

# Obsolescence of Canadian Icebreakers

## Issue

Some vessels are stuck in the ice for more than the five-hour duration benchmarked by the Canadian Coast Guard (CCG), in certain cases for more than one week, because of the unavailability of icebreakers. The obsolescence of Canadian icebreakers could have important economic consequences and it must be addressed.

## Background

Every winter, more than 1,500 merchant vessels of all types cross the Saint Lawrence River or the Saguenay to link aluminum smelters, mines, refineries and other types of plants with their sources of supply or their clients.

In 2013 and 2014, several vessels stayed stuck in the ice for more than the five-hour duration benchmarked by the CCG. In certain cases, the vessels were immobilized for more than one week because of the unavailability of icebreakers.

This is detrimental to businesses and communities waiting for inputs essential to their operations and survival or having promised to deliver their production to clients within the contractual time limits. For example, in 2014, a Rio Tinto Alcan plant was within 24 hours of running out of alumina. Similarly, in 2015, the CTMA *Vacancier*, linking the Îles-de-la-Madeleine and Prince Edward Island during the winter, was stuck in the ice for three days because no icebreaker was available.

Another example illustrates the consequences of our icebreakers' obsolescence. In June 2017, the Canadian Coast Guard's research vessel Amundsen had to interrupt a scientific expedition to the Arctic on climate change to perform its icebreaker function. Because of this, the University of Alberta had to cancel the first leg of the \$17 million research project involving 40 scientists from five universities across Canada.

Canada's icebreaker fleet is obsolete. The average age is 36 years, and the CCG has already extended its life expectancy. This obsolescence jeopardises the provision of icebreaking services. Poor service on the part of icebreakers could have important economic and social consequences for the industries and communities involved, whether the Saguenay region, the Côte Nord area, the Îles-de-la-Madeleine and other parts of the country.

In the long term, the possibility of reduced accessibility of ports or mobility of vessels in the gulf, on the river or the Saguenay will harm Quebec's reputation and its capacity to attract major industrial investments. Projects such as Arianne Phosphate's apatite mine at Lac à Paul or GNL Québec's natural gas liquefaction plant depend on the reliability of maritime transport. The risk of icebreaker unavailability could cause promoters to reconsider important investments.

The Canadian government does not seem to properly manage the risk of unavailability. Despite its stated intention to build new icebreakers, no new vessel will be built before ten years. Until then, the CCG intends to extend the useful life of its fleet again with a maintenance and refurbishment program. According to the Deputy Commissioner of Operations of the CCG, "in fact, the fleet is very reliable". But is it reliable enough? In view of the recent experience, there are grounds for doubt.

A fundamental mission of the State, with regards to economic development, is to offer businesses quality transportation infrastructures. Icebreaking services on maritime routes are a good example of this mission, all the more so as the services are financed by its users.

## Recommendations

That the federal government:

1. Meet the interim needs of the CCG while awaiting the construction of new vessels by ensuring that its next budget includes enough money to allow the CCG to raise the availability level of the icebreaker fleet across the nation so that the actual service level meets the standard.
2. Secure the icebreaker services of European countries, an interim solution relatively fast to deploy.