CANADA'S OCEAN SUPERCLUSTER

ARCTIC INSIGHTS REPORT 2026

Defining Canada's Arctic Ocean Economy Opportunity

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Executive Summary

The Arctic is deeply connected to Canada's national priorities and is critical to the sustainable, inclusive, and collaborative growth of the ocean sector.

As Canada's national ocean cluster, Canada's Ocean Supercluster (OSC) is a national platform driving the growth of Canada's ocean industrial capacity. Its mission includes advancing the growth of Canada's ocean economy, including through an expanding Arctic membership base, relationship building, outreach and engagement activities, co-investments in projects, stakeholder workshops, and the establishment of an Arctic Steering Committee to provide insight and guidance on expanded activity in the North.

This Arctic Insights Report was commissioned to build on the work of the Arctic Steering Committee and identify ocean-sector growth opportunities, challenges, and potential areas of focus and investment for Canada's ocean sectors in the North. The report takes a holistic perspective, while also focusing on OSC's mandate and the roles it can play in leading and supporting ocean economic development in the Arctic.

Across more than two dozen interviews with Arctic stakeholders and rights holders throughout the North, meetings with the Arctic Steering Committee, regional environmental scans, and a literature review, a consistent picture emerged:

The Arctic ocean economy is rich with opportunity but constrained by foundational gaps in infrastructure, workforce capacity, data, and governance alignment. Communities, industry, governments, and Inuit organizations recognize significant potential in fisheries, tourism, marine transportation, environmental monitoring, and dual-use civilian and defence infrastructure.

However, the enabling conditions remain uneven and underdeveloped. Stakeholders expressed strong interest in the renewed national focus on Arctic innovation and the 2026 Defence Industrial Strategy, while noting ongoing concerns about a lack of cohesion among communities, researchers, governments, and industry.

Key Findings

Foundational Infrastructure Gaps

Communities repeatedly emphasized that high costs, unreliable transportation, limited port infrastructure, and weak digital connectivity are the primary barriers to economic participation. Ports, small craft harbours, freezer capacity, and safe docking infrastructure are insufficient across most regions. Defence and sovereignty priorities are accelerating federal attention, but communities stressed that infrastructure must be dual-use, serving both national objectives and local economic needs.

Workforce and Human Resource Constraints

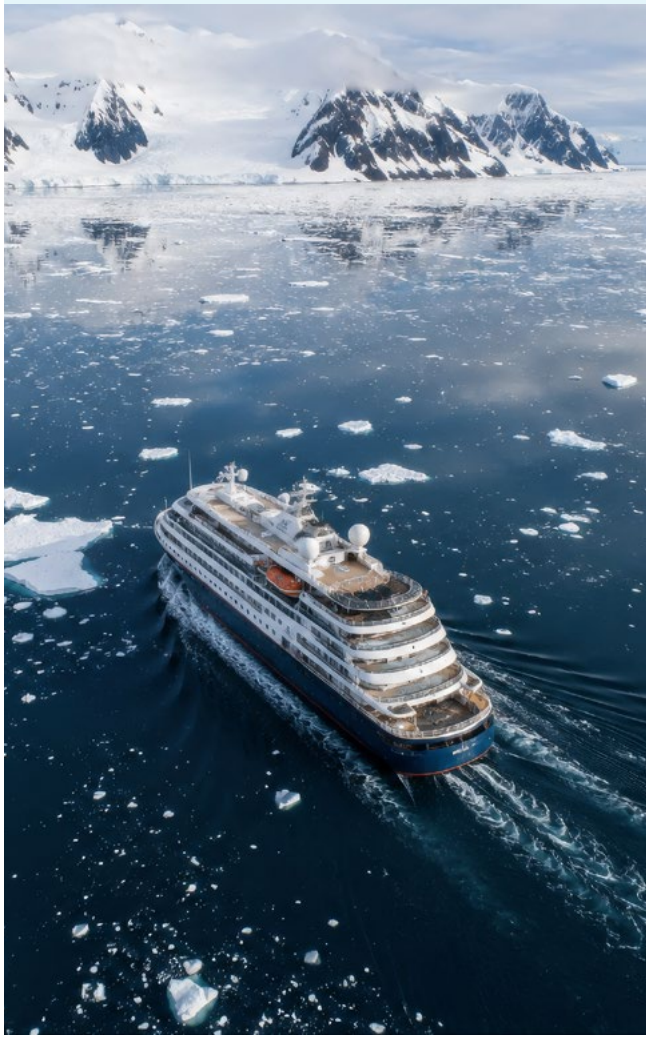
Every region reported severe shortages of trained personnel, compounded by education prerequisites, high travel costs, housing shortages, limited funding, and social barriers. Training centres such as the Nunavut Fisheries and Marine Training Consortium and the Western Arctic Marine Training Centre highlighted that many Inuit face barriers to entering maritime careers. A recurring theme was that long-term workforce development must begin in high school through dual-credit programs, local delivery, and wraparound supports. As one training leader noted, “education prerequisites and financing are the two most critical barriers.”

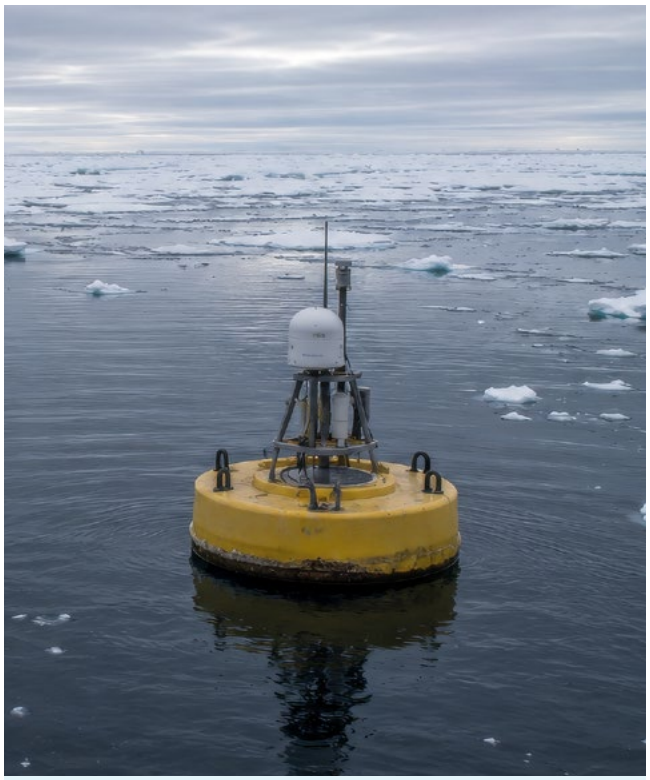
Fisheries and Inshore Marine Opportunities

Fisheries, both offshore and inshore, were identified as the single largest near-term economic opportunity. Government of Nunavut officials estimate up to $200 million in potential value if more product is landed in Nunavut and inshore fisheries are further developed. Communities from Gjoa Haven to Sanirajak expressed interest in developing char, whitefish, Greenland halibut, and shrimp fisheries, but lack processing facilities, freezer capacity, vessels, and trained personnel. As one official stated, “Inshore fisheries might be the biggest economic opportunity out there that communities are ready to pursue.”

Tourism and Marine Access

Tourism is rebounding, with cruise traffic increasing and communities seeking safer docking, insurance solutions, training, and outfitter capacity. Travel Nunavut’s 2024 Economic Impact Assessment reported $823 million in annual gross economic output and 5,400 jobs, with a target of $1 billion by 2030. Communities want to capture more value from cruise visits and develop small-vessel tourism, but require training, safety infrastructure, and business supports.



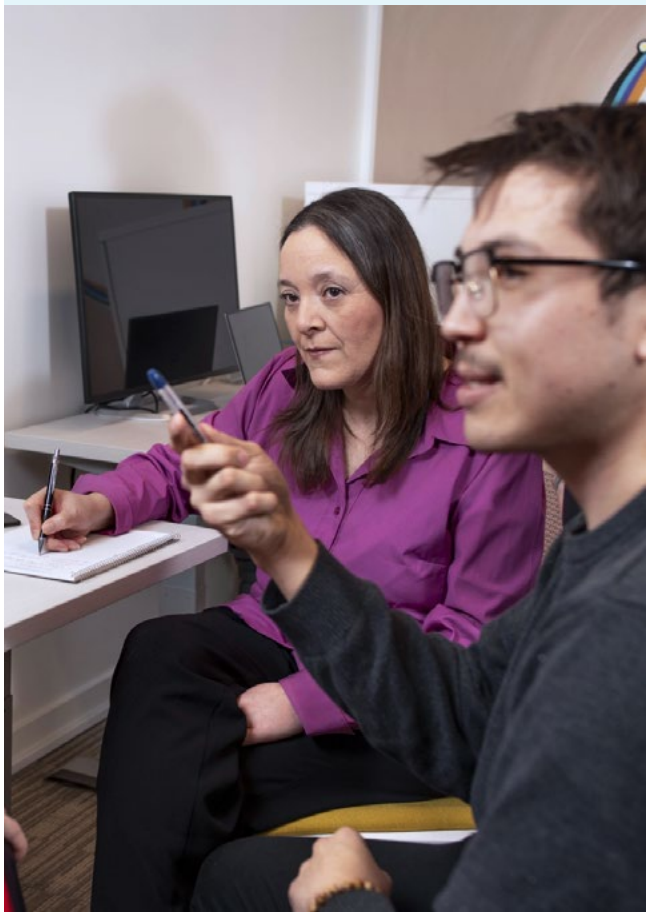


Data Sovereignty, Monitoring, and Environmental Knowledge

Data sovereignty emerged as a core principle across interviews. Communities asserted the need to own, control, and benefit from data collected in their regions. At the same time, major hydrographic, oceanographic, and nearshore mapping gaps continue to limit safe navigation, fisheries development, and infrastructure planning. Ice coverage is a defining operational, economic, and cultural reality across much of the Arctic and must be explicitly integrated into observation, mapping, and infrastructure planning. As one Steering Committee member noted, “significant gaps exist in baseline hydrographic and oceanographic data for northern communities and need to be addressed.”

Governance, Funding, and Program Misalignment

Multiple interviewees described a persistent misalignment between government program design and northern realities. Funding timelines, matching requirements, and consultation processes often exclude or overburden communities. One interviewee captured this sentiment clearly, “massive hoops to jump through doesn’t fit with the North.” Stakeholders expressed strong support for a northern-based intermediary to coordinate engagement, reduce consultation fatigue, align federal initiatives with Inuit priorities, and support innovation from research through to readiness and commercialization.



Introduction

Together with Canada's broader ocean community, Canada's Ocean Supercluster has launched Ambition 2035, a bold platform aimed at helping achieve fivefold growth in Canada's ocean economy by 2035.

The platform identifies six areas of growth: ocean energy, marine transportation, coastal tourism and recreation, sustainable seafood, ocean technology, and public sector support. These areas are intended to further position Canada as an ocean nation focused on good, well-paying jobs; growing companies; thriving and resilient communities; increased productivity and economic growth; accelerated made-in-Canada ocean technology; and strategic partnerships.

In February 2026, the Government of Canada released its first Defence Industrial Strategy, an ambitious national strategy in which Arctic ocean innovation and Arctic sovereignty play a major role. Because the Arctic comprises more than half of Canada's coastline, it is critical both to achieving Canada's ocean growth ambitions and to advancing national sovereignty priorities.

OSC has already undertaken Arctic outreach activities, including workshops in Iqaluit, and establishing an Arctic Steering Committee of invited stakeholders to provide advice and guidance. This Arctic Insights Report was commissioned to identify ocean-sector growth opportunities, challenges, and potential areas of focus and investment for Canada's ocean sectors in the North.

The primary objective of the Insights Report was to summarize the input from the Arctic Steering Committee and other stakeholders on key areas of focus for ocean sector growth in the Arctic.

Additional objectives included defining the current state of the Arctic ocean economy and ecosystem; identifying potential growth areas for ocean-related socio-economic development; outlining barriers, challenges, and opportunities; and making recommendations for the OSC and the broader ocean sector. The following report outlines the methodology, findings, and conclusions arising from this research and analysis.

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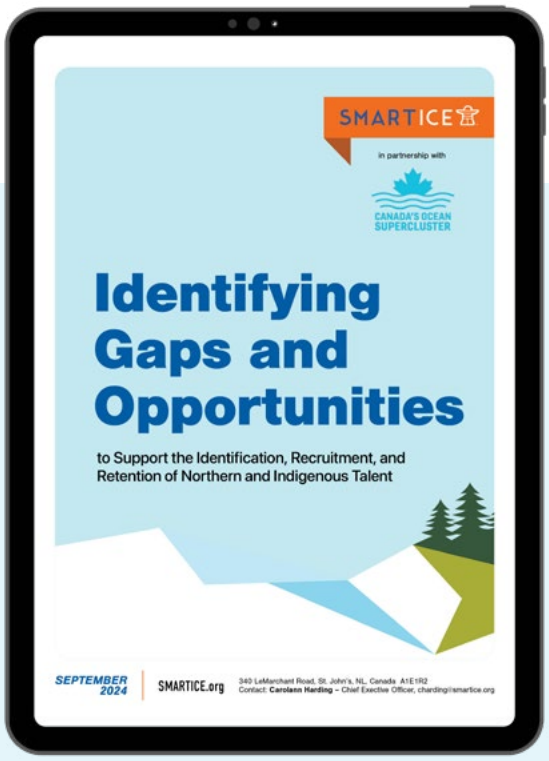
Project Methodology

The methodology for this Insights Report combined secondary and primary research.

Together, these activities provided a broad evidence base for understanding the current state of the Arctic ocean economy, identifying opportunities and barriers, and developing recommendations for OSC and the broader ocean sector.

Secondary Research

Secondary research included the collection and review of relevant studies, reports, and literature related to the ocean economy across Inuit Nunangat, the current state of development, and the barriers, challenges, and opportunities facing Arctic ocean sectors. Sources included federal and territorial governments and agencies, Indigenous organizations, academic and research institutions, northern-focused organizations, and members of the Arctic Steering Committee. These materials helped identify areas of opportunity, as well as the challenges and gaps explored through stakeholder outreach and consultation.



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Stakeholder Outreach and Consultation

Stakeholder outreach and consultation included participation in regularly scheduled OSC Arctic Steering Committee meetings; individual interviews with committee members; interviews with public, private, academic, research, and Inuit organizations across Inuit Nunangat; and participation in the annual Nunavut Economic Developers Association conference in Iqaluit. At that conference, the committee presented on OSC and the development of this report and gathered direct input from Community Economic Development Officers representing communities across Nunavut.

An interview facilitation guide was prepared and reviewed with the Arctic Steering Committee before structured interviews began. Additional stakeholder outreach was completed to ensure consultations reflected a range of sectoral and geographic perspectives from the Arctic. Several meetings were held with the Arctic Steering Committee to obtain input and review progress. In total, more than 25 interviews were conducted for this study.

Project Insights

The following pages summarize the insights obtained from a literature review, sub-committee meetings, and individual and group interviews conducted for this project, focusing on the major areas of opportunity, the gaps and challenges, and the potential role of the OSC and the ocean sector more broadly in supporting Arctic development.

Potential Growth Areas for Ocean-Related Socio-Economic Development in the Arctic

Across all interviews and research, several high-potential growth areas were repeatedly identified. These are opportunities that northern communities, Inuit organizations, industry, and government stakeholders consistently flagged as realistic, scalable, and aligned with northern priorities.

A. Fisheries (Offshore, Nearshore, and Inshore)

Development of the fishery, from both an inshore and offshore perspective, was the single most consistently identified economic opportunity.

Key opportunities

- Inshore fisheries development (char, cod, whitefish, halibut) in communities such as Gjoa Haven, Sanirajak, Cambridge Bay, Kugluktuk, and others
- Offshore quota expansion for Nunavut (currently under-allocated relative to coastline share)
- Sealing sector revitalization, including tanneries, seal oil, and value-added products
- Post-harvest value maximization, inspired by Iceland's model (e.g., 100% utilization, collagen, skins, powders)
- Community freezers and cold-chain infrastructure to support local food security and commercial sales

Why it matters

Fisheries are viewed as a pillar of economic development. Climate change is pushing stocks northward, increasing the potential for long-term fisheries development, while inshore fisheries potential in northern communities is largely unexplored or under-developed. Fisheries (and other sectors) development as an economic driver for communities and/or regions can also help support the case for dual-use infrastructure development, where defence and civilian uses can not only support sovereignty, but also help strengthen the economic backbone and opportunities for adjacent communities and regions.

B. Marine Tourism & Cruise-Supported Local Ventures

Through project consultations, tourism was the second most frequently cited opportunity.

Growth areas

- Small-vessel excursions from communities (ice safaris, wildlife viewing, floe-edge trips)
- Cruise passenger transfers and community visits (Pond Inlet, Gjoa Haven, Rankin, Cambridge Bay, etc.)
- Cultural tourism, supported by training programs (CTCI, SIF, Cruise Ready)
- Multi-use vessels for tourism and cargo (Rankin Inlet example)

Why it matters

Tourism already contributes $823M+ in gross economic output and more than 5,000 jobs (Travel Nunavut). Communities want to grow this sector but need insurance solutions, training, and safe marine infrastructure.

C. Ports, Marine Infrastructure & Shipping

The development and expansion of proper ports and related infrastructure are seen as foundational enablers of all other sectors of the Arctic ocean economy and as dual-use opportunities.

Key opportunities

- Qikiqtarjuaq Deep Sea Port (shovel-ready; dual-use potential)
- Greys Bay Port & Road, Churchill, and potential other port developments
- Small craft harbours in multiple communities
- Marine corridor monitoring, safe routing (AIS, ice, vessel tracking)
- Arctic shipping services (ice-breaking, tug, resupply, marine operations)

Why it matters

Infrastructure has been identified as the number one constraint on economic development. Ports unlock fisheries, tourism, defence, and community resupply.

D. Arctic Observation, Marine Monitoring & Data Infrastructure

A consistent theme in consultations was the lack of research and data available throughout many areas of the North, making this one of the strongest pan-Arctic opportunities and needs.

Opportunities include

- Community-based coastal monitoring (eDNA, ROVs, UAVs)
- Hydrographic and oceanographic mapping (massive data gaps)
- Dual-use monitoring for defence, fisheries, safety, and climate
- Monitoring and mapping of annual ice coverage for communities to support safety, and economic and cultural activities
- Sensor networks on vessels, moorings, and cables
- Partnerships with DRDC, Coast Guard, universities, ARF, ONC, and industry

Why it matters

Data sovereignty, safety, marine domain awareness, and climate adaptation year-round all depend on better Arctic data. Communities want to be directly involved and lead this work.

E. Workforce Development & Training

Human resource development is key for communities and the Indigenous people in the North to take advantage of available economic opportunities and to limit the leakage of economic benefits to the South. This is a long-term economic driver and prerequisite for all sectors. Stakeholders urged the prioritization of foundational, community level capacity building, potentially utilizing small scale training pilots in advance of pursuit of large, complex projects in or near communities. As one participant put it, “True value starts in the community with ‘smaller scale’ training projects that help build the foundation.” Adding explicit funding streams for wraparound supports (childcare, housing, travel), local delivery models, and dual-credit high school pathways, is also important.

Growth areas

- Marine training (Bridgewatch, officer-track, STCW)
- Youth pathways (dual-credit, high school programs)
- Trades training (refrigeration, mechanics, construction)
- Digital skills (cloud certifications, remote work)
- Community-based training delivery, culturally appropriate (fly-in instructors), with wraparound supports available for community participants
- The planned Inuit Nunangat University for education/training and alignment with innovation

Why it matters

Human capital is the largest limiting factor across the North. Every major project (ports, fisheries, tourism, defence) requires trained local workers.

F. Energy, Telecom & Critical Infrastructure

Beyond the need for port development, other infrastructure needs are also key drivers for economic development and foundational enablers to drive major economic potential.

Opportunities

- Iqaluit Hydro Project; Kivalliq Hydro-Fiber Link
- Renewable microgrids, wind/solar, marine renewables, biodiesel drop-ins
- Hardened telecom (fiber redundancy, satellite alternatives)
- Community freezer redesign (northern-specific engineering)

Why it matters

Energy and telecom are prerequisites for business, safety, and community well-being.

G. Defence & Security (Dual-use Development)

Although listed last in this list of economic opportunities, current geo-political and policy developments have radically increased the profile and urgency on defence, security and sovereignty for the North. As a result, defence investment is emerging as a major economic catalyst.

Opportunities

- Dual-use ports, runways, and infrastructure
- Arctic-ready technologies (autonomy, sensors, cold-weather systems)
- Ranger and Guardian training
- Marine domain awareness (AIS, ice, vessel monitoring)
- Search and rescue capacity

Why it matters

Defence spending is increasing and can be aligned with community benefits, if done correctly. A dual-use approach has the potential to significantly improve the viability of major project development.

Barriers, Gaps & Challenges

Across all conducted interviews, similar structural barriers repeatedly appear. These are systemic, long-standing, and cross-sectoral challenges.

A. Infrastructure Deficits

As detailed in many reports previously prepared by Indigenous organizations, governments, academia and other observers, over an extended period of time, the infrastructure gaps in the North are extensive and wide-ranging, impacting on opportunities for economic development. This is widely considered the most universal barrier.

Challenges

- Lack of ports, harbours, docking facilities, adequate air access
- Insufficient housing, power, water, and community buildings
- Poor connectivity (fiber lacking, outages, reliance on Starlink)
- Aging or inadequate community freezers

Supports needed

- Federal investment in dual-use infrastructure
- Hardened telecom and energy systems
- Purpose-built northern engineering solutions, including evaluation of impacts on important ice corridors/travel routes

B. Human Resource & Training Gaps

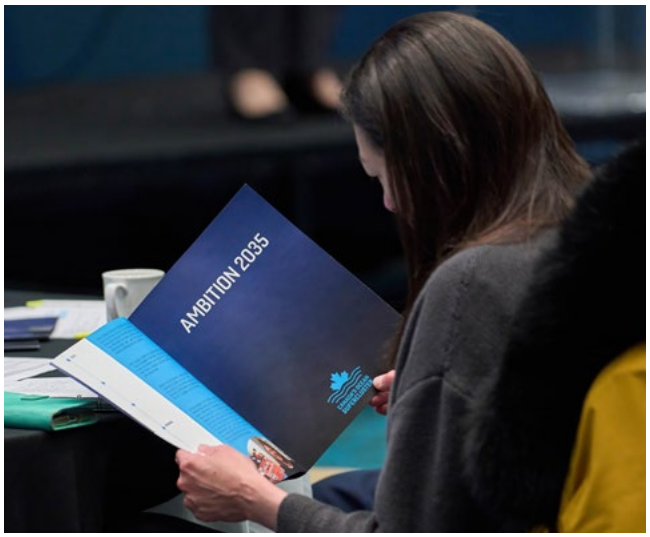
The people of the North that must be the primary beneficiaries of economic development opportunities for long-term economic development and success. Inuit youth is the fastest growing population in Canada, which provides an opportunity to train and inspire future workers and entrepreneurs in the North, increasing options to stay closer to their communities. As such, human resource and training gaps have been cited as the second most universal barrier in consultations.

Challenges

- Low high-school graduation rates
- Lack of Math/English prerequisites needed for training
- Limited local and in-community training capacity (marine training centers stretched)
- High cost of travel for training
- Social barriers (housing, childcare, adequate health care access)
- Loss of workers to southern opportunities

Supports needed

- Long-term, community-based training programs
- Funding to replace expiring Transport Canada training programs (sunset 2027)
- Youth pathways and dual-credit programs
- Wraparound supports (childcare, housing, travel, food, mentoring)



C. Funding Fragmentation & Administrative Burden

Community access to funding and having the capacity to avail of funding opportunities was identified as a major theme across many interviews.

Challenges

- Funding programs not designed for northern realities
- Short timelines, rigid criteria, and mid-stream rule changes
- Understaffed agencies (CanNor at 40% staffing)
- Communities overwhelmed by consultation fatigue
- Difficulty accessing capital for Indigenous organizations

Supports needed

- Simplified, northern-specific funding streams
- Multi-year, predictable funding for training and monitoring
- Indigenous loan guarantees and exploratory funding
- A coordinated federal approach to Arctic development

D. Data Gaps & Data Sovereignty Issues

Over time, investments in research and data gathering in the Arctic have been limited, resulting in huge data gaps that persist to this day. This results in a critical barrier for fisheries, safety, climate adaptation, and defence.

Challenges

- Limited hydrographic and oceanographic data
- Sparse fisheries science in Nunavut (inshore especially)
- Lack of baseline environmental data
- Ensuring data gathering and dissemination takes place year-round, including the ice season which is critical for communities on an operational, economic and cultural basis
- Southern institutions often control data. Data sovereignty for communities has historically been limited.

Supports needed

- Community-owned data frameworks, data sovereignty policies
- Investment in Arctic observation networks, on a year-round basis
- Integration of Inuit Qaujimaningit and scientific data
- Clear data-sharing protocols for dual-use projects

E. Governance Complexity and Capacity Constraints

The complexity of governance systems in the North, exacerbated by capacity limitations, impacts economic development timelines and is a structural challenge across Inuit Nunangat. These challenges exasperate North-South partnership development, limiting the potential to create lasting economic structures.

Challenges

- Multiple overlapping organizations
- Limited staff capacity (territorial governments at ~50%)
- Slow decision cycles
- Misalignment between southern timelines and northern processes

Supports needed

- A northern-based innovation body or intermediary
- Embedded community representation in all projects
- Long-term relationship-building, non-transactional engagement

F. High Cost of Doing Business

A universal constraint identified by interviewees is the cost of living and doing business in the North. This is amplified by the lack of basic, foundational infrastructure in place to support economic development.

Challenges

- $3,000 plus airfare to communities
- High cost of construction, shipping, and labour
- Limited local contractors and tradespeople
- Seasonal constraints

Supports needed

- Incentives for local hiring and procurement
- Multi-purpose infrastructure to spread costs
- Better logistics planning and marine transportation systems

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Questions? Please contact:
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