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The grand plan for Quebec's North

By BARRIE McKENNA

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Premier Jean Charest is betting aboriginal groups will accept development if they see tangible benefits

Think of Jean Charest's \$80-billion Plan Nord strategy as a bridge between resource development and the 33,000 aboriginal people of the North. The Quebec Premier is betting aboriginal groups will buy into development if they see tangible benefits. So he's promising to pump taxes and new higher mining royalties into roads, airports, housing, health care and education, including \$1.6-billion between 2011 and 2016 (average: \$326-million a year).

But details on much of the \$80-billion, 25-year plan is either murky or already committed. More than half the money comes from already planned or proposed Hydro-Québec projects (\$47-billion). Private investment in mining and government-financed infrastructure make up the rest.

Transportation

Quebec has four northern ports, 26 airports, 1,200 kilometres of rail tracks and 51,000 kilometres of logging roads. The province is vowing to integrate the region's ports, airports and roads into a more cohesive network. The first phase of that work includes \$821-million worth of road expansions. It's also exploring the feasibility of putting a deepwater port in Whapmagoostui-Kuujuarapik as well as linking Kuujuuaq to the rest of the province by road or rail

Energy

Hydro-Québec is spending billions on several major hydro projects, including the 920-megawatt Eastmain-Sarcelle-Rupert on the North Shore; the 1,550-megawatt La Romaine on the North Shore (\$6.5-billion); and the 1,200-megawatt Petit-Matana, also on the North Shore. The provincially owned utility is also promising other small-scale projects for local use by mining companies and aboriginal communities, including a wind power-diesel project in Kangiqsualujuaq and an underwater generator in Kuujuuaq. But details are scarce.

Mining

Investment is pouring into mining development in northern Quebec at a rate of nearly \$1-billion a year, employing 10,000 people in the region. The area has tapped an untapped nickel, cobalt, zinc, iron ore, copper, gold, uranium, apatite, diamonds, niobium and tantalum. Eleven major mining projects are in various stages of development, including Xstrata's \$1-billion phase 2 of the

Raglan mine in Nunavik (nickel and copper); New Millennium Capital Corp.'s \$4-billion DSO project on the North Shore (iron); Goldcorp subsidiary Mines Opimaca Ltée's \$1.4-billion Ronore project in James Bay (gold); and Stornoway Diamond Corp.'s \$450-million Renard mine in James Bay (diamonds).

Forestry, telecommunications and tourism

The provincial government is pledging to invest in engineered wood products, "green" chemistry and bio-energy, while also studying the potential of vegetation north of the 53rd parallel. It is spending \$28.8-million to put in a fibre-optic network across the James Bay region. The province will also promote the region's tourism attractions, including cruise ships, hydroelectric plant visits and wilderness tours.

FROM HYDRO PLANTS TO NICKEL MINES TO FIBRE OPTICS

Hydroelectric projects (underway and planned)

- Eastmain 1A-Sarcelle Rupert (James Bay): \$5-billion, 920 megawatts, planned completion 2012.
- La Romaine (North Shore): \$6.5-billion, 1550 MW, planned completion 2014-2020.
- Petit-Matana (North Shore): 1200 MW.
- Saint-Marguerite-3 power plant (North Shore): 440-MW expansion, planned completion 2013.
- Jean Lesage power plant (North Shore): 120-MW expansion, completion 2013.
- Renard-Lesvesque power plant (North Shore): 210-MW expansion, completion 2013.
- Various small-scale projects to power mining projects in the North.

Mining (11 planned projects worth \$8.24-billion)

- Xstrata, phase 2 of Raglan nickel mine in Nunavik (nickel copper), \$1-billion.
- MDN Inc., Crevier project, Saguenay-Lac-St. Jean (niobium and tantalum).
- New Millennium Capital Corp., DSO project, North Shore (iron), \$4-billion.
- ArcelorMittal Mines Canada, Mont Wright and Port Cartier Projects, North Shore (iron).
- Ressources Strateco Inc., Matoush project, James Bay (uranium).
- Stornoway Diamond Corp. Renard project, James Bay (diamonds), \$450-million.
- Jien Canada Mining, Nunavik project (nickel and copper).
- Mine Arnaud project, North Shore (apatite).

- Xstrata, Bracemac-McLeod project, James Bay (zinc and copper), \$160-million.
- Metanor Resources, Bachelor project, James Bay (gold).
- Goldcorp/Mines Opinaca, Anonore project, James Bay (gold), \$1.4-billion.

Proposed mining projects

- Tata Steel, Schefferville iron mines, \$300-million.
- ArcelorMittal, Wright Mine, Fermont (iron ore), looking at 50-per-cent expansion.
- Yara International, mine project, Sept-Iles, (apatite), feasibility study.
- Adriana Resources, Otelnuq project, Nunavik (iron ore), \$10-billion.

Transportation

- Rebuild Route 389 from Baie-Comeau to Fermont.
- Extend Route 167 to the Otish Mountains, \$279-million.
- Extend Route 138 to Blanc-Sablon and between Natashquan and Kegaska, \$251-million.
- Conduct feasibility of a road or rail link from Kuujuaq southward, \$57-million.
- Conduct feasibility of a deepwater port in Whapmagoostui-Kuujuarapik, plus road link to Radisson (\$33-million).
- Upgrade 26 northern airports.

Telecommunications

- \$28.8-million to put in a fibre-optic network throughout the James Bay region (completion 2011).

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