved in making the Northern Corridor a reality, every day we lose is costing northerners significantly.”

Today's report, and the Northern Corridor feasibility report, can be found at  
<https://www.policyschool.ca/northern-corridor/>

-30-

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