



CBCnews | Manitoba [Radio One 89.3 FM Listen Live]

ANALYSIS | What the closure of an Arctic seaport in Manitoba could mean for Canada

Closure of Canada's only deepwater mainland Arctic port may pose a sovereignty problem

By Bartley Kives, CBC News | Posted: Jul 26, 2016 6:00 PM CT | Last Updated: Jul 26, 2016 7:20 PM CT



The Port of Churchill is Canada's only rail-accessible deepwater port on Arctic waters. (CBC)

Stay Connected with CBC News



ADVERTISEMENT

42 shares

- Facebook, Twitter, Reddit, Google+, Share, Email

It's always a big deal when a small town loses its largest employer. But Churchill, Man., is not just any town — and its port is not just any business.

The Port of Churchill is the only deepwater link between Canada's Arctic waters and its railroad network. Or at least it was before Monday, when Denver-based OmniTrax shut it down, offering little warning and even less in the way of an explanation.

■ Port of Churchill layoffs 'came out of nowhere,' says town's mayor

The closure stunned the town of about 750, where roughly one in 10 people are employed by the port at some point of the year. The shockwave then rippled down the 1,300-kilometre Hudson Bay Railway through railroad communities like The Pas, Man., before fanning out into the grain fields of northwestern Manitoba and northern Saskatchewan.

The closure of this port, however, is not just a regional economic calamity, like a shuttered pulp and paper mill or under-capacity fish-processing plant.

At a time when climate change is opening up the Arctic Ocean to shipping, and powerful nations like Russia and China pose new threats to Canada's sovereignty, the viability of the only deepwater port connected to the nation's transportation network is no small matter.

'Once it's gone, it's gone'

While the Port of Churchill has struggled economically since its inception, it remains an asset of strategic importance to Canada, even if Ottawa no longer owns it.

About The Author



Bartley Kives
Reporter, CBC Manitoba
Before joining CBC



■ Make the Fringe great again! Fans share their creative ideas to improve the fest

- #FringeSoWhite: Why aren't there more Indigenous people and people of colour in the Fringe Festival?
- Fringe finale: 12 must-sees for the last weekend
- One-woman Fringe: this year's fab female-only shows
- Fruit Flies Like a Banana
- 6 family-friendly picks from the Winnipeg Fringe Fest
- Space Hippo
- Erik de Waal's Head in the Clouds
- Blindside
- Songs for a New World

Manitoba, Bartley Kives spent most of his career in journalism at the Winnipeg Free Press, covering politics, music, food, the environment and outdoor recreation. He's the author of the Canadian bestseller *A Daytripper's Guide to Manitoba: Exploring Canada's Undiscovered Province* and co-author of *Stuck in the Middle: Dissenting Views of Winnipeg*. His work has also appeared in publications such as the *Guardian* and *Explore* magazine.

Related Stories

- The Pas braces for job losses as Port of Churchill closure looms, mayor says
- Port of Churchill layoffs could devastate northern Manitoba economy, ministers say
- 'It's pretty heartbreaking,' Port of Churchill worker says of layoffs
- Manitoba First Nation seeks government support in bid for rail line, port
- Manitoba pitches in to look for new owner for Port of Churchill

"It's actually a real attribute to have a port with a connection to the North American rail grid in the north," said Hugh Stephens, an executive fellow with the University of Calgary's School of Public Policy and a trade expert.

While he questions whether grain shipments will ever make the Port of Churchill profitable, he suggested it may be foolish to scrap the Hudson Bay coastline port at a time when other nations are casting their gaze on the Arctic Ocean.

"There could be an argument to maintain it," said Stephens, speaking in a telephone interview from Toronto. "Once it's gone, it's gone, and that's the real concern.

"Now, if it's not economically viable as a grain-shipping port, before you blow the whole thing up, have a long, hard look at what the strategic value could be."

■ [Port of Churchill layoffs could devastate northern Manitoba economy, ministers say](#)

While climate change already has had a noticeable effect on Arctic waters, the reduction in thickness and prevalence of Arctic sea ice has yet to spark a northern shipping boom.

Container ships are not yet common in Canada's Northwest Passage, which nations such as China view as international waters. Shipping traffic on its far more navigable Russian counterpart, the Northern Sea Route, has actually diminished thanks to soft economic conditions, Stephens said.

Factors such as insurance rates, the size of shipping containers and the economy all have a more noticeable effect on shipping than the presence of sea ice, he added, noting that even completely ice-free Arctic summers would only extend the Hudson Bay shipping season by only a few weeks.

But the economics of Arctic shipping haven't stopped Russia from developing a series of rail-accessible Arctic ports. It also hasn't prevented China and the U.S. from exploring the concept of Arctic shipping, either, probably as a prelude to ocean-floor resource extraction.

Canada has been slow to bolster its own Arctic presence, even though the former Harper government made Arctic sovereignty a priority. Nanisivik, a deepwater military port on the north side of Baffin Island, was announced in 2007 but won't be finished until 2018. Plans to build an icebreaker capable of plowing through multi-year sea ice have also been delayed.

■ [Arctic naval facility at Nanisivik completion delayed to 2018](#)

Whether the Trudeau government sees the Port of Churchill as a strategic asset is unknown, as the Liberal government in Ottawa took more than 24 hours to issue a brief statement about the closure.

At the same time, municipal and provincial politicians — as well as opposition MPs — condemned the surprise move by OmniTrax, which declined to utter a peep about the port's closure for more than 24 hours after it informed employees they were being laid off.

'We could have grown it so much better'

It may have been a mistake for the Chrétien government to sell the Port of Churchill to a private interest in 1997, said Dan Mazier, president of Keystone Agricultural Producers, an organization that represents Manitoba farmers.

"We could have grown it so much better," he opined, referring to public stewardship of the port.

Before the sudden closure, OmniTrax was in the midst of selling the port, along with the Hudson Bay Railway, to several northern Manitoba First Nations.

In some ways, not much has changed at Churchill since the 18th century, when the Hudson's Bay Company spent decades building Prince of Wales Fort across the mouth of the Churchill River — only to see the trading post fail to muster up the expected business with the Cree, Dene and Inuit locals. The fort was surrendered to the French navy without firing a single shot in defence.

Latest Manitoba News Headlines



- [What the closure of an Arctic seaport in Manitoba could mean for Canada](#)

5

- [Winnipeg nun named city's 'patron saint of refugees'](#)
- [Brandon police release video of suspects in city graffiti spree](#)
- [Kids playing Minecraft plan virtual future of downtown Winnipeg](#)
- [Trio of seniors turn 100, go down the rabbit hole with Mad Hatter party](#)

Must Watch



[West End mural honours Manitoba's suffragist movement](#)

0:53

A new mural on Sargent Avenue in Winnipeg's West End pays tribute to Manitoba's suffragist movement and celebrates 100 years since some women in the province won the right to vote.



[Three-legged kitten needs home](#)

1:24

A kitten that was found injured near train tracks has had her leg amputated. She's looking for a new home.

Top News Headlines



- [Hillary Clinton makes history with Democratic presidential nomination](#)

601

- [Beating investigation focuses on 2 Ottawa officers](#)
- [Some banks warned to stress test for big house price drops in Vancouver, Toronto](#)
- ['Nobody has the right to ask what I have between my legs': Woman barred from washroom](#)
- ['No means no': Judge delivers blistering rebuke of lower court sex-assault decision](#)

Most Viewed

- [What the closure of an Arctic seaport in Manitoba could mean for Canada](#)
- [Parents of Shea Fright, Winnipeg woman killed in Highway 207 crash, speak out](#)

The grain-shipping port only wound up at Churchill after a First World War-era plan to build the port down the coast, at the mouth of the Nelson River, collapsed in what was then a national scandal.

The port finally opened at the start of the Depression and never met expectations. It was overshadowed at Churchill by a Cold War-era airbase which helped enlarge the town's population to more than 6,000 people before it, too, was decommissioned and dismantled.

■ **Churchill struggles to maintain jobs, population**

Churchill is also home to a defunct rocket range, an offshore shipwreck, the decaying fuselage of a crashed plane and the eerie foundations of a **dismantled village built for a group of forcibly relocated Dene**.

Residents of the town hope the Port of Churchill doesn't join the long and haunting list of decaying machines, buildings and infrastructure projects at the edge of Hudson Bay.




[Report Typo or Error](#) | [Send Feedback](#)

To encourage thoughtful and respectful conversations, first and last names will appear with each submission to CBC/Radio-Canada's online communities (except in children and youth-oriented communities). Pseudonyms will no longer be permitted.

By submitting a comment, you accept that CBC has the right to reproduce and publish that comment in whole or in part, in any manner CBC chooses. Please note that CBC does not endorse the opinions expressed in comments. Comments on this story are moderated according to our [Submission Guidelines](#). Comments are welcome while open. We reserve the right to close comments at any time.

[Login](#) | [Signup](#)

5 Comments



Write your comment here

REALTIME

[Submission Policy](#)

Note: The CBC does not necessarily endorse any of the views posted. By submitting your comments, you acknowledge that CBC has the right to reproduce, broadcast and publicize those comments or any part thereof in any manner whatsoever. Please note that comments are moderated and published according to our [submission guidelines](#).

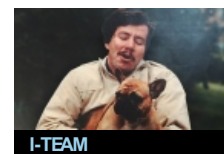
- [The Pas braces for job losses as Port of Churchill closure looms, mayor says](#)
- [Brandon police release video of suspects in city graffiti spree](#)
- [Sandra Giesbrecht, mom charged with abducting her kids, appears in court](#)
- [Tina Fontaine, 15, found in bag in Red River](#)
- [Dauphin Bible Camp fire destroys lodge in Manitoba](#)
- [Winnipeg nun named city's 'patron saint of refugees'](#)
- [3 seniors living in same building celebrate 100th birthdays together](#)

Special Coverage



CBC Television's showcase for made-in-Manitoba productions

One-hour programs air 7 p.m. Saturdays on CBC TV in Manitoba



Dead client not seen for 4 days, agency logs reveal

Winnipeg Regional Health Authority review calls for greater accountability



Winnipeg Police Service lags behind city's racial diversity

Police force urged to hire more Indigenous officers



Find the lowest pump prices in Winnipeg and Manitoba

Explore CBC

[CBC Home](#)

[TV](#)

[Radio](#)

[News](#)

[Sports](#)

[Music](#)

[Arts](#)

[Kids](#)
[Local](#)
[Documentaries](#)
[Comedy](#)
[Books](#)
[Parents](#)
[Aboriginal](#)
[CBC Connects](#)
[Digital Archives](#)
[Games](#)
[Contests](#)
[Site Map](#)

Stay Connected

[Apps](#)
[RSS](#)
[Podcasts](#)
[Newsletters & Alerts](#)

Services and Information

[Corporate Info](#)
[Public Appearances](#)
[Commercial Services](#)
[Reuse & Permission](#)
[Terms of Use](#)
[Privacy Policy](#)
[CBC Shop](#)
[Help](#)
[Contact Us](#)
[Jobs](#)
[Doing Business with Us](#)
[Renting Facilities](#)