



# CHANNEL-PORT AUX BASQUES

## Looking toward a Post-Fiona Future



A new visitor to Channel-Port aux Basques, nestled between sea and mountains on Newfoundland's southwestern tip, would probably never notice that post-tropical storm Fiona blew through here on Sept. 24, 2022. In the years since, some areas of this town of about 3,500 people have simply been erased — either the homes were swept out to sea when Fiona whipped up those violent waves, or they were torn down later as a precaution. More homes stand empty, earmarked for demolition.

For the people who live in this far-flung, craggy place with dramatic ocean views, the absence is felt profoundly. Some residents simply moved away, while others are still trying to recover. There is talk about how people now fear the ocean that is so much a part of life here.

Fiona threw another curveball at a region that was already struggling to support new economic opportunities. Now the focus is on reconstruction — everything from housing to restoring the town's beloved Grand Bay West trail and beach. The rebuilding and repair work has fuelled economic activity here in recent years.

One stable element of the local economy is its largest employer, Marine Atlantic, a federal agency that runs the daily ferry service between North Sydney on Nova Scotia's Cape Breton Island and Channel-Port aux Basques year-round. In the summer, a seasonal route to Argentia on Newfoundland's Avalon peninsula operates three times a week.

Ferry service, first established in 1898, made Channel-Port aux Basques the principal port of entry into Newfoundland. The service is constitutionally protected under legislation enacted when Newfoundland and Labrador joined the federation in 1949 and is considered part of the Trans-Canada Highway.

The ferries are imposing white colossi of modern engineering on an otherwise wild landscape. They transport passengers, vehicles and masses of cargo back and forth across the Cabot Strait, with tractor trailers parked nose to tail in the belly.

Like most major industries across Canada, shipping is facing changes as the world goes through an energy transformation. Marine Atlantic has assessed its emissions inventory and has created a roadmap to reach net-zero by 2050, with a focus on reducing fuel consumption of its ferries and terminals.

Other changes are on the horizon, too, as the province looks to harness wind power to develop a renewable energy industry and diversify its economy.

## COMMUNITY CHALLENGES

### An economy in transition

Channel-Port aux Basques is one of the [oldest settlements in Newfoundland](#), with a storied past that spans four centuries. An outpost for Basque sailors and French fishers in the 17th and 18th centuries, the town became the gateway to the island with the arrival of passenger rail in 1898. For the next 90 years, the town's economy had three main anchors — the ferry service, the railway and the cod fishery — which together provided prosperity for its residents.

In the late 20th century came two major economic blows. In 1988, the Newfoundland Railway shut down, causing “a major economic setback with the loss of hundreds of jobs,” according to the town's [2019-29 municipal plan](#). The second was in 1992, when the Canadian government proclaimed a [moratorium](#) on cod fishing in Atlantic Canada to preserve dwindling fish stocks. Nearly 30,000 people in Newfoundland and Labrador lost their jobs.

In the years to follow, Channel-Port aux Basques would come to rely on two major employers: [Marine Atlantic](#) and Seafreez Foods, a fish processing plant that employed around 150 people until its closure in 2007.

The collapse of the cod fishery and a lack of stable year-round employment led to an exodus of young people from the community, a decline in the overall population, and an increase in the proportion of older residents. The [unemployment](#) rate in the town was around 17 per cent in 2021.

Another source of economic support is provided by residents who travel to Alberta's oil fields and other mainland locations for work, returning when they can and still calling Channel-Port aux Basques home. Some move west permanently. The community is now largely dependent on Marine Atlantic.

In its [2023-24 fiscal year](#), Marine Atlantic completed more than 1,700 crossings and transported more than 91,000 commercial vehicles, 145,000 passenger vehicles and 367,000 passengers. It had 1,388 employees in that year.

And the ferries bring more than people. A lot more. Local businesses rely on the ferry service to maintain their supply chains. About 90 per cent of perishable goods imported to Newfoundland are shipped through Port aux Basques, according to the town's most recent [Business Information Guide](#). The ferries also transport essential medical supplies to the island's hospitals and clinics. To accommodate the traffic, Port aux Basques has one trucking company located within the community, with several others operating from the town daily. There are also couriers in the area that provide services to regional, provincial and national destinations.

The ferry service also creates a need for enhanced medical services, Coast Guard services, highway maintenance and other public and private services, which also feature in the local economy.



Marine Atlantic opened a new administrative building in Channel-Port aux Basques in early 2025 that offers postcard-perfect views of the surrounding town and landscape. Its contemporary style, with plenty of glass and a small tower that mimics a ship's funnel, stands out in a mostly low-rise town with a combination of traditional saltbox homes and others with modest vinyl siding. The choice of location and the investment in the building was deliberate — to send a signal that the agency is firmly embedded in the community. Inside, local corporate staff have access to new shower stalls so they can come in after a hockey game at the rink across the street.



*Murray Hupman*  
Marine Atlantic  
CEO

CEO Murray Hupman, a veteran of the shipping industry with an engineering background, is unabashedly a ferry superfan. He has worked for Marine Atlantic since 1999, occupying a range of jobs before securing the top one in 2019. He is equally at ease talking about the politics of shipbuilding in Canada, and the intricacies of the engineering of each of the ferries.

Marine Atlantic has [committed](#) to achieving net-zero status by 2050. As a first step, it has completed a net-zero roadmap and established a baseline greenhouse-gas inventory. The inventory highlights that the largest source of emissions comes from ferries, with the *Blue Puttees* and *Highlanders* ferries emitting more than 50,000 tonnes of CO<sub>2</sub> equivalent in 2023. The roadmap will help the organization establish key performance indicators and targets, centralize data inputs to facilitate monitoring and net-zero metrics, and develop a reporting dashboard, according to the company's 2023-24 [annual report](#).

As part of that commitment, the company is making investments in upgrading its fleet. Marine Atlantic's newest ferry, the *Ala'suinu* — a Mi'kmaw term meaning "traveller"— is outfitted with a hybrid engine capable of using liquefied natural gas (LNG) and diesel. It has a lithium battery bank that smooths out the peaks of energy use when the ship is starting its engine. And it was designed to produce less underwater noise to reduce its impact on wildlife.

Although the vessel has dual-fuel capabilities, there is a lack of current local infrastructure to support the continuous use of LNG, said Darrell Mercer, communications manager for

Marine Atlantic, in a written response to questions. “This continues to be monitored for any potential future opportunities,” he said.

An early-stage proposal that was shelved in 2023 aimed to build a [floating LNG facility](#) and export terminal at Grassy Point in Placentia Bay. Natural gas produced in the Grand Banks off Newfoundland’s east coast would have been transported to Grassy Point by a 600-kilometre subsea pipeline.

In other areas of the *Ala’suinu* ferry, new technology is changing the face of the business. More of the key tasks are computerized, and artificial intelligence will one day provide the captain with real-time data on optimizing the engine’s processes. With these changes comes a need for a different set of skills for key staff, including advanced electrical technicians.

Among its older ferries, the *Blue Puttees* has recently returned from drydock, where new propeller blades were installed to reduce fuel consumption.

“Marine Atlantic has also looked at alternative antifouling coatings and is exploring options for in-water hull cleanings in between dry dockings to reduce fuel consumption,” Mercer explained. Antifouling coatings are treatments applied to the undersides of ferries to prevent sea life such as algae and molluscs attaching themselves to the hull.

On land, Marine Atlantic is electrifying its fleet of vehicles and the new administrative building was built to achieve a Leader in Energy Efficient Design (LEED) silver certification for sustainability, a widely used rating system for buildings. The company is also part of [Green Marine](#), a voluntary environmental certification program that evaluates annual performance on a scale of 1 to 5, with 5 being the best. In 2024, Marine Atlantic scored between 3 and 4



for its terminals and ships, exceeding its target to maintain a score above 3. Marine Atlantic also [exceeded its targets](#) for reducing fuel consumption of its vessels and terminals.

“From the method of building construction, window glazing, the addition of an eight-kilowatt solar array, as well as the addition of EV chargers, these were all designed with reducing our carbon footprint in mind,” Mercer said in reference to the new administrative building. “Marine Atlantic has also procured two electric baggage vans and has been looking at replacement options for shuttle buses and terminal shunt trucks and support vehicles,” he added.

The ferries operate in the Gulf of St. Lawrence, a harsh environment that is prone to extreme winds, waves and ice, which often cause service delays and cancellations. The company’s [corporate plan](#) includes a report on climate-related risks and opportunities that notes that climate change has led to more frequent and intense weather events, causing more cancellations. This not only disrupts passengers’ travel plans but also has a significant impact on the availability of goods on the island. Commercial operators, especially those transporting perishable goods, and the local economy are also affected.

The Port of Argentia, in eastern Newfoundland, allows Marine Atlantic to keep essential goods moving in the event of service disruption to Port aux Basques, but the port can’t handle the same volume of traffic, the company notes.

### **Fiona’s aftermath**

Channel-Port aux Basques’ future was changed the day Fiona struck early on that September morning. The town [declared a state of emergency](#) after a storm surge swept away homes and other buildings and knocked out power. Part of the town was placed under a mandatory evacuation order. One woman lost her life. Almost everyone was affected.

Mark Lomond, born and bred in Channel-Port aux Basques, now lives in the Codroy Valley, about 35 kilometres north. For the past 13 years, he has worked in Channel-Port aux Basques for the Canada Food Inspection Agency, whose offices are located near the Marine Atlantic terminal.

Lomond used to have what Newfoundlanders call a “fishing stage” in town, close to his parents’ house. These are typically wooden structures built over the water and used by fishermen to shelter and process their fish. “It was like a little cabin,” he said. He would often stay there overnight after a late-night shift at work and in the wintertime when the weather was bad.

The Lomond family lost five homes in the storm in addition to the fishing stage.

“All these people lived next door to each other,” he said. “They’d see each other on a daily basis — all family, friends, neighbours. It was a real tight community — and I mean tight, too, because the houses were all built on top of each other. They were built around the water for the fishery, so ... you’re walking through each other’s yards to get to your house, right?”



*All that's left of Mark Lomond's beloved fishing stage is a red life ring that he retrieved from a cleanup crew  
Self portrait by Mark Lomond*

Now, all that's left of Lomond's beloved fishing stage is a red life ring that he retrieved from a cleanup crew. He took it to Ottawa for a Sierra Club exhibition called [Protect What We Love](#), a display of "artifacts from wildfires, storms and floods" caused or worsened by climate change across Canada.

Todd Strickland, a town councillor, nurse and volunteer firefighter, was working at the hospital when the storm hit around 6:30 a.m. "From my home to the hospital, I don't pass the water. Driving to work, I was thinking, OK, we had a bit of wind last night, but we're known for our wind."

He'd been at work for about an hour when staff started receiving messages from friends and family. "We quickly took our phones and got on Facebook," he said. And that's when they saw the destruction swirling outside.

Soon, ambulances began to arrive at the hospital. Many of their occupants were not injured, Strickland said, “but these people had nowhere else to go.” When he looked in the waiting room, there were at least 100 people. Normally, the room held 40 at most.

More than 100 homes were lost. Many of those affected were seniors who moved in with their children. Others had cottages in the Codroy Valley they could go to, which they winterized so they could live there year-round.

Strickland said his wife’s two uncles and her best friend all lost their houses. “That’s how closely it impacted us. So, when you talk about, you know, a small community, everybody knows somebody [who suffered loss or damage].”

More than two years later, a sense of malaise has settled on the town. We agreed to quote people anonymously on this topic to allow them to speak freely.

“It has affected everybody’s mood,” said one participant. “Whenever there’s bad weather on the horizon, then people get anxious,” said another. Some expressed frustration that repairs to the town’s water and sewer systems and other damaged infrastructure aren’t yet complete. Others said that discrepancies between what people received for their damaged property have created tensions among some community members.

They are also feeling economic pain due to the cost and shortage of housing. Prices to rent, buy or build new homes have risen because of delays in building replacement homes as well as the large compensation packages some homeowners received, pushing up prices for existing homes in the local market, some interviewees said.

## Post-Fiona rebuilding

In the years since the storm struck, much of the town’s economic activity has stemmed from rebuilding and repair work, most of it funded by the provincial and federal governments, said Nadine Osmond, the town manager in Channel-Port aux Basques.

A [high-impact zone](#), which establishes an area of town most at risk of severe storms, has changed the shape of the community. It is an exclusion zone put in place to prevent the kind of losses experienced during the storm. Some people whose homes in the zone might have been salvageable were ordered to move out because of the risk. At the time the interviews were conducted, 57 homes and two businesses had yet to come down.

Delineating the high-impact zone took time and a lot of consultation, but the provincial and federal governments worked closely and respectfully with the town council, Osmond said.

New housing is in the works to replace the units that were lost as well as those that had yet to come down, thanks to a [\\$3.3-million](#) federal Housing Accelerator Fund grant, administered by Canada Mortgage and Housing Corporation (CMHC). The funding, announced in 2024, calls for more than 90 housing units to be fast-tracked over three years. The work is expected to spur the construction of 390 homes over 10 years, according to

the news release. The agreement calls for some of the units to be medium density, including duplexes, townhouses and multiplexes.

Complying with the grant conditions, which includes making some new units accessible and energy efficient, meant adding “some of what they’re calling ‘missing middle’ housing,” said Emma Power of Fundamental Inc., an environmental consulting company working with the town. This means more apartment buildings and duplexes, which are less common in Channel-Port aux Basques and other small towns in Newfoundland, she explained.

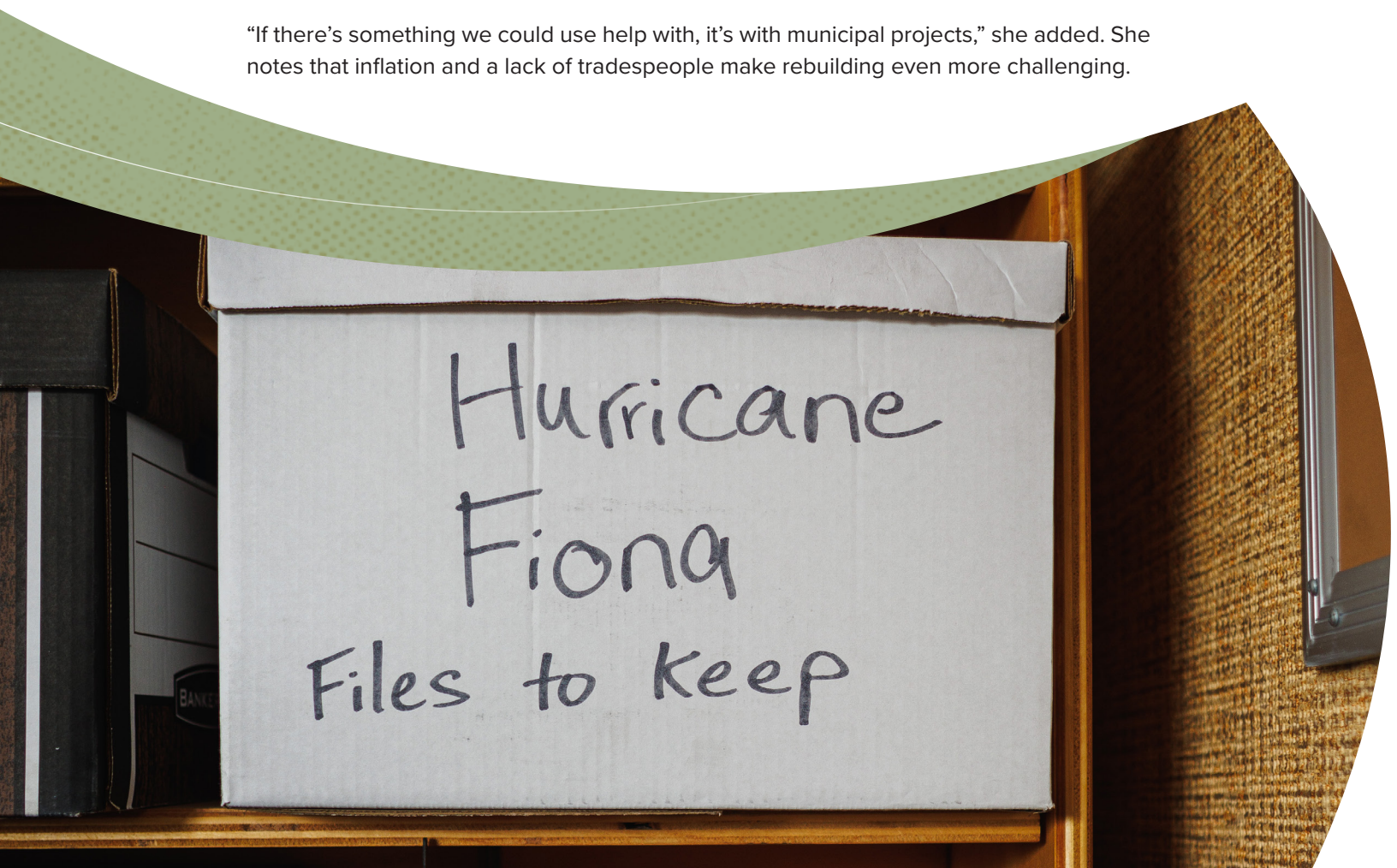
A trust was set up to manage the grant, which enabled the town to hire a new staff person to administer the development and liaise with CMHC and other government officials.

In February 2024, Gudie Hutchings, former member of Parliament for Long Range Mountains, which includes Channel-Port aux Basques, made an [on-site announcement](#) in which she said the project would improve climate resilience and contribute to efforts “to reach net-zero energy and net-zero carbon in all housing developments.”

There are other ongoing projects related to the storm cleanup, said Nadine Osmond, including repairs to the town’s sewer system. Shoreline protection work in the town was part of a [\\$4.3-million project](#) cost-shared by the federal, provincial and municipal governments for projects in 10 coastal Newfoundland communities, announced in February 2024.

“There’s still a few other areas in town that are going to be having armour stone [retaining walls] placed along the shoreline because ... we live close to the water,” said Osmond.

“If there’s something we could use help with, it’s with municipal projects,” she added. She notes that inflation and a lack of tradespeople make rebuilding even more challenging.



Hurricane  
Fiona  
Files to Keep

The construction activity has provided a boost to some of the town's businesses. Cathy Lomond, the owner of the Hotel Port aux Basques, said her hotel has been busy.

"Some of the displaced people were living in hotels until they found suitable accommodations. We also had a lot of rooms rented to the Red Cross; construction workers for wharfs, buildings and road repairs; insurance appraisers and news media from around the world," she said.

The community is preparing for future storms in many ways, including a new emergency services building to house the fire department, which was close to the water and sustained structural damage from the storm.

The town received funding from the [Atlantic Canada Opportunities Agency](#) to produce architectural drawings for an emergency response centre, which would provide services to nearby communities too, Osmond said.

Without such a base, when Fiona hit, "there was no warming centre, there was no place to set up for anybody," said Strickland. "So, all the ambulances that were attending to the calls were bringing people to the hospital. Now, these people weren't injured, these people weren't in need of medical services, but these people had nowhere else to go."

Within days of the storm, there were also emergency services personnel arriving who needed a place to set up a communications centre and temporary offices. These things are being included in the plans because climate change means there will [very likely](#) be more storms like Fiona to come.



*Todd Strickland  
Town councillor*



Still, Emma Power of Fundamental Inc. said planning for the next storm will be difficult. “There’s a lot of coasts, and a lot of low-lying areas,” she said. “Fiona happened, and they’ve done a bunch of planning around that, and they’ve identified vulnerable areas ... [but] usually the same storm is not going to happen in the exact same place again. And there are other places where a similar thing could happen.”

## COMMUNITY OPPORTUNITIES

### Wind energy and green hydrogen

Newfoundland and Labrador, like other areas of [Atlantic Canada](#), is looking to [renewable energy](#), especially wind power and green hydrogen, to diversify its economy and cement its reputation as a green-energy powerhouse.

About [97 per cent of the province’s electricity](#) was generated by hydroelectricity in 2021, including the vast Churchill Falls generating station in Labrador, one of the largest power plants in Canada. In late 2024, the governments of Quebec and Newfoundland and Labrador signed an [agreement in principle](#) for a renegotiated contract under which Hydro-Québec purchases electricity generated at Churchill Falls. The agreement also calls for modernizing the existing powerplant and the development of a new plant downstream on the Churchill River.

About [90 per cent](#) of the electricity generated at Churchill Falls is exported to Quebec and neighbouring markets in Canada and the United States. Since 2018, Newfoundland and Labrador has been connected to the North American power grid through two main transmission lines: the [Labrador-Island Link](#), which connects the island of Newfoundland with the Muskrat Falls generating facility in Labrador, and the [Maritime Link](#), which connects Newfoundland to Nova Scotia and could potentially provide Newfoundland an increased ability to export energy into the North American market. A separate project, the [North Atlantic Transmission One Link](#), still in its early stages, proposes to ship electricity through a 4,000-kilometre underwater high voltage powerline to Europe.

In 2021, the remaining [3 per cent](#) of the province's electricity was generated by oil, natural gas and wind power. In April 2022, the provincial government [lifted a 15-year moratorium on onshore wind farms](#) and issued [a call for bids](#) on Crown land for wind-energy developments. The following year, it [selected four companies](#) that could proceed with their proposals.

One of the companies selected, [World Energy GH2](#), is spearheading [Project Nujio'qonik](#), a proposal to produce green hydrogen and ammonia on Newfoundland's southwest coast. In 2024, the provincial government [released](#) it from further environmental assessment.

The project involves a [Memorandum of Understanding](#) with the [Qalipu Nation](#), which is based in Corner Brook but, without a designated land-based reserve, has membership throughout the province, including Channel-Port aux Basques.

"There's a lot of big megaprojects going on in Newfoundland and one of the first ones to get their foot in the door was here on the west coast," said Mark Lomond, referring to Project Nujio'qonik.

World Energy GH2 has received permission to build two onshore wind farms in Port au Port and the Anguille Mountains, which would generate 2 gigawatts of power. These farms would accompany a proposed hydrogen and ammonia production facility to be built on the site of a former pulp and paper mill at the Port of Stephenville, about 160 kilometres north of Channel-Port aux Basques. World Energy GH2 [acquired](#) the deepwater port in 2023. A proposed second phase of the project would see two more wind farms constructed in the area to generate an additional 2 gigawatts of power.

High-voltage transmission lines would carry energy from the wind farms to a hydrogen and ammonia processing facility in Stephenville. Together, the project's four wind farms [are expected](#) to produce around 280,000 tonnes of green hydrogen (equivalent to around 1.6 megatonnes of green ammonia) annually. The federal government has provided a [\\$128-million credit facility](#) to support the development.

Green hydrogen could displace diesel in power turbine combustion, and provide fuel to coastal communities and to the marine industry, according to [the company's website](#). The Stephenville site is also the ideal location for a data centre, it says.

The project had initially proposed to export the green hydrogen to Germany. In August 2022, the governments of Canada and Germany [signed a declaration of intent](#) to establish a Canada-Germany Hydrogen Alliance. However, some media [reports](#) raised questions about whether the process of converting green hydrogen to ammonia, necessary to export the product, is economically feasible.

The company said it expects the first phase of the project to create 2,200 direct construction jobs, 400 operation jobs and 4,200 indirect jobs, according to [news reports](#).

The project has raised concerns among some area residents. While it would be based in Stephenville, the project has a Codroy Valley component that concerns Mark Lomond, president of the Delta Waterfowl Sou'Wes Newfoundland chapter and a member of Codroy Valley United. Both are citizen groups monitoring the project for impacts on wildlife and natural areas.

According to Lomond, the project's Environmental Impact Statement did not adequately take into account birds and other wildlife in the scenic valley. He also said World Energy GH2 did not deliver on its promise of extensive consultation, at least not for the Codroy area.

Laura Barron, marketing communications director for World Energy GH2, said that would come later, after the completion of the first phase of the project.

"Phase one (Stephenville and Port au Port) would be first, and we have not yet reached final investment decision (FID) to proceed. Following a successful FID for phase one, we expect approximately three years of construction for that phase. The second phase (Anguille Mountains) would start sometime after phase one has been completed," she said in a written response to questions.





Barron also noted that the second phase is not in the Codroy Valley but, rather, the An-guille Mountains, which are situated alongside the valley.

Still, Lomond is worried about the impact of the turbines on birds that migrate through the area. “They’re monster turbines. And, in fact, all this coastline is right in the heart of the Atlantic flyway, a very important flyway for migratory birds and bats,” he said. “As well, we’ve got two important bird areas right in the area, and they have been deemed of international importance. As well, we’ve got a bird banding station [that has] been in operation there for 40 years,” added Lomond. He said no bird banding data was used in the company’s [Environmental Impact Statement](#).

Lomond also wonders if the company fully considered the environmental effects on the valley when deciding where to locate the wind farm. “Why, with so much Crown land on our island that’s been allocated for wind, why are they putting it in all the most sensitive areas, where it’s going to do the most damage to our environment and our economy?” he asked.

He also worries that the turbines will ruin some of the area’s scenic vistas and be detrimental to the area’s tourism industry. “The government just announced millions of dollars invested into the [Starlite Trail](#) on the mountains on one side of the valley, and now they’re putting windmills across on the other side,” he said. “So, when you’re on this beautiful trail, you’re looking across at windmills.”

Wildlife surveys were conducted to establish a baseline showing how many of each species were in the area before the project began, and these will be used to develop “monitoring and mitigation” plans to protect and observe wildlife during and after construction, said Barron.

“Reports detailing data collection methods, results and additional mitigation measures will be provided to regulators prior to project construction,” she added. She also noted that the Environmental Impact Statement contains a [visual impact study](#) to depict the visibility of the turbines from roads and communities in the area.

But Lomond said he is not convinced this addresses the problems. His overriding fear, and that of the two groups he represents, is that this project will impact the natural areas they love and the wildlife, driving away tourists, hikers, hunters and fishers who flock to it every summer.

“We don’t have giant sports arenas, we don’t have casinos, we don’t have racetracks — we have our pristine wilderness. We’ve got our nature. And that’s what people come to Newfoundland to see. If you take that back, you’re going to hurt our tourism,” he said.

Others in the community support the development. Town councillor Todd Strickland said he wishes the public had a better understanding of the value and importance of wind-energy developments such as Project Nujio’qonik.

Opponents don’t see “the big picture” said a supporter who asked not to be named. “A lot of them were speaking out against wind energy as a whole — they didn’t want it in their backyard,” but they didn’t “weigh the benefits versus the negatives. ... I just don’t think there was enough education for the public on it.”

Strickland said he also wished there wasn’t a winner-take-all approach that saw the province give the green light in 2023 to four wind-energy projects, while 15 others got a red one.

One of projects that was rejected was [Project Lynx](#), which directly involved Port aux Basques. A division of the Australian multinational Fortescue, Fortescue Future Industries, approached Channel-Port aux Basques along with nearby Stephenville and St. George’s to produce green hydrogen. They signed a memorandum of understanding to partner with the [Miawpukek First Nation](#), whose reserve is located at the mouth of the Conne River, east of Channel-Port aux Basques along Newfoundland’s South Coast.

“Their proposal ... didn’t make the cut,” said Osmond, the town manager. “If something comes out again, if the province announces another round of applications, they would probably come back and look at Port aux Basques again, but [not] until that happens,” she said. “We haven’t talked to them in about a year now.”

Newfoundland also has several gold mining projects underway, including an exploration program led by [AuMEGA Metals](#) in the province’s southwest near Channel-Port aux Basques.

## Skills and training

These changes are expected to create a demand for new skill sets in the labour force. In its [2021 renewable energy plan](#), the provincial government pledged to work with unions, Indigenous governments and organizations, post-secondary institutions and industry associations to identify labour force needs and develop appropriate training programs for

renewable energy jobs. It said it will focus on leveraging the skills of the province's oil and gas workers to grow the renewable energy sectors.

The College of the North Atlantic (CNA) is likely to play a key role. Among other programs, the college's Bay St. George campus, about 150 kilometres north of Port aux Basques, offers a one-year [wind turbine technician program](#), while the Corner Brook campus a little farther north offers a two-year [hydrogen technician program](#). World Energy GH2 pledged in 2023 to provide [\\$160,000 in scholarship funding](#) to cover the full tuition of students enrolled in the programs and promised to employ students after graduation.

The CNA's Channel-Port aux Basques campus currently offers five programs available in person or combined with online components: carpenter, early childhood education, non-destructive testing technician, personal care attendant and welder/metal fabricator. Courses offered by the other 16 CNA campuses in Newfoundland and Labrador are often available online.

One local student is Natalie Maclsaac, the former business development officer for the Port aux Basques and Area Chamber of Commerce. She enrolled in the personal care attendant program after she was laid off. Studying at the local CNA campus means she can be close to home for her young daughter, she said.

The provincial government has also supported the creation and expansion of the [Indigenous Skilled Trades Office](#), part of Trades NL, which seeks to create new employment opportunities for Indigenous apprentices and journeypersons, increase apprenticeship completion rates and foster greater participation among employers and unions.



At Marine Atlantic, the company has sent some of its employees overseas for upskilling in the latest technologies it is introducing on its vessels. The company also has partnerships with the Marine Institute at Memorial University and Nova Scotia Community College's Nautical Institute for a cadet officer scholarship program.

## COMMUNITY STRENGTHS

### Small business support

Although Marine Atlantic tends to get the most attention, Channel-Port aux Basques has many small businesses and non-profits. The Port aux Basques and Area Chamber of Commerce has between 75 and 100 members at any given time, according to Todd Strickland.

There is a lot of government support for small businesses, said Cathy Lomond, owner of the Hotel Port aux Basques. She said she has received help from the [Atlantic Canada Opportunities Agency](#) (ACOA), a federal government economic development agency, and the local [Community Business Development Corporation](#) (CBDC), funded by ACOA through the [Community Futures program](#). The CBDC provides financial assistance and business counselling to small businesses and startups. Among other things, Lomond says she has used ACOA funding to install a new elevator in the hotel lobby and powered doors.

"There's CBDCs in Atlantic Canada everywhere. I've always been a big supporter," Lomond said. "They are there to mentor, support and help new business grow. They are a community business development bank."

In a small, one-storey commercial building that includes a dentist's office, Tyler Osmond, Executive Director of Community Business Development Corp. (CBDC) Gateway, helps distribute commercial financing of approximately \$4 million a year, assisting 50 to 60 businesses. The organization provides business counselling, training, and financing to small and medium sized enterprises in the region.

Osmond noted that one of the main challenges is succession planning with local business owners, to ensure someone takes the reins of homegrown businesses.

"There's not a lot of young people staying in this region," he said. "It's not what we like to see. We encourage youth to consider entrepreneurship as a career path."

In the past, a network of regional economic development boards across the province helped to support larger projects. But that network was disbanded in 2012 when federal funding ceased. Osmond of CBDC Gateway says the loss of that network has had an impact over time all throughout the province, not just in southwestern Newfoundland and Labrador. He sees major potential, especially in the tourism and agriculture sectors.

“There’s a missing piece of the puzzle. It’s hard to get business groups together to collaborate. It’s about getting the right people in the room,” he says.

That view was echoed in a 2022 [report](#) by the Regional Economic Development Task Force, formed by the province’s CBDC network, Municipalities Newfoundland & Labrador and the Leslie Harris Centre of Regional Policy and Development at Memorial University. The report notes the province’s lack of an intentional regional approach to economic development since the dissolution of the Regional Economic Development Boards in 2012, and finds that “clearer regional vision and regional collaboration” would be necessary for communities to make the best use of federal and provincial supports.

“It may seem simplistic, but if rural development is going to really happen, communities need a regional vision,” states the report. “Economic development doesn’t care about municipal or community boundaries. It happens in regions and people need to be able to see that in a vision for their region.”

The report notes that the organizations and resources necessary for successful regional economic development planning already exist. The challenge is to bring the organizations together and co-ordinate the use of the resources in the most effective way possible.

For example, the municipalities of St. John’s, Conception Bay South and Paradise have formed a [regional economic development agency](#), known as Advantage St. John’s.

Tourism is an area that often gets mentioned in talk about economic development. Nadine Osmond said the town of Channel-Port aux Basques tries to promote tourism, but it remains an underdeveloped sector compared to the Codroy Valley and other nearby regions.

“We did have a company here that was doing boat tours for a while, but the weather heavily affected their business. It was operational in June, July, August, but they would book a lot of tours and then if it was raining or if the wind was up too high, stuff got cancelled,” Osmond recalled. The business didn’t survive, she said.



*Nadine Osmond,  
Town manager in  
Channel-Port aux  
Basques*

Fishing, once a bedrock of the local economy, hasn't recovered from the collapse of the cod stocks and the moratorium that was put in place more than 30 years ago. In 2024, the moratorium was [lifted](#) in part, but there isn't a cod fishery like there used to be. "You've still got a few people that like to participate in the [sentinel fishery](#)," Osmond noted, a government program that pays fishermen to survey how many fish there are in different locations.

The lobster fishery, on the other hand, had been doing well, Osmond said. But, more recently, a 25 per cent retaliatory tariff imposed by China on Canadian seafood, including lobsters, and lingering uncertainty over U.S. tariffs have driven down prices for lobsters across Atlantic Canada, according to [news reports](#).

### Other energy transition projects

Not all the construction in town has resulted from the damage caused by Fiona, Nadine Osmond noted. Several energy-efficiency projects had started well before that, notably the retrofit of the [Bruce II Sports Centre](#), the centrepiece of the town's recreation facilities and now more than 25 years old. For these projects, the town started working in 2019 with the environmental consulting firm, [Fundamental Inc.](#), which helped them apply successfully for grants.

Previous grants funded new industrial heat pumps and upgraded heating and cooling systems, and plans are underway to install a new roof, said Osmond.

Both federal and provincial governments have supplied grants for these projects. Some were from the federal [Green and Inclusive Community Buildings program](#), and some from the province's [Climate Change Challenge Fund](#).

The problem with the applications process, Osmond said, is it's so complex and the town doesn't have the staff or the expertise to do the work on its own. For almost any small municipality, it's probably necessary to hire consultants, she said.

Channel-Port aux Basques' partnership with Fundamental Inc. started in 2019. Fundamental Inc. partnered with [econext](#) to apply to the Federation of Canadian Municipalities' [Transition 2050](#) initiative, said Ashley Smith, owner and managing director of Fundamental Inc., which is based in Harbour Main, about 60 kilometres from St. John's.

"We did so in partnership with a cohort of six municipalities. And the idea was that ... you would create a climate action plan that would try to [create a] pathway to net-zero emissions by 2050," she said. "I think we've got seven projects with them right now," added Smith. "Some of them are around housing, some of them are around climate adaptation, some of them are around building energy efficiency."

For example, she said, "We're doing a pilot to investigate getting an electric garbage truck, which would be the first on the island ... We're designing an emergency warming centre and fire hall." The buildings are "following the principles of the zero-carbon building standards," she added.

Port aux Basques has been particularly forward-looking and practical, “especially about things that have a community impact or have a climate impact on the community,” Smith added.

Even with the help of consultants, applying for and administering all the grants takes a lot of municipal staff time. In Channel-Port aux Basques, that task falls largely to the town’s economic development officer and another person hired to co-ordinate the post-Fiona rebuilding, although Osmond and the mayor frequently participate in the meetings, Osmond said.

Cathy Lomond, owner of the Hotel Port aux Basques, has also made energy efficiency improvements, often using incentives from Take Charge NL, a [partnership of Newfoundland Power](#) and Newfoundland Labrador Hydro. Among these are an electric car charger, heat pumps, insulation, energy-efficient light bulbs, and outdoor security lights that turn on and off automatically.

She’s also a recycling advocate who motivates staff to participate by letting them keep any money the hotel earns from recycling. They use it to fund the staff Christmas party, she said.

## COMMUNITY INSIGHTS

The storm and its aftermath have left an indelible mark on Channel-Port aux Basques. Despite its lingering effects, residents’ ties to the community remain strong, especially to the beauty of the landscape — the ocean views, the mountains, the coves and the fiords. “I can look out any window in my home and see mountains and oceans,” said one interview participant.

Another advantage is its comparatively low cost of living, and its small size gives parents with young children comfort. “Everybody knows everybody,” said one. “Everybody looks out for each other’s kids here.”

In fact, its reputation as [Canada’s most autism-friendly town](#) has drawn media attention and the interest of parents with children on the spectrum from across Canada.

Other interview participants praised the town’s political leadership, noting that Mayor Brian Button, Town Manager Nadine Osmond and the town council are highly respected. There was also praise for the town’s community spirit and philanthropy.

Still, when it comes to Fiona’s after-effects, frustrations run strong. Some interview participants said there was a shortage of funds to repair aging and damaged infrastructure.

If you ask the public whether the government provides enough support, they would probably say no, said Nadine Osmond. “But working for the town, I know that there’s a lot of provincial funding coming in.”

## CANADA'S "MOST AUTISM-FRIENDLY TOWN"

Channel-Port aux Basques' journey to being recognized as "Canada's most autism-friendly town" started with a conversation between neighbours and the offer of a helping hand.

Joan Chaisson had retired after a 30-year teaching career when a neighbour whose son is on the autism spectrum approached her for help. Chaisson, who had been a special-education teacher, agreed to work with him.

"Autism wasn't really on everybody's radar," Chaisson recalled. "We didn't have any support here in town for it."

They formed a support group and called it Autism Involves Me, or AIM. Chaisson became one of its three directors. AIM's first task was fundraising. Among other things, the group worked with the sports complex to set up a small gym for children on the spectrum.

Soon after, the Hotel Port aux Basques got involved. Cathy Lomond, the hotel owner, knew that families with special needs children have difficulty with travel. "Parents want to feel safe and secure when they stay at a hotel, to go to sleep at night knowing their child is comfortable and not experiencing trauma."

Among other things, the hotel offers the use of a [sensory room](#) for children in need of a quiet space. Lomond also installed extra security measures in rooms on the hotel's ground floor, such as safety latches, and pictures and televisions that are mounted to the walls. "We have trained all our front-line staff to better understand and support guests with special needs," she added.

One of the first families to use the sensory room had driven across the island, and their child had been unhappy the entire time. After visiting the sensory room, the child was "like a new person," Lomond recalled. "That's a moment that I never, ever forgot — that mother being so overjoyed that she could do that."

AIM also has worked to set up sensory rooms in schools and the town's health centre, and has developed a system for designating local businesses "autism-aware" and "autism-friendly." Businesses get signs and decals to indicate these achievements. It has also arranged a designated "sensory time" along the route of the town's Christmas parade, where the music is turned down and sirens are off.

Chaisson asked town officials to designate Channel-Port aux Basques an autism-friendly town, which it did in 2017. The efforts caught the attention of [Today's Parent magazine](#) and other media. Some people have moved to the area because of the services it offers, although the housing shortage since the storm has made it more difficult, according to Chaisson.

"We have brought the town together, we've educated, and we've let them see [what autism is about] ... That's a wonderful feeling," said Chaisson, who along with April Billard was awarded the Governor General's [Meritorious Service Medal](#) in 2020. It has reinforced the town's positive spirit. "We've done that. I think that our group has done that," she said.



Most assume the town foots the whole bill for projects such as installing new water and sewer pipes, or new pavement, but that’s not the case, she added. But there’s not much for municipal building repairs. For these expenses, she said, the town has “always got to be a little bit more creative, I guess, or go searching for other funding partners.”

As the town’s major employer, Marine Atlantic accounts for much of the town’s economic activity, but it can be a source of [friction](#) too. One community leader, who asked not to be named, said he wishes that Channel-Port aux Basques did not have such a “tug of war with North Sydney” in Nova Scotia over the jobs and contracts that Marine Atlantic provides.

Sustainable economic development could be more easily achieved if Channel-Port aux Basques had more transportation options, said retired teacher Joan Chaisson. She said the cost of the ferry was prohibitively expensive for some local residents, but that Marine Atlantic recently cut fares significantly, which helps a lot.

The nearest airport is three hours away in Deer Lake and, because most longer flights leave early in the morning, people often have to go the day before and stay in a hotel overnight, Chaisson explained. Even some medical appointments can require long commutes. “We have to travel [2.5 hours] to Corner Brook for most all medical appointments — anything that’s specialized. And many cancer treatments or anything like that, you have to go to St. John’s, which is a 10-hour, 12-hour trip,” Chaisson noted. However, chemotherapy is available locally.

Channel-Port aux Basques has a 44-bed health centre, with 30 of those beds reserved for long-term care. Jeanine O’Keefe, communications director for Newfoundland and

Labrador Health Services, said the [Dr. Charles L. LeGrow Health Centre](#) has eight physicians and 84 nursing staff. It also has several laboratory, X-ray and ultrasound technicians, and pharmacy staff. Western Memorial Regional Hospital in Corner Brook provides “services for patients who have more complex needs requiring specialist care, such as obstetrical, surgical, internal medicine and intensivist care,” she said.

The wind can make the drive to Corner Brook hazardous at times. One stretch of highway, just 10 minutes outside Port aux Basques, infamously known as the [Wreckhouse](#), has winds that at times can reach up to 200 kilometres per hour.

“We were in the towing business, my family,” said Chaisson, “and there were times that my dad would be up there, and the trucks would be blowing off [the road] and they would have to tie themselves onto the truck, or to the tow truck, so that they wouldn’t blow away. But these days, the tow truck drivers don’t go up now anymore until the wind has gone down. They just wait. The road gets blocked off.”

Bus service connects Channel-Port aux Basques to Corner Brook and St. John’s, but there are times when the service is disrupted by high winds.

Cathy Lomond, owner of the Hotel Port aux Basques and a lifelong resident of the town, said scheduling out-of-town medical appointments can be challenging. Her husband had surgery scheduled in Corner Brook and, although he had the date well ahead of time, he only found out the time of the procedure the day before. With the 2.5-hour drive, especially during windy winter weather, an early morning appointment would make it necessary to go the day before and stay in a hotel overnight, she said.

Not many residents of Channel-Port aux Basques have electric cars, according to Joan Chaisson. However, some, Chaisson included, have embraced other electric modes of transport. “People our age are buying electric bikes,” she said. “So instead of us getting in our cars and driving somewhere, we’re using our electric bikes. We just bought a trailer for our dog, so we’re going to be able to take the dog with the bike.”

Cathy Lomond, who sits on Western Health’s Community Advisory Committee for Channel-Port aux Basques, also highlighted the need for more eldercare, especially for individuals with special needs. There is a seniors housing complex, along with two-bedroom apartments adjacent to the LeGrow Health Centre, but they are not adapted for individuals with special needs, she said.

“I witnessed firsthand the dedication and resources my parents invested in caring for my sister (with Down syndrome),” Lomond said. “Parents of children with special needs devote their entire lives to their care and well-being. It’s a profound and selfless commitment.”

The community has quite a few children and young adults on the autism spectrum as well as others with challenges and special needs. Lomond wonders who will look after them when they reach 65 or 70. “I don’t know what kinds of services will be available for them as they age, or who will be there to care for them.”

## WHAT'S NEEDED

From its earliest days, Channel-Port aux Basques has weathered its share of tough times. One of the heaviest blows came three years ago, the day Fiona struck. The storm affected everyone in this small tight-knit community in one way or another.

As the town continues to rebuild and regain its footing, it is exploring options to diversify its economy, including wind power and other clean-energy opportunities. But, as a small community with an aging population, it faces steep hurdles.

Throughout it all, Marine Atlantic has provided residents and local businesses with not only a link to the mainland, but an economic anchor and stable employment. The company too is exploring ways to adapt to the future.

Here are the issues residents and community leaders we interviewed say need to be addressed:

- Small and rural towns need more support to pursue economic development planning initiatives. For maximum impact, these should be regionally based. This requires more co-ordination among existing organizations, and leadership to drive the process.
- As Marine Atlantic, Channel-Port aux Basques' largest employer, continues to upgrade and computerize its fleet, staff will require a new set of skills. Employees will need access to new training programs that are close to home and that accommodate the needs of working adults.
- To make full use of its new dual-fuel vessel and reduce its emissions, Marine Atlantic needs access to a supply of liquefied natural gas. Advancing LNG receiving infrastructure in the region could create new employment opportunities and help Marine Atlantic achieve its emission-reduction goals.
- The town is exploring options to diversify its economy, including new onshore wind, green hydrogen and ammonia. Training programs will be needed to ensure that local workers can participate in new renewable energy projects. This will require unions, Indigenous governments, post-secondary institutions and governments to work together to assess labour force needs and introduce applicable training programs.
- Channel-Port aux Basques, with government support, is replacing lost structures, refurbishing damaged buildings and introducing new emergency response measures. More co-ordination among levels of government is needed on risk and assessment planning to improve resilience to future storms.
- The application process to access grants from other levels of government can be onerous and complex, especially for small communities with limited capacity. They often have to hire consultants to help them. Governments should ease the process for these communities.
- Channel-Port aux Basques, like many rural and small communities across Canada, lacks access to affordable public transportation options to get residents to medical appointments and pursue employment and education options that are out of town. Expanded transportation options, as well as enhanced local care options, should be a focus for governments.

## A NOTE ABOUT THE PROFILE

The Institute for Research on Public Policy (IRPP) has developed a methodology for measuring community susceptibility to workforce disruption as global efforts to address climate change expand. Using three indicators, the methodology scores and ranks census divisions across the country. Based on their ranking, each census division is assigned to one of six groups, ranging from “not susceptible” to “most susceptible.”

The three indicators include Facility Susceptibility (emissions from large facilities relative to the size of the community), Intensity Susceptibility (proportion of employment in emissions-intensive sectors), and Market Susceptibility (proportion of employment in globally traded sectors expected to undergo market transformations).

The analysis is available in an interactive map, developed in collaboration with the Community Data Program of the Canadian Community Economic Development Network, on the IRPP’s website ([irpp.org/community-transformations](http://irpp.org/community-transformations)). A detailed description of the methodology used is also available on the website.

To complement the mapping exercise, the IRPP selected 10 communities across the country to profile through a series of interviews with people who live and work in the community. Most of the communities selected are located within the most susceptible census divisions, but others were chosen because of anticipated developments or previous experiences. The profiles are meant to cover a diversity of regions of the country and types of economic activity. These snapshots are meant to provide additional insight into the challenges and opportunities the communities face and to reflect the perspectives of residents.

Channel-Port aux Basques in Newfoundland and Labrador is one of the communities selected. It was chosen because of the presence of Marine Atlantic, a federal agency that runs the ferry service between Nova Scotia and Newfoundland and is the community’s largest employer. Diesel ferries are emissions-intensive, but Marine Atlantic is making investments to reduce emissions and replace the fleet with newer, lower-emitting vessels. In addition, the community has had to contend with the aftermath of hurricane Fiona, closure of the railway and cod fishery, and slow progress in diversifying its economy.

The Energy Mix conducted interviews with community members in Channel-Port aux Basques. The IRPP’s president and chief executive officer, Jennifer Ditchburn, also visited to meet with local community leaders.

Below, we present a breakdown of the susceptibility analysis for Division No. 3, the census division in which Channel-Port aux Basques is situated. Division No. 3 is spatially large, spanning over 19,000 square kilometres and stretching from Channel-Port aux Basques to Fortune Bay. Additional information not used in the analysis such as population change, the unemployment rate and demographic characteristics of workers are derived from the 2021 census. The number of facilities comes from Statistics Canada’s Business Register from June 2020.

If you have questions about the profile or the analysis, please contact us at [communitytransformations@irpp.org](mailto:communitytransformations@irpp.org).

## Census Division

# Division No. 3, Newfoundland and Labrador



### Top Score

Most susceptible



#### Intensity Susceptibility

**Most** (top 2 per cent of communities)



#### Facility Susceptibility

**None** (no large emitters)



#### Market Susceptibility

**Least** (below the average)

### 2021 Census



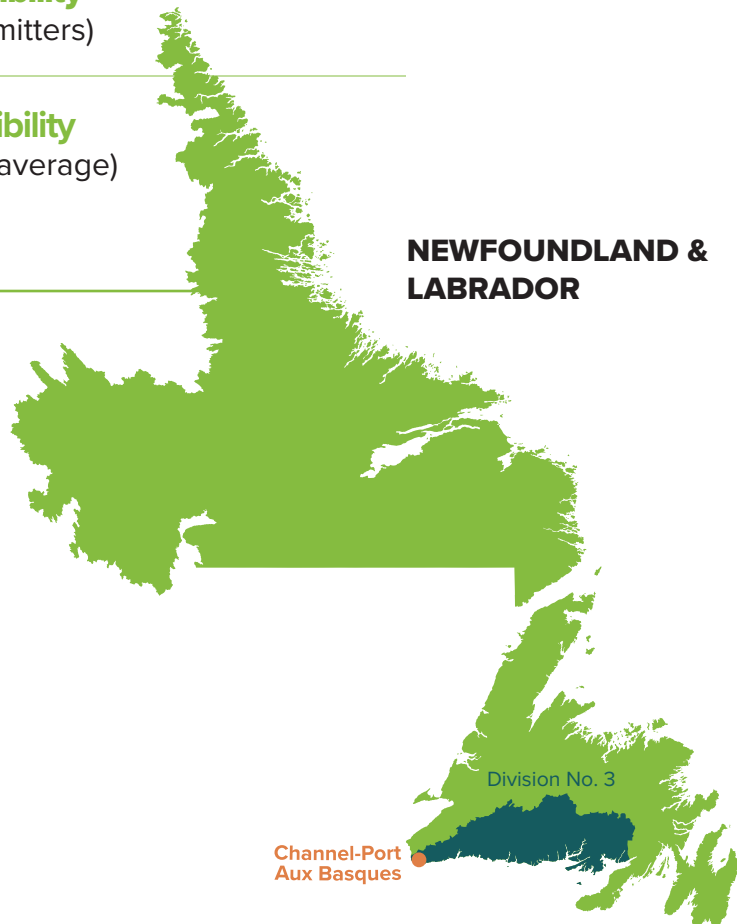
**13,900**  
Population

**-10.5%**  
change  
since 2016



**5,860**  
Workforce

**18%**  
change  
since 2016



Rate	Census division	Province
Unemployment	19%*	15%
Participation	47%	56%

## All industries

# of workers	Median income	Over 45 years old	No post-secondary education	# of facilities with workers	# of large facilities (> 200 workers)
<b>5,860</b>	<b>\$44,000</b>	<b>64%</b>	<b>50%</b>	<b>585</b>	<b>3</b>

## Susceptible sectors

# of workers	Median income	Over 45 years old	No post-secondary education	# of facilities with workers	# of large facilities (> 200 workers)
<b>995 (17%)</b>	<b>---</b>	<b>72%</b>	<b>49%</b>	<b>8</b>	<b>1</b>

## Sector #1 | Aquaculture

# of workers	Median income	Over 45 years old	No post-secondary education	# of facilities with workers	# of large facilities (> 200 workers)
<b>210 (3.6%)</b>	<b>\$59,200</b>	<b>67%</b>	<b>48%</b>	<b>4</b>	<b>0</b>

## Sector #2 | Food manufacturing

# of workers	Median income	Over 45 years old	No post-secondary education	# of facilities with workers	# of large facilities (> 200 workers)
<b>260 (4.4%)</b>	<b>\$35,600</b>	<b>77%</b>	<b>83%</b>	<b>3</b>	<b>0</b>

## Sector #3 | Water transportation

# of workers	Median income	Over 45 years old	No post-secondary education	# of facilities with workers	# of large facilities (> 200 workers)
<b>525 (9%)</b>	<b>\$68,500</b>	<b>72%</b>	<b>32%</b>	<b>1</b>	<b>1</b>

Note: \*The population, age of population and educational attainment are derived from the 2021 census and may differ from those found elsewhere in the profile, where more recent or local data are used in reference to the town of Channel-Port aux Basques.

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