## Capacity-Building

A key principle of sustainable development is that communities should obtain the maximum benefits from local economic growth. Yet in Canada, many new jobs created in the north go to southerners, jobs that could be taken by northerners if they had the skills required. This means that a key building block of sustainable development in the north is increasing the capacity of northerners, especially Aboriginal peoples, to qualify for new jobs. That, in turn, depends on the provision of basic and vocational training through programs able to accommodate a wide range of circumstances, including the remoteness of many communities. Evidence from Canada's north shows that investment in training generates significant benefits, including reduced social assistance transfers and increased income and tax revenues. Canada supports training in the north through programs such as the new Aboriginal Human Resources Development Strategy. Particularly in the area of training in traditional knowledge concerned with the practice of sustainable development, though, there is considerable scope for circumpolar co-operation.

## Improvement of Circumpolar Transportation Linkages

Improving transportation links in the circumpolar world is an essential step toward achieving sustainable development objectives. For many businesses, travel, transporting products to southern and northern markets, and bringing equipment in are major costs and challenges. At the same time, environmental impacts from road and port construction and from increased air traffic, pipelines and marine transport constitute a critical concern. Canada believes that sustainable development principles must be factored into transportation policies and operations. It is already involved in a range of programs concerned with the human and environmental safety of marine transport. There is considerable scope for co-operation to improve circumpolar transportation.

## Improvement of Circumpolar Communications

Communications links, whether postal services or telecommunications networks, are a vital building block of sustainable development in the north. Within Canada, major investments are being made in advanced technology to connect even the smallest northern communities with regional centres and southern networks through the Internet and other means. Co-operation in improving circumpolar communications holds potential for tele-medicine, distance education, improved consultation for circumpolar initiatives, projection of Arctic interests outward, and many other common goals. As a leader in northern technologies, Canada can play a major role in fostering co-operation to improve circumpolar communications.

## Improved Financing

A critical challenge for Arctic sustainable development is financing. Governments alone can no longer bear the financial costs of such development as they once did. Yet while subsidies have necessarily declined, requirements have remained and grown for local northern businesses to ship goods, explore markets, upgrade skills and so on. There is therefore a need to share experiences and ideas concerning the financing of northern development. As mentioned earlier, the concept of "economic rent" from non-renewable resource exploitation is one potentially important source of revenues for local development. Also, Indigenous peoples' organizations established to invest