

## The Domestic Context - the North Coming into its Own

At the dawn of the new century, a fundamental reshaping of northern Canada is taking place. Most significant has been the division of the Northwest Territories into two separate territories in 1999 with the creation of Nunavut. The birth of Nunavut represents a landmark achievement in the political development of the Canadian North, including the commitment to self-government and continued devolution.

As pledged in *Gathering Strength: Canada's Aboriginal Action Plan*, Canada will work toward the settlement of all outstanding land claims and the completion of self-government agreements in the North as a mechanism for developing a strengthened and forward-looking partnership with Aboriginal peoples. Through the Action Plan, the federal government has sought to contribute to a process of political, economic and social renewal in the North.

This devolution and renewal needs to be accompanied by a coherent northern foreign policy strategy that maximizes the opportunities being realized by northern Canadian communities, while also supporting and augmenting their efforts to successfully manage the challenges facing the North. One example is resources: world demand is increasing for Canada's northern resources (including fisheries) and related exploration and processing activities. Another example is climate change, which may have an effect on the potential use of the Northwest Passage. Previously closed by ice, the Passage is now open for several weeks each year. A third is air traffic over the Arctic, which is also growing. In 1999, some 85 000 overflights were recorded, and the forecast annual growth rate is 3 percent to 5 percent. Once Russia opens its northern airspace to international aviation, the number of overflights could increase significantly, with a proportionate rise in the risk of accidents, emergency landings and search-and-rescue requirements.

These various developments enhance the potential for tourism and new northern transportation routes, and should create new economic opportunities for the North. However, with such opportunities come additional pressures in the sustainable management of natural resources and the environment, as well as in economic and social development. For this reason, innovations emerging from the northern renewal process are both timely and necessary, as are advances in information technology that can more effectively link developments and knowledge in the Canadian North with the rest of Canada and the circumpolar world. However, equally important will be Canada's efforts to ensure that international/circumpolar policies, practices and regulations promote and protect northern interests,