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Plan Nord, Take Two

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On April 8, 2015, the Québec government released its *Plan Nord toward 2035, 2015-2020 Action Plan* (Plan Nord), a 20-year plan designed to provide main policy directions and priorities for the development of northern Québec. Plan Nord revamps the previous plan announced in 2011 by then-premier Jean Charest, which projected investment of \$80 billion from both public and private funds over 25 years. Québec's new version of Plan Nord envisions a more moderate investment of \$50 billion by 2035.

The unveiling of Plan Nord follows several measures announced in the Québec government's 2014–2015 budget on June 4, 2014, including the establishment of the state-owned *Société du Plan Nord* (Société). Like the closely related Maritime Strategy released in 2014, Plan Nord is a key component of a broad economic operation aimed at spurring Québec's economic growth.

Overview

While Plan Nord follows the previous plan's principal objective to harness the economic potential of resource-rich northern Québec (an area encompassing 1.2 million square kilometres), it puts more emphasis on sustainable development and the well-being and development of local communities. The implementation of this renewed vision will rest on three main strategic policy directions:

- Develop the diversified economic potential of northern Québec in a responsible way for the benefit of the local population and Québec as a whole.
- Support the development of all communities in the area covered by Plan Nord, by helping them realize their full potential and improving their living conditions.
- Protect the environment and preserve the distinctive biodiversity of northern Québec by ensuring that mechanisms are put in place, by 2035, to dedicate 50% of the area covered by Plan Nord to non-industrial purposes, to protect the environment and to safeguard biodiversity.

Overall management and supervision of the various components of Plan Nord will be carried out by the Société. The projects administered by the Société will be funded by the *Fonds du Plan Nord*, a special-purpose fund created in 2011. Within five years, the Québec government expects to invest \$1.3 billion in strategic infrastructure projects and related northern activities. Development of the economic potential of northern Québec has been prioritized as follows:

- Re-establish a context conducive to mineral development based on a wide range of resources.
- Diversify and promote forestry products and implement integrated forestry management methods.
- Continue to develop the energy potential of northern Québec.
- Increase the socio-economic benefits of wildlife activities while ensuring the long-term viability of the resource.
- Increase tourism development by promoting the area's distinctive character.
- Design and implement a sustainable northern bio-food model based on potential in the area.

Commentary

The unveiling of Plan Nord comes at a strategic time when the mining industry, cyclical by nature, faces significant challenges. Although more modest than the previous plan, Plan Nord remains a major 20-year economic, social and environmental initiative that has the potential of attracting both Canadian and foreign investors. Of note, the Fraser Institute, a Canadian think tank, ranked Québec as the sixth most attractive jurisdiction in the world in 2014 for mining investment.¹

¹Fraser Institute, *Survey of Mining Companies: 2014*, (2015), p. 2.

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