

In April 1980, the Federal Environmental Assessment and Review Process Panel recommended approval of the northern components of the project subject to certain conditions. The panel saw the sense of pioneering year-round arctic transportation and developing in this country a greater arctic expertise within industry and government. This relatively small-scale shipping proposal was felt to be one means of testing impacts and researching the effects of year-round shipping in the Arctic.

Routing concerns, however, led the panel to recommend the establishment of a monitoring agency within the Department of Transport to monitor ship movements. This Arctic Shipping Control Authority has since been established and its role is discussed in the section on regulation. The panel also recommended the formation of an advisory committee to ensure biological information was effectively integrated into the route selection process. The advisory committee was to provide advice to the authority on environmental and socio-economic matters arising out of year-round shipping activities.

The small scale of this project presents an opportunity from Canada's point of view to try out new technologies experimentally before full-scale resource development would be initiated. Although the icebreaking tankers were to be built elsewhere, an agreement ensured that the arctic shipping technology would be transferred to Canada. The transfer of this foreign technology would allow Canada to build its own nonconventional ships.

*Accordingly, and I don't mind repeating this, we feel that it is very important for the Arctic Pilot Project to proceed with its icebreaking LNG tankers to demonstrate the technology that can be applied to the transportation of oil.*

*High technology oil production and transportation systems will be required along with large amounts of front-end money. We have the capability of bringing this oil to market, but we must have the mandate to do so. It will be necessary to know that the government favours such a development and that the oil will be marketed, providing that suitable criteria are met with respect to design, construction, Canadian benefits and environmental and social requirements. (Mr. C.R. Hetherington, Panarctic, Issue 28:41, 9-6-1982)*

The value of a pilot project is the pioneering it accomplishes. If this project fails to proceed before Beaufort Sea oil development, some of its technological rationale of proving the feasibility and safety of this mode of arctic transportation will be lost.

*... I would be much happier to see a Class 7 LNG carrying oil up in the Arctic long before we have a Class 10 oil tanker in the Arctic, just like the wise old icebreaker captain who has been up there for 30 years who says, "Yeah, I believe you can do it, but you aren't going to see till you get there!" What he is saying is, "Be careful. Yeah, I think it's possible! Yes, all of us think it is possible, but just be careful. We are fooling around with some pretty serious things here." (Mr. G.M. Sinclair, DOT, Issue 30:31-32, 15-6-1982)*