

Canadian Transportation & Logistics Strategy Study Standing Committee on Transport, Infrastructure and Communities

Vancouver, British Columbia

September 24, 2018

Speaking Notes for Robert Lewis-Manning, President, Chamber of Shipping

Good afternoon Madam Chair and members of the Committee. I appreciate the opportunity to offer certain observations and recommendations that pertain to the Committee's study.

My comments are provided from the perspective of commercial marine transportation and international trade more generally.

Who We Are

The Chamber of Shipping represents the interests of ship owners, agents, and service providers responsible for moving people and commodities globally to and from Western Canada. Our members' ability and capacity to move them safely, in a timely manner, and competitively is good for Canadians, the Canadian economy, and our environment.

Commercial marine carriers compete in a global marketplace and generally view the Canadian market positively but have certain reservations associated with the supply chain's efficiency and productivity, regulatory agility, data and infrastructure.

Competitiveness and Coastal Protection

The Government of Canada has made the largest ever one-time investment in coastal protection and we fully support the programs under the Oceans Protection Plan. Now that this plan is implementing specific programs, this effort should include a greater focus on ways to improve our supply chain's competitiveness, as this will be both beneficial to our pristine marine ecosystems and the Canadian economy.

There are already strong indicators that efforts to increase coastal protection will also require the marine sector to innovate in the way it operates and the technologies it employs. For this to be effective, the National Transportation Strategy must strive to drive innovation that makes our marine transportation framework nimble and adaptable so that it can fully support the coastal protection initiatives while remaining competitive.

As stated in the Review of the Canadian Transportation Act chaired by David Emerson, there needs to be a "whole of government" approach to a national transportation strategy with an oversight body that requires all affected government departments and agencies to work collaboratively towards common goals. Currently, the lack of coordination in policies

and priorities and absence of data sharing has resulted an increase in administrative burdens and inefficiencies. While the Transportation Modernization Act has initiatives underway to improve supply chain visibility, it is equally important for the government partners to come together in a common strategy to clearly articulate its vision for safety and environmental protection to marine users and stakeholders.

Understanding our supply chain holistically is essential to Canada's economic competitiveness. The continuous growth in volumes of cargo and passengers, together with the limited availability of industrial land for marine operations, requires terminal and berth capacity to be utilized efficiently.

We are witnessing some traditional and new constraints to our supply chain that are resulting in negative impacts to the economy and even local coastal communities. For example, break bulk cargo is nearly impossible to import to Western Canadian ports at the moment and is causing delays and increased costs to projects in British Columbia and Alberta, as cargo is diverted through ports in the United States.

This should have been within our collective ability to predict based on existing supply chain data relating to efficiency and productivity. Efforts like the Vancouver Fraser Port Authority's Supply Chain Visibility Project are positive, and we are hopeful that the Ports Modernization Review will benchmark the performance of our ports and supply chain to competing jurisdictions such that priorities for policy development and future funding are focused properly.

There have been successive tranches of infrastructure investments by the public and private sector that have supported an expanding international trading market and we are encouraged by the Government of Canada's intentions to facilitate this in the future through the National Transportation Corridors Fund.

Future funding initiatives should better leverage the expertise of ocean carriers and their awareness of global trading trends. Infrastructure should include marine infrastructure that facilitates marine safety, environmental protection, and data management and integration

Ocean carriers that operate in a global market place know that certain commodities are the less competitive in Canada. A focused effort on measuring the throughput of our ports and collaboratively engaging on the ways to improve the situation would be positive for many sectors of the Canadian economy and support better coastal protection.

Thank you again for the opportunity to speak with you today and Ms. Gee and I look forward to answering your questions.