



Manifest

ASSOCIATION OF CANADIAN PORT AUTHORITIES
"Charting a Course for Tomorrow - Today."

LETTER FROM THE CHAIR

We continue to provide this newsletter to capture some of the Association's activities over the previous season, some of the plans going forward and to provide an overview of some of the key public policy initiatives and actions that the port community might not wish to overlook. We continue to provide regular updates to members on the more pressing issues of the day.

Over the past two years the ACPA worked diligently on preparing for the IMO-established deadline of July 2004 for new, enhanced security measures. Our members worked with all in the port community to create a set of workable regulations recently published in the Canada Gazette. We would like to extend our thanks to those who worked so hard to ensure that Canada's ports will, indeed, be ready by the deadline. Transport Canada officials are to be commended for the difficult task of developing regulations and pushing hard to meet the deadline to ensure that Canada's ports are among the most secure in the world.

Canada is on par with other countries in meeting the new requirements of the ISPS Code. We are also most pleased that the Hon. Tony Valeri, the Minister of Transport, saw it fit to announce a \$115 million cost-



shared program to assist ports - and facility operators - implement new federal security regulations. We are well underway to having one of the most secure port systems in the world. We will hear more about the program at ACPA's upcoming AGM from Marc Gregoire, Assistant Deputy Minister for Safety and Security.

Another key issue now before the Association is the issue of port infrastructure. It has been widely reported that trade will double by the year 2020 and if Canada's National Ports System is to be ready it must ensure that our marine infrastructure is strong. It is generally recognized that the maritime sector has lagged other modes both in terms of public and private investment in infrastructure. This has to change in order for Canada to have the necessary capacity to handle the projected large volumes of trade entering via Canada's ports. To this end, we have met with Infrastructure Canada officials and written the Hon. Andy Scott, Minister responsible for infrastructure. We will be doing more on this file after the federal election and seeking to have a specific port infrastructure development fund created.

In addition to the ongoing Committee work on various issues, the PILT Task Force has been busy in advance of the completion of the national best practices study for port property being done by the Appraisal Institute of Canada. ACPA is holding a Ports Valuation Workshop, hosted by the Vancouver Port Authority, on June 24

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The Association of Canadian Port Authorities was founded in 1958 and groups together ports and harbours and related marine interests into one national association. Canada Port Authorities handle more than \$100 billion worth of cargo annually. The ACPA is the pre-eminent Association for the advocacy and advancement of the Canadian Port Industry. ACPA members contribute greatly to the local, regional and national economy of Canada.



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and 25. The impressive program is posted on the ACPA website and it shows that the best and brightest from around the world will be attending this workshop. There are representatives from Scotland, Britain, Australia, Hong Kong, the United States and strong representation from CPAs and others in the port community in Canada. It is hoped that this workshop will produce sound practices from other jurisdictions that can be incorporated in the Canadian context of port property valuation.

Finally, the Board has been working on a 5-year strategic plan for the Association. We have come a long way since the restructuring of the Association from the Ports and Harbours Association into ACPA in 1999. We now want to take it to the next level with a re-energized focus on Association activities for the members. The Board held a strategic planning session, hosted by the Toronto Port Authority, in April. We retained the services of a professional facilitator from Vancouver to assist us and we were

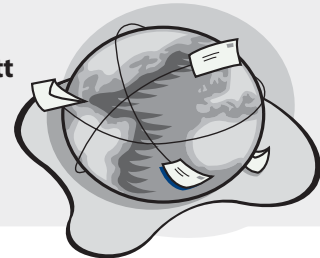
most pleased with the outcome. The elements of the plan will be presented to the members at the upcoming AGM/Conference in St. John's.

We are looking forward to this year's AGM and Conference hosted by the St. John's Port Authority from August 1 to 4 at the Fairmont Newfoundland Hotel. The theme of this year's conference is aptly titled 'Are You Ready?' 'Are You Ready' for the projected growth in trade over the next 15 years? We will explore some of the issues related to ensuring that Canada's ports are ready to compete and win. See you in St. John's!

Full program details at: www.sjpa.com/acpa2004

Captain Alwyn Soppitt

CHAIR



BOARD-WALK

ACPA Audit Committee:

Chair of the ACPA Audit Committee, Alan Paul, noted the changes made to the audit committee mandate and the Board endorsed the mandate.

Port Infrastructure/Financing:

Transport Canada has contracted with KPMG for a detailed study related to port issues including the need for infrastructure development, alternative financing mechanisms, taxation, etc. In the coming weeks and months the ACPA will be looking at ways and means of

impressing upon the federal government the need for a specific infrastructure program for ports.

Seaport Security:

The ACPA's formal submission on draft security regulations noted that CPAs still had reason to be concerned about key policy issues not addressed in the regulations. The whole issue of intelligence versus the physical security has not been adequately addressed in the MTSA regulations. These concerns were still not adequately handled in the pre-published regulations and the

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ACPA once again provided formal comment on those important, ongoing concerns.

Five-Year Plan:

The Board continues to work on the 5-year strategic plan for the Association and will present the plan to the membership at the upcoming AGM in St. John's.

Medal of Merit:

The St. John's Port Authority put forward Mel Woodward as this year's recipient of the ACPA's Medal of Merit. The board reviewed the impressive bio of Mr. Woodward and he was unanimously approved as this year's recipient of the Association's highest honour to be presented at the upcoming AGM in St. John's.

Transportation Optimization Pact:

This group is made up of 8 transportation Associations, with the ACPA as one of the founding members. It continues to meet to consider ways in which it can collaborate on common transportation issues in Canada. The group met with the Minister of Transport in January and raised key issues for the transportation sector in general and the various sectors in particular.

National Marine and Industrial Council:

This new high-level forum of Deputy Ministers from DFO (Larry Murray), Industry (Suzanne Hurtubise), International Trade (Rob Fonberg) and Transport Canada (Co-Chair, Louis Ranger) will meet with 9 industry representatives twice a year. It is co-chaired by industry and government. Each Association has been

asked to provide candidates to be members of this new council. It has been designed to include more than just Transport Canada as the entity engaged on port issues. The representative from the port sector for the first two-year period is Gordon Houston, President and CEO of the Vancouver Port Authority and incoming Chair of the ACPA. The first meeting of the Council took place in Ottawa on May 31. Other members from the industry side include: Guy Veronneau (Co-Chair) and for Shippers: Guy Dufresne (President, Quebec Cartier Mining Co.); Kerry Hawkins (President, Cargill Limited); John Murphy (Irving Oil). For Domestic Carriers: Marcel Rivard (President, Upper Lakes Shipping). International Carriers (Laurence G. Pathy, President, Fednav). Marine Services: Madeleine Paquin (President, Logestic); Gordon Smith (President, F.K. Warren).

Marine Blueprint:

A marine blueprint document has been drafted by all the marine associations outlining the key issues for the maritime sector in Canada. The document continues to be a work in progress and there will be a number of products that will flow from this in the coming months to raise the profile of the maritime sector.

Certificate of Commendation:

The Saint John Port Authority nominated the Meet and Greet Committee at the Port of Saint John for the ACPA's Certificate of Commendation and it was unanimously endorsed by the Board. The presentation will be made at the upcoming AGM in St. John's.

ACPA BOARD PROFILE

Captain Allen Domaas is the President and Chief Executive Officer of the Fraser River Port Authority. Captain Domaas joined the patrol division of the Port Authority's predecessor, the Fraser River Harbour Commission, in 1973. He was appointed Property Supervisor in 1979, Assistant Harbour Master in 1987, Director of Operations in 1990, and Vice President, Operations in 1996. He was appointed head of the Port Authority in February 2002. He is a

Professional Port Manager™, a designation received from the American Association of Port Authorities in 1997.

Captain Domaas is a past Chairman of the Operations and Environment Committee of the Association of Canadian Port Authorities. He has been the Port Authority's representative on the Management Committee of the Fraser River Estuary Management Program (FREMP), BC Debris Management

Board, and the Fraser River Users Group. He is currently the Port Authority's representative on the Greater Vancouver Gateway Council, the British Columbia Marine Coalition on Education, the Chamber of Shipping of British Columbia Navigation and Pilotage Committee, a member of the Western Transportation Advisory Council (WESTAC) Executive Committee, and Chair of the WESTAC Human Resources Committee. He is the Chair of the

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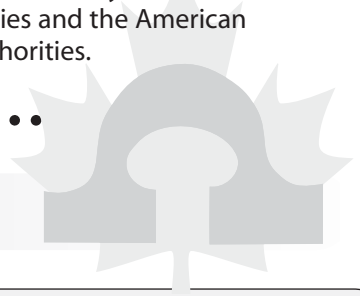


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Canadian Delegation to the American Association of Port Authorities, and is a Director of the Association of Canadian Port Authorities.

In the community, he is a past member of the Vancouver Transportation Club, and currently an Associate Member of the Nautical Institute, an Associate Member of the Company of Master Mariners of Canada, and Vice Chair of the Massey Theatre Society.

Captain Domaas was born in New Westminster, attended Douglas College and the University of British Columbia. He subsequently attended Vancouver Vocational Institute to prepare for his Minor Waters Master's certificate, which he received from Transport Canada in 1975. He has also since attended business courses at Queens University and Simon Fraser University as well as numerous professional development seminars hosted by the Association of Canadian Port Authorities and the American Association of Port Authorities.



TAKING CARE OF BUSINESS

Great Quarter for Port of Montreal

The Port of Montreal enjoyed an excellent first quarter. "Traffic has increased in nearly every cargo category, and the news is all good on the business development side, particularly with the announcement of the arrival of three new shipping lines," stated Dominic J. Taddeo, Montreal Port Authority President and Chief Executive Officer. Total cargo handled at the port reached 4.6 million tonnes, representing an increase of 16.6 per cent or 663,000 tonnes compared with first-quarter 2003.

A leader on the North Atlantic container market, the Port of Montreal handled 2.5 million tonnes of containerized cargo during the first quarter of this year, representing an increase of 11.6 per cent or 257,000 tonnes compared with the same period in 2003. An equivalent of 270,480 twenty-foot containers had passed through the port as of March 31, 2004, representing an increase of 14.2 per cent compared with the 236,822

units handled during the first three months of 2003.

The only traffic to decrease at the port during the first quarter was general non-containerized cargo, which totalled 95,000 tonnes. The high price of steel products on the international market resulted in slowing this traffic by 30.3 per cent or 41,000 tonnes. In the liquid bulk category, petroleum product traffic increased by 42.1 per cent or 279,000 tonnes, totalling 940,000 tonnes at the end of the first three months of the year. Other liquid bulk (xylene, toluene, asphalt, fertilizer, methanol, etc.) totalled 198,000 tonnes, representing an increase of 62.3 per cent or 76,000 tonnes.

In terms of dry bulk, the first quarter of 2004 also posted increases compared with last year. At the grain terminal, maritime traffic totalled 184,000 tonnes for an increase of 36 per cent or 49,000 tonnes. Lastly, other dry bulk traffic (iron ore, salt, raw sugar, copper ore, gypsum, fertilizer, scrap metal, etc.), accounted for 759,000 tonnes, for

an increase of 6.2 per cent or 45,000 tonnes.

ZIM Israel Navigation recently announced the launch of a new weekly container service between the Port of Montreal and the ports of Antwerp and Hamburg. This new service, which will begin in two or three weeks using three containerships each with a capacity of approximately 1,500 TEU containers, will be launched in conjunction with CMA-CGM and Lloyd Triestino shipping lines, the latter of which is a subsidiary of Evergreen. "The arrival of the three new lines reinforces our position on the North Atlantic container market and testifies to the many advantages of the Port of Montreal," Mr. Taddeo said. He also noted that Montreal is now home to 11 of the 15 biggest shipping container lines in the world.

St. John's Sets Three Records

For the recent fiscal year the St. John's Port Authority has set new records in gross revenue, cargo



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volumes and vessel arrivals. Gross revenue for 2003 was \$4.2 million; cargo volumes of 1.608 million metric tonnes representing a 13.6 increase over the previous year; and vessel arrivals reached 1,100. President and CEO, Sean Hanrahan commented that, "The exceptional growth experienced in the past five years is a direct result of the hard work and dedication of the Port's private sector partners as they continue to contribute significant economic benefits to the city, region and province in the form of jobs, taxes and other revenue."

Fraser River Unveils \$190 Million Project

Greater efficiencies will result at the Fraser Port Authority through a \$190 million investment, including the phased upgrade of Fraser Surrey Docks and the creation of a new intermodal yard nearby, announced in March.

Following a record year for container handling, the Fraser River Port Authority (FRPA) has announced it is in a strategic alliance with Fraser Surrey Docks Ltd. and a newly created company IDC Distribution Services Ltd. aimed at boosting capacity to 415,000 TEUs (20-foot equivalent units) and improving site efficiency. Up to 80 permanent union jobs will be created by the terminal upgrade during the first phase scheduled for completion by June 2005. A second phase, to take capacity to about 600,000 TEUs, could proceed if container growth continues.

The new rail-oriented intermodal yard located within the Surrey Properties logistics distribution hub and an adjacent rail holding yard are being built adjacent to the

marine terminal on existing Port Authority land in Surrey. IDC will have between 35-40 employees at its new intermodal yard.

Last year, Fraser Surrey Docks handled a record 250,000 TEUs, but its customers want more capacity to meet continuing world-wide demand. The port has attracted increasing interest from shipping lines since deepening its vital shipping channel to accommodate vessels with a draft of 11.5 metres in 2003, which helped boost total cargo throughput to a record of almost 36 million tonnes.

Major aspects of the container terminal upgrade project include:

- Site improvements, equipment acquisition including two ship gantry cranes, and a new streamlined gate for trucks. Expected cost over **\$125 million.**
- A 7.5 hectare intermodal yard immediately adjacent to the docks on a site previously occupied by another tenant. Estimated costs over **\$18 million.**
- Infrastructure improvements and a 2.8 km extension to the rail holding yard on existing port land. Cost **\$2.4 million.**

Tugboats Back Tugging

Tugboats were back in service on April 24 after a deal was reached to end an eight-day labour dispute that crippled some ports along the BC coast, and cost the Canadian economy an estimated \$99 million. Representatives from companies in the Council of Marine Carriers and members of the Canadian Merchant

Service Guild agreed to end the dispute after reaching a non-binding mediated settlement via federal mediator Bill Lewis. The deal calls for annual wage hikes of three percent over each of the three years of the contract, as well as benefits equivalent to a 5.5 percent wage increase, totalling 14.5 percent.

The Vancouver Port Authority (VPA) applauded both sides for ending the labour dispute. "We thank both sides for realizing the serious impacts of this labour dispute, and offer our gratitude to federal mediator Bill Lewis for his work to bring the two parties together," said Captain Gordon Houston, president and CEO, Vancouver Port Authority. About 800 tug and barge operators went on strike April 16, affecting an estimated 80 percent of the tug and barge service and ship docking along the coast. The strike halted shipments in and out of Vancouver's port.

Prince Rupert Port Authority

The CPA has been working hard over the past two years to put the Port Authority back on track. It now looks like the sweat and equity will soon bring dividends. The Port Authority is expected to become a successful container port by providing an efficient route between the economies of Asia and the U.S. Midwest. The approach taken by Don Krusel, President and CEO, is to be based on 100 percent movement of containers by ship and rail. He went on to say in a recent speech that, "We will build the most efficient transportation trade corridor between these two important economies. We are going to be the port of the Midwest. We are going to be the "Midwest

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Express." The Authority will break ground at Prince Rupert's Fairview Terminal this summer. The facility is projected to cost between \$80-100 million to be funded by the provincial government, CN, the Port Authority and soon to be named private terminal operator. Containers are expected to be moved by early 2006.

Belledune

The Belledune Pot Authority announced a healthy profit for the current fiscal year of over half a million dollars and a three-year surplus of \$1.5 million with revenues in excess of \$6 million. This represented total tonnage of 2.3 million with the most important increase in dry bulk volume.

The H2O Highway

The first of three rotating billboards (attached) promoting the benefits of the marine mode of transportation began appearing in the Toronto - Hamilton - Windsor corridor on March 29, 2004. The next two billboards came into view three weeks later. In all, 205

billboards are up along the 400-highway series in Southern Ontario and will be running for the next five months. The objectives of the billboard campaign are to raise awareness of the benefits of marine transportation versus other modes within the general public and ultimately to influence decision makers and opinion leaders.

Toronto Port Authority

The new ferry service between Rochester and Toronto is close to a start date with the new ferry, Spirit of Ontario at dockside in Toronto in May, after the newbuild arrived safely from Australia in May. More work is being done to the ferry to get ready for the commencement of the new service this summer thus contributing to Canada's short-sea shipping initiatives.

New Cruise Terminal Gangway System

The first major component of the new multi-use cruise facility arrived at the Saint John Port Authority in March. "This new gangway system is very sophisticated and an essential

component of our new cruise facility," explains Captain Alwyn G. Soppitt, President & CEO of the Saint John Port Authority. "The system is able to access cruise ships at any level of tide and will be a very important factor in sustaining and growing cruise business locally." Assembly of the new hydraulic gangway system, manufactured by FMT Aircraft Gate Support Systems of Sweden, will begin today at the parking lot at Pugsley Park. This is the first, major new component of the new multi-use cruise facility which the Saint John Port Authority is developing on Water Street at the former site of Pugsley A/B Shed.

The assembly was completed in mid-May in time for testing before the first arrival of Royal Caribbean Cruise Lines' Voyager of the Seas on May 18th. The access doors on the mammoth Voyager of the Seas are 12.9 metres above the water line. The new system is required to disembark guests from this vessel. The 2004 season which had a successful early start on April 8th will be the Port Authority's busiest cruise season on record with 143,000 guests on 59 cruise calls.

WELCOME ABOARD

The ACPA Board welcomes several new Business Associate Members to the ranks of ACPA's membership. Welcome to the following:

- IBI Group
- Maritime Magazine
- Griffentown Media
- Charlettotown Harbour Authority
- Port Operations and Emergency Services (Esquimalt)
- PricewaterhouseCoopers

All those in the port community doing business with ports who would like to take advantage of excellent networking opportunities and support the ongoing objectives of the Association, are encouraged to join as Business Associate Members.



ASSOCIATE MEMBER PROFILE

The Queen's Harbour Master and Canadian Forces Auxiliary Fleet monitor traffic and port activities in Esquimalt Harbour where the west coast Naval Fleet is stationed. The Public Works and Government Services Canada graving dock is also located in Esquimalt Harbour. Transport Canada is undergoing a process to devolve harbour authority to primary and interested agencies. Currently the Department of National Defence is negotiating for Esquimalt Harbour.

INTERNATIONAL

Port Security Council Created

In mid-May leading organizations in the U.S. maritime industry formed the Port Security Council of America. The purpose of the Security Council is to serve as a vehicle through which port and terminal operators, users, and suppliers address terrorist threats to the nation's seaports and the maritime transportation system. Washington lobbyist Jay Grant will serve as Director to coordinate the Security Council's Washington D.C. Capitol Hill activities. The Council's membership is made up of maritime organizations, nonprofit associations, government entities and private industry. The goal of the Security Council is to work with Congress and the Administration to focus on obtaining significantly more federal funding for immediate port security requirements and address the issue on a long term basis to achieve necessary port security capital requirements could run 5 to 10 billion dollars over the next several years.

Great Lakes St. Lawrence Seaway Study

The Canadian and United States governments are conducting a joint study to evaluate the infrastructure needs of the Great Lakes St.

Lawrence Seaway system, specifically the engineering, economic and environmental implications of those needs as they pertain to the marine transportation infrastructure on which commercial navigation depends. The scope of the study is limited to the evaluation of the existing marine transportation infrastructure. It is important to note that the focus of the study is the optimization of the existing infrastructure based on the system's current configuration and that the evaluation of major infrastructure modifications, such as an expansion of the Seaway locks or an increase in channel dimensions, are not part of the study. The binational study partnership is comprised of Canadian U.S. federal departments and agencies with expertise in transportation policy and economics, navigation-related infrastructure engineering and environmental science. For more information consult (www.glsls-study.com).

The CME Reacts

There's little doubt Canada's manufacturers face a challenging future. With the shifting currents of global trade and tough competition for business from low wage jurisdictions such as China and

India, Canadian industry needs to take a hard look at its future. With manufacturing accounting for 18% of Canada's economy, you'd think the federal government would be taking the lead here, but the current Liberal government is looking no farther ahead than the pending election.

Indeed, a strategy for the automotive industry is in developmental limbo, while on specific matters such as a hoped for \$100 million investment in Ford's Oakville, Ont. plant, industry minister Lucienne Robillard is being coy about whether or not there will be federal participation. As the US acts to block the spam scourge that is fouling Internet bandwidth and running up business communications costs, Canada's industry dithers. Clearly Robillard has been little more than a bench warmer for the ministry's next occupant.

In the meantime, there's important work to do and the Canadian Manufacturers and Exporters business group is filling the leadership void from the government side with an initiative of its own—Manufacturing 20/20: Building Our Vision For The Future. The idea is to bring together manufacturers, exporters, suppliers and service partners to "determine

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the future of Canada's largest business sector." The CME is hosting a series of meetings across Canada (visit www.cme-mec.ca/mfg2020/index.asp) for a schedule and more on Manufacturing 20/20). The input provided at these discussions will help to develop an action plan that identifies specific elements needed to preserve a strong industrial base.

Short-sea Centres Making an Impact

The 2003 annual report of the European Shortsea Network, published this week, reveals the range of activity being carried out by the 16 national short-sea promotion centres. Individual national reports detail seminars, conferences, research papers and increasingly strong links with universities' maritime faculties. More specific commercial action takes the form of assisting in the development of new services, identifying road traffic flows that might use short-sea shipping services and offering innovative solutions to make short sea shipping a more attractive option.

Underpinning all this work is the huge bank of information contained within the ESN and the SPC databases about services, operators and ports. Work to expand the information available is continuing. The UK is the latest country to set up an SPC with a new centre planned for Estonia and others interesting, including Turkey, Malta, Croatia, Slovenia, Montenegro and Cyprus. Awareness of short-sea activity is being helped indirectly by road congestion across Europe and the growing cost of land transport (Fairplay May 19, 2004).

\$4 Billion Sought for Port Security

Sen. Barbara Boxer, D-Calif., introduced legislation in May that would provide \$800 million a year for five years for federal grants to improve seaport security. The bill (S 2240) would require a 25 percent match by the port, but would allow the government to make multi-year grants for larger projects, Boxer said. The \$4 billion bill does not provide a specific funding source, relying on the general fund for the money.

In her introductory comments, Boxer said the Coast Guard estimated U.S. ports need \$1.4 billion this year to make necessary security improvements and \$6 billion over the next decade. "Yet the administration only requested \$46 million in its fiscal year 2005 budget," Boxer said. The bill was referred to the Senate Commerce, Science and Transportation Committee, of which Boxer is a member. The bill is a companion measure to a House bill (HR 3712) introduced by Rep. Juanita Millender-McDonald, D-Calif., in January.

Ballast Bugs Still a Problem

The ships entering Vancouver Harbour were officially hauling cars and stereos, but below the waterline they were also carrying tiny stowaways from Asia and the United States. In the most comprehensive study ever done on the life forms sailing into Canada's western harbours, scientists have found that ballast tanks are teeming with life. Researchers studying the water in the tanks found dozens of species of zooplankton and small sea animals. In some instances, there were thousands of creatures in

every cubic metre of water taken on to stabilize the ships. Some were well-known species of flatworms or clams. Others remain mysterious.

"We had no way of identifying what some of them were," says Colin Levings, the federal fisheries scientist who led the study, published this spring in the *Canadian Journal of Fisheries and Aquatic Sciences*.

More than 200 alien species are already believed to have taken up residence in Canadian waters, including the infamous zebra mussels that have re-engineered the Great Lakes ecosystem. Some, such as the Japanese varnish clam, which appeared on B.C. beaches a decade ago, appear to be relatively harmless. Others, such as the predatory European green crab that has been spotted on the east and west coasts, could devastate the clam industry. The west coast study, and related work in eastern Canada, indicates many more foreign species are slipping into the country.

"San Francisco Bay has an enormous problem and if we're not careful, it could turn into a Canadian problem," says Professor Hugh MacIsaac, of the University of Windsor, who heads a national network of scientists trying to convince the federal government to take the threat of invasive aquatic species more seriously.

Ballast water is believed to be a major means of entry. The water is picked up in foreign ports or on the open ocean and discharged when the vessels arrive at their destination. To reduce the number of stowaways, ships are required by governments, port authorities and international agencies to exchange



ballast water at sea to flush the tanks of life forms picked up in their last port of call.

But Dr. Levings' study points to the serious limitations of such ballast exchanges. He and his colleagues examined the creatures in 33 ballast water samples taken from 16 ships that frequent Vancouver harbour. Most were from Japan, but a few came north from ports in Mexico and the United States. While mid-ocean exchange greatly reduced the number of stowaways, the researchers found it did not eliminate them. Organisms persisted in tanks after flushing (Excerpted from the National Post May 2004).

RO/RO: APPOINTMENTS

Saint John: Mr. James W. Orr of Saint John, New Brunswick was appointed to the board of directors of the Saint John Port Authority. Mr. Orr, who retired in 2001, served more than 35 years with Port Stevedore Companies & Terminal Operators as a steamship checker and longshoreman. From 1952 until 1965, he worked as a night shift supervisor with the Canadian Pacific Railway. Mr. Orr served in the Royal Canadian Navy from February 1954 until August 1955. Mr. Orr also attended the Atlantic Region Labour Education Centre and St. Francis Xavier University. He has held various positions in trade unions, ranging from executive board member to president.

Mr. Todd Stephen is a Partner of Owens MacFadyen Benefits Inc. and has advised clients on management of employee benefits and corporate retirement plans since 1987. Mr. Stephen has served on numerous boards and committees including the Atlantic Health Sciences Corporation, Saint John Regional Hospital Foundation, and the Canadian Automotive Dealer's Association. Outgoing members of the Board of Directors are David Doyle with ten years of yeoman service as the Board's Chair and Wendy McGee with five years of service. Kerry Walker was elected the new Chair of the Port Authority and Stephen Campbell takes up the mantle as Vice-Chair.

Belledune: Harry H. Williamson of Bathurst, New Brunswick, was appointed to the board of directors of the Belledune Port Authority. Mr. Williamson is currently a partner in the law firm of Robichaud, Godin, Williamson, Theriault & Johnstone in Bathurst, New Brunswick. He holds bachelors' degrees in arts, education and law from the University of New Brunswick. He was admitted to the New Brunswick Bar

in 1975 and appointed Queen's Counsel in 1991. Mr. Williamson is a member of the Canadian Bar Association and currently serves on the Disciplinary Committees of the Law Society of New Brunswick. He is a past member of the Commonwealth Law Association.

Sept-Îles: Mr. Yves-Marie Côté of Sept-Îles, Quebec was appointed to the board of directors of the Sept-Îles Port Authority. Mr. Côté is president and chief executive officer of Groupe Trinor inc. He worked for over 15 years with Industries Raymond Inc., holding several positions including that of director general from 1994-1996. Mr. Côté also worked for the Quebec Cartier Mining Company as a planner and service engineer from 1976-1980 and as a junior draftsman at the Mines de cuivre Gaspé from 1974-1976. Mr. Côté is a member of the Sept-Îles Chamber of Commerce, serves as president of club Mingan and is a member of l'Institut canadien des mines et métaux.

Hamilton: At its April board meeting members of the Hamilton Port Authority Board of Directors elected Walter Mulkewich as Chair for a period of one year effective May 1, 2004. He replaces Fred Eisenberger who recently resigned from the Board to seek elected office.

St. John's: Mr. James Raymond Duffett of St. John's, Newfoundland and Labrador was appointed to the board of directors of the St. John's Port Authority. Mr. Duffett is currently president and director of several private sector companies, including Duckworth Gallery and Framing. He has served as managing director, president and CEO of Capital Construction Ltd. for several years. He was a director and secretary of the St. John's Junior Chamber of Commerce and chairman of various fundraising committees. Mel Woodward completed his term as Chair of the Port Authority in May after serving as the only Chair of the port since Port Authority status was granted and he was profiled in the last edition of Manifest. The Board elected Sam Walters as the new Chair of the Port Authority. Mr. Walters is a retired senior executive of the Royal Bank of Canada and a board member for over two years.

Prince Rupert: Mr. Walter Paszkowski of Sexsmith, Alberta, was appointed to the board of directors of the Prince Rupert Port Authority. Mr. Paszkowski retired from Alberta's provincial legislature in March 2001. He was first elected to the provincial assembly in 1989, and has served as Minister of Agriculture, Food and Rural Development and Minister responsible for the Land



Compensation Board. In 1997, he was appointed Minister of Transportation and Utilities and Minister responsible for Public Safety Services, and was appointed Minister of Municipal Affairs in 1999. Mr. Paszkowski is also the owner and operator of a seed farm and retail seed outlet, and is the founding director of the Northern Alberta Rapeseed Crushing Plant. For twelve years, Mr. Paszkowski served as director of the Alberta Canola Growers, and was president for three years.

Atlantic Pilotage Authority: Mr. Terence Pittman of Sydney, Nova Scotia, was appointed to the board of the Atlantic Pilotage Authority. Mr. Pittman is currently a part-time marine pilot for the Atlantic Pilotage Authority (Cape Breton District). He has close to 50 years of experience in the marine sector, starting in 1957 as a deck apprentice, then earning his Foreign Certificate of Competency, as well as a Master Mariner designation in 1967. He began his career at sea working with Chandris (London) Ltd, and sailed with the company's various tankers and cargo ships, eventually earning the position of Operations Manager in the London office. He has worked as Master on tankers in Atlantic Canada and has served as a qualified marine pilot with the Atlantic Pilotage Authority since 1974. Mr. Pittman served as a member of the Sydney Harbour

Board and the Cape Breton Tourism Board and is currently the vice-chair of the Sydney Port Corporation.

Vancouver Port Authority: George Adams, former president and CEO of Canadian Transport Ltd., has been appointed for a second term to the board. Mr. Adams previously served as a port authority director from 1999 to 2003. Mr. Adams retired from MacMillan Bloedel Limited as vice-president of transportation in 1997 after 27 years during which time he held a number of executive positions with the company's subsidiaries. Also appointed, as the Province's representative was Sarah Morgan-Silvester. Retiring from the board were Kevin Doyle, Bob Friesen and, former BC premier, Mike Harcourt. All completed their terms as directors at the end of February.

Fraser River Port Authority: In April, Malkiat Dhama was elected to the position of Chair and Juliana Yung was re-elected vice-chair of the Port Authority. Mr. Dhama is a real estate agent who currently works for Sutton Group-Killarney Realty Ltd. He was appointed for a three-year term in 2002. Ms. Yung has extensive experience in banking and financial administration as vice-president, commercial credit, at the Gulf and Fraser Fishermen's Credit Union.



ASSOCIATE MEMBER WINS AWARD

Congratulations go out to **Michael C. Ircha, Profesor of Civil Engineering, Associate Vice-President, University of New Brunswick**, as the recipient of the 2004 Lieutenant Governor's Award for Excellence in Public Administration. The Lieutenant Governor's Award for Excellence in Public Administration was initiated by the 1998-99 Board of the Fredericton Regional Group of IPAC (Institute of Public Administration of Canada). The Board considered that more could be done in New Brunswick to promote, recognize and restore pride in the exceptional quality of New Brunswick's public sector employees. It is for this reason the Board sought the creation of a Lieutenant Governor's Award, similar to awards that are given out annually in other provinces. The Award recognizes the exceptional achievement of a person who has shown distinctive leadership in public administration in New Brunswick or who, by writings or other endeavours, has made a significant contribution in the field of public administration.



CAPITAL BRIEFING

Election in the Air

The election is on and early indications point to a volatile electorate. Many pundits are predicting a minority government, but it remains to be seen which party will get the nod. Whatever party forms the government it will impact the way all stakeholders in Canada interface with the federal government, including those in the port community. There will be new Ministers appointed to key portfolios of interest to the port community. There may be changes to the senior ranks of the public service and beyond. As an association involved in all aspects of advocacy the ACPA must consider the inevitable changes in its various strategies on key public policy issues after the election.

The House of Commons is expected to resume sitting in late September or early October and some time shortly thereafter we will know the direction of the new government.

Public Safety Act Receives Royal Assent

On May 6, Transport Minister Tony Valeri announced that the Public Safety Act, 2002 received Royal Assent on May 6, 2004. The Act is designed to improve Canada's capacity to prevent terrorist attacks, protect citizens and respond quickly should a threat be identified.

"The passage of the Public Safety Act, 2002 is the latest in a series of steps taken by the Government of Canada to advance priorities tied to the safety and security of the public," said Minister Valeri. "In addition to enhancing the security

environment for air travellers, **this legislation also enables the Government of Canada to help ports strengthen marine security by removing legal impediments to federal contributions for port security funding.**"

In May the federal government committed \$115 million in funding over three years to help Canada's ports and terminal operators strengthen their security systems and programs. Under new International Maritime Organization security requirements, Canada must have approved security plans in place and operational by July 1, 2004. Ports and marine facilities will be able to apply for funds to assist with new security equipment and programs, according to the new Marine Facility Contribution Program. Funding is on a cost-shared basis—75 percent government and 25 percent recipient. The program is retroactive to April 1, 2004 and the details of the program are now being worked out.

Security Requirements Strengthened for Vessels, Marine Facilities and Ports

Transport Canada has strengthened its security requirements for vessels, marine facilities and ports by establishing the Marine Transportation Security Regulations. "The Government of Canada is committed to maintaining the safety and security of Canadian ports," said Transport Minister Tony Valeri. "The Marine Transportation Security Regulations will further

enhance marine security across Canada and abroad."

These regulations, which have been approved by the Governor in Council for publication in the Canada Gazette, Part II on June 2, 2004, will implement the requirements of the International Maritime Organization's (IMO) International Ship and Port Facility Security Code, as well as amendments to its Safety of Life at Sea Convention, 1974. The IMO is a specialized agency of the United Nations, which focuses on improving safety at sea and preventing pollution from vessels.

Transport Canada's regulations apply to all commercial vessels of 500 tons (gross tonnage) or more, or carrying more than 12 passengers and traveling between countries, and marine facilities and ports serving such vessels. They require the completion of security assessments and security plans, and the designation of security officers.

In addition, the regulations surpass the IMO requirements by extending them to:

- cargo vessels of 100 tons (gross tonnage) or more other than towing vessels;
- towing vessels that tow barges carrying certain dangerous cargoes; and
- marine facilities and ports that serve the above vessels.

In order to enhance marine security in Canada and to help ports and port facilities meet these new requirements, the Government of Canada recently established the

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\$115 million Marine Facility Security Contribution Program.

This latest marine security initiative builds on other significant actions already taken by the Government of Canada to enhance marine security since September 11, 2001.

These actions include, among others:

- committing \$308 million to strengthen marine security;
- committing \$115 million for the Marine Facility Security Contribution Program to assist ports and port facilities with security enhancements;
- requiring vessels to provide at least 96 hours advance notice before they enter Canadian waters;
- introducing new boarding protocols to improve the response to threats before vessels arrive at Canadian marine facilities or ports;
- establishing enhanced security procedures, in partnership with the United States, for vessels entering the Great Lakes - St. Lawrence Seaway system;
- working with international partners to develop new marine international security requirements; and
- committing \$172.5 million for a broad range of initiatives to enhance the security of Canada's marine transportation system and maritime borders including the use of aerial surveillance and vessel monitoring systems, such as automatic identification systems, which will enhance Canada's ability to track vessels entering and operating in Canadian waters.

GATS

Beginning in March 2004, Transport Canada began consulting closely with transportation service providers, shippers, provincial governments and other interested parties on specific issues relating to the current World Trade Organization (WTO) General Agreement on Trade in Services (GATS) negotiations on transport services. These consultations will guide the development of the Canadian strategy in the GATS. GATS is now at a stage where more detailed information is necessary to advance Canada's interests.

It is important to note that negotiations during the Uruguay Round were unsuccessful because of the refusal of a number of WTO Members, most notably the US, to make commitments covering international maritime transport services. As a result, the commitments of Canada and most other WTO Members in the maritime sector are limited to providing non-discriminatory access to, and use of, port facilities and onward transport including the following port services: towing and tug assistance; provisioning; fuelling and watering; garbage collection and ballast water disposal; emergency repair; lightering and water taxi services; ships agencies; customs brokers; stevedoring and terminal services; surveying and classification services. In addition, Canada undertook to provide non-discriminatory access to, and use of, transport services for the purpose of onward forwarding of cargo.



Freight Sustainability Projects Announced Freight Sustainability Demonstration Program

The Freight Sustainability Demonstration Program, led by Transport Canada, supports the demonstration and evaluation of innovative tools, technologies and best practices that have the potential to reduce the growth of greenhouse gas emissions in Canada's freight transportation sector.

The program, which was announced in November 2001, allocates approximately \$4.5 million between 2001 and 2006 for projects that meet its eligibility criteria. Projects are eligible for a maximum contribution of \$250,000 over two years. Government of Canada contributions will cover up to 50 per cent of eligible project expenses, with applicants and their partners contributing the remainder.

An expert advisory committee, including representatives of federal departments, academic institutions and not-for-profit organizations, makes recommendations on project funding. Transport Canada, in agreement with Natural Resources Canada, makes the final selection of projects that will receive funding. Applications are accepted twice a year - in the spring and the fall. For specific dates, please see the Applicant's Guide on the Freight Sustainability Demonstration Program Web site listed below. The next deadline for applications is October 1, 2004.

The organizations selected to demonstrate their projects under the third round of funding are Big

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Freight Systems Inc., Canadian Waste Services Inc., Enbridge Gas Distribution, the Forest Engineering Research Institute of Canada, Groupe Énerstat inc., and Innovation Maritime. Fourth round project organizations are Air Transat A.T. Inc., Canadian National Railway Company, J.D. Smith and Sons Limited, New Brunswick Southern Railway Company Limited, RailPower Technologies Corporation, RST Industries and Seaspans International Ltd. More information on the Freight Sustainability Demonstration Program is available at www.tc.gc.ca/FSDP.

Innovation Maritime received \$100,000 for a project in St. Lawrence Seaway. This demonstration will reduce the fuel consumption of commercial vessels operating between Les Escoumins, Quebec and Trois-Rivières, Quebec by harnessing the power of favourable tidal currents. Innovation Maritime has developed software to facilitate the use of tidal currents to reduce fuel consumption. This project will determine the fuel savings of vessels utilizing the software to determine the effectiveness of the technology in reducing fuel use and greenhouse gas emissions.

An example of another marine project funded is Ediport Vehicle Access Management System in Halifax. Ediport Atlantic Inc. of Halifax, Nova Scotia will receive \$239,700 for the further development of advanced ITS transponder applications to monitor, schedule and authenticate commercial vehicle movements at the Halifax Port, in partnership with the **Halifax Port Authority, IBI Group and Dalhousie University**.

Working Together to Clean Up Victoria Harbour

In May David Anderson, Minister of Environment, on behalf of Tony Valeri, Minister of Transport, and BC Hydro Vice-President of Sustainability, Bruce Sampson, announced that the Government of Canada and the BC Hydro and Power Authority (BC Hydro) are working together to clean up Victoria Harbour's Rock Bay, one of the most contaminated sites in BC. The Government of Canada will contribute \$14.7 million and BC Hydro will contribute \$17.4 million of the \$32.1 million project cost to clean up the Rock Bay site. Rock Bay is the location of a former coal gasification plant that operated from the 1860s to the early 1950s.

Coal tar, which is the main source of contamination at Rock Bay, was largely a waste by-product of the coal gasification process, which produced gas to power city

lights and heat the community for over 90 years. In addition, there is also some metal and hydrocarbon contamination at the site. This residual contamination poses minimal health risks, but it does exceed the allowable levels, and limits most future activities at this site.

Cleanup of the 6.8-acre site is scheduled to begin in June 2004 and be completed by December 2007. Over the next two, to two-and-a-half years, over 36,000 cubic metres, the equivalent of 4,000 dump trucks, of contaminated soil and sediment will be removed from the site and transported to approved off-site treatment or disposal facilities. Transport Canada and BC Hydro are working with the community to minimize any inconveniences that may occur as a result of this project. A series of information sessions will be held with the community as the project unfolds.

Repeat Marine Polluter Ordered to Pay Substantial Fine

In May a Newfoundland and Labrador provincial court judge ordered the Fishing Vessel (FV) Olga to pay a \$170,000 fine for violations of the *Canada Shipping Act* associated with the unlawful discharge of an oily substance into Canadian waters. This is the highest penalty ever assessed in Canada against a vessel for a marine pollution offence under the *Canada Shipping Act*.

On February 26, 2002, a Canadian Coast Guard surveillance flight spotted an oil slick approximately 134 kilometres southeast of Cape Race, Newfoundland. A subsequent investigation by Transport Canada determined that the slick, containing about 20 litres of oil, originated from the FV Olga. As a result, the vessel was charged and subsequently found guilty of two offences under the *Canada Shipping Act*: illegally discharging an oily substance in Canadian waters and failure to report the discharge.

This precedent-setting fine marks the second time this year the courts have ordered the FV Olga to pay a significant fine for polluting Canadian waters. On April 6, 2004, the Olga was ordered to pay \$113,000 after being convicted on pollution-related charges under the *Canada Shipping Act* for a marine pollution incident dating back to April 2001.



China Bans Importation of Electronic Scrap

The Basel Convention on the Transboundary Movement of Hazardous Waste and Their Disposal governs the international movements of hazardous waste and hazardous recyclable material. Canada is a party to the Basel Convention. Environment Canada has alerted industry that China, in accordance with their laws and the Basel Convention, has prohibited the importation of certain goods including such things as waste computers, televisions, telephone in addition to many other goods. For a complete list of these goods contact: Joe Wittwer (Tel: 819-953-2171 Email: joe.wittwer@ec.gc.ca).

Transport Canada Releases 2003 Annual Report

Transportation in Canada 2003, Transport Canada's 2003 annual report, was tabled today in the House of Commons.

The report highlights the positive role the Canadian transportation sector plays in the domestic economy, both in terms of trade and employment. It also provides data and information on the use of the Canadian transportation system, its performance, safety, impact on energy conservation and the environment, and contribution to the economy and the well being of Canadians. This 2003 annual report is the eighth submitted by the Minister since the coming into force of the Canada Transportation Act. It shows that well over \$100 billion in goods is shipped via the marine mode in Canada annually.

The report can be viewed on Transport Canada's web site at http://www.tc.gc.ca/pol/en/Report/anre2003/toc_e.htm

Canada Seeks C\$1M Pollution Fine

Legislation to raise oil pollution fines on ships to C\$1M (\$723,000) and to hold captains and officers personally accountable has been introduced in the Canadian parliament by environment minister David Anderson. While the prospect of an imminent general election makes it unlikely the bill will become law in the near future, its provisions enjoy considerable political support and it could be brought back in the next parliament. Anderson said Canada wants to better protect its coastal wildlife from oil spills. "We are

providing the judicial system with the tools to prosecute offenders and to enable fines that appropriately reflect the damages caused to the environment." He said the bill matches the kinds of legal remedies the United States can take. Along with toughening wildlife protection, the bill would give Environment Canada officials a clearer role in laying charges against marine polluters. "Environment Canada's research shows that more than 300,000 sea birds are being killed each year off the coast of Atlantic Canada by the illegal discharge of oily bilge waste from passing ships," they said.

Marine Safety Award Winners Announced

Transport Canada's 2004 Marine Safety Award was awarded recently to George Chafe and Charles Roberts for their efforts to improve safety in the fishing industry. The award for outstanding contribution to Canadian maritime safety was presented at the biannual meeting of the Canadian Marine Advisory Council.

"Mr. Chafe and Mr. Roberts have demonstrated exceptional commitment to the fishing industry over the past 20 years," said Transport Minister Tony Valeri. "I thank them for their unwavering and tireless efforts to improve safety standards in the dangerous work environment on board fishing vessels."

Both men have worked as full-time professional fish harvesters, participating on regional fishing vessel safety committees and serving as active members of the Coast Guard Auxiliary - a non-profit organization dedicated to search and rescue and safe boating activities. Mr. Roberts continues to serve as president of the Fort Amherst Harbour Authority, a post he has held since 1991. Mr. Chafe assisted in the development of the Lifeline course for fish harvesters, which is now taught in various training institutes. Mr. Chafe and Mr. Roberts have also contributed substantially to highlighting the importance of improving safety standards in the fishing industry through their involvement in the Canadian Marine Advisory Council's Standing Committee on Fishing Vessel Safety.

The Transport Canada Marine Safety Award was established in 1997 to stimulate an awareness of marine safety in Canada and to recognize persons, groups, companies, organizations,



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Skills Shortages in Transportation Sector

Transport Canada is seeking input from transportation sector councils and industry associations to address the challenges and opportunities related to skills development in the transportation sector. The Honourable Jim Karygiannis, P.C., M.P., Parliamentary Secretary to the Minister of Transport, held an industry discussion table on skills development in the transportation in Ottawa in April.

"World class, sustainable transportation systems, such as Canada's, require the vision and energy of an innovative transportation sector, driven by a highly skilled workforce," said Mr. Karygiannis. "These discussions provided the Government of Canada with an opportunity to work with stakeholders and academia in order to attract the best and the brightest Canadians to pursue careers in this field."

The discussions focused on creating a short-list of challenges in the area of skills development; identifying concrete and attainable steps to collectively address these issues; identifying and expanding existing initiatives to improve the profile of transportation as a career of choice; and exploring new initiatives to meet identified skills development needs.

CBSA Launches Phase 1

On April 19, the Canada Border Services Agency (CBSA) implemented the first phase of ACI (Advance Commercial Information), which includes mandatory electronic transmission of marine cargo in accordance with the 24-Hour Rule.

Under ACI, carriers will be required to report cargo data electronically at least 24 hours before goods are loaded on board a vessel at a foreign port. There will be an electronic option to allow authorized freight forwarders to transmit shipment details directly or through a service provider. Failure to provide accurate data in a timely manner will result in the delay of the loading of cargo in the foreign port, increased examinations and potential penalties. Similar requirements will be introduced for air, rail and highway beginning in Spring 2005. www.cca-adrc.gc.ca

SCOFO

Great news! In March the House of Commons Standing Committee on Fisheries and Oceans released its report on the CCG and the makes strong recommendations related to marine service fees. Recommendation 7 (page 28) refers to the MSF and, in short, directs the Government to deal with the two proposals calling for the elimination of the fees and report back to the Committee in 60 days as to DFO's progress with industry on this perennial issue. It remains to be seen what will happen after the election.

New Requirements Proposed for Ships to Meet International Standards

In March Transport Canada proposed new requirements to enhance safety, security and environmental protection for vessels operating in Canadian and international waters. The new requirements have been developed to implement safety standards established under the *International Convention for the Safety of Life at*

Sea, 1974 (SOLAS). They pertain to navigation equipment, ship design and operational procedures, and will apply to all Canadian ships, and to foreign ships operating in Canadian waters based upon their age, size, type and area of operation.

"These requirements will build upon existing regulations for the continued safety, security and environmental protection of Canada's transportation system," said Transport Minister Tony Valeri. "They also demonstrate Canada's commitment and contribution to making the waters of the world cleaner, safer and more secure."

The requirements include, for example, the carriage of:

- a receiver for global navigation satellite systems or ground-based navigation systems;
- Automatic Identification Systems (AIS) that will allow ship-to-ship and ship-to-shore communications via radio transponders on board ships and base stations ashore; and
- electronic chart display and information systems.

Other requirements include the carriage of voyage data recorders, search and rescue plans, enhanced design criteria for new ships in terms of visibility from the bridge, and specific requirements for the keeping of navigational records.

Transport Canada Announces Public Consultation on Transportation of Dangerous Goods Act

Transport Canada is holding the first of several public consultation sessions to review legislation

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governing the transport of dangerous goods. The session is being chaired by the Honourable Jim Karygiannis, P.C., M.P., Parliamentary Secretary to the Minister of Transport. The consultations are being held as part of the government's commitment to review the *Transportation of Dangerous Goods Act, 1992* after it had been in place for 10 years. The review began in 2002 and focused on security issues in response to the events of September 11, 2001, but has now been extended to cover all aspects of the Act.

Transport Canada is conducting the review in cooperation with industry, and provincial and territorial governments. The provinces and territories work in concert with Transport Canada to enforce transportation of dangerous goods requirements on the highway. Transport Canada conducts enforcement in other modes of transport and leads in the development of dangerous goods regulations in the transportation sector.

The *Transportation of Dangerous Goods Act, 1992* was designed to protect public safety when dangerous goods are transported. It focuses on prevention and empowers dangerous goods inspectors to take immediate steps during an incident to preserve public safety. The Act also includes provisions for monetary penalties of up to \$1 million and imprisonment for contraventions of the Act.

Coast Guard Moving On

As you know, the Prime Minister announced on December 12th, 2003, that the Canadian Coast Guard's marine safety and security policy was being transferred to Transport Canada. While the

transition became effective on the day of the announcement, it has naturally taken some time to iron out details between the two departments.

Both DFO and Transport have now reached the point where they are ready to move ahead with the transfer. In the coming weeks, DFO will be transferring the Office of Boating Safety, the Navigable Waters Protection Program, the policy component of the Environmental Protection Program and the Canada Shipping Act Regulatory Reform to Transport Canada.

As a result, all marine safety policy development will now rest with Transport Canada, thus providing a single point of contact for mariners dealing with marine navigation policy and related issues. This is a change that marine stakeholders have long requested and one that will also allow the Coast Guard to focus on what it does best - provide its valuable services to mariners in Canadian waters.

Transport Minister Issues Call for Proposals for Transportation Planning and Modal Integration Projects

A call for proposals for projects that advance transportation planning and enhance integration and connections between modes of transport was recently announced by Transport Minister Tony Valeri. "The Government of Canada recognizes that a strong and efficient transportation system is vital to Canada's continued economic success. Improved transportation planning and modal integration will better position us to meet the challenges of the 21st

century," said Mr. Valeri. The Minister said the call for proposals demonstrates the government's commitment to supporting innovative approaches that enhance the sustainability of the transportation system.

The types of proposals eligible for funding include:

- research studies that provide greater understanding of urban and multimodal transportation;
- planning and feasibility studies and projects;
- development and dissemination of information management tools, including traffic demand management;
- infrastructure and technologies to improve connections between modes or modal integration;
- initiatives to facilitate modal partnerships or cross modal/shipper partnerships; and
- development of organizations to plan and manage passenger and freight transportation activities in urban areas.

Provinces, municipalities, First Nations, registered not-for-profit organizations, private enterprises, public or private transportation authorities/agencies and academia may apply. Partnerships between two or more of these entities are encouraged. Funding for this project is part of the Government of Canada's \$600 million Strategic Highway Infrastructure Program (SHIP), which was announced on April 3, 2001. SHIP has two components: a \$500 million highway construction component and a \$100 million national system integration component.

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The Minister Speaks: Transport Minister Tony Valeri Halifax Chamber of Commerce April 13, 2004

The Minister of Transport's first speech outlining the four pillars of transportation was unveiled in a port city, Halifax. Some of the elements of that speech shows the Minister is taking a proactive approach to getting transportation on track to be one of the main drivers of Canada's economy in the years ahead. Below are several important excerpts from that pivotal speech.

"There is something special about port cities. They are unique in that they exist primarily as transportation hubs. And Halifax plays in the big leagues of port cities — along with the likes of Rotterdam, Singapore, Hong Kong, and New York my fundamental belief is that transportation is one of this country's key economic enablers. Transportation is the third largest economic sector in Canada. It is the engine that drives our economy and makes Canada work."

"And while Canada has one of the best transportation systems in the world, the challenges facing this sector are daunting. Challenges presented by increased globalization and North American integration and the need to remain competitive. Challenges that have arisen due to new security requirements post-September 11 — the need to protect people and property while making sure our trade corridors are efficient and competitive. Challenges presented by urbanization, by urban sprawl, by the environmental impacts of transportation. And challenges presented by the infrastructure deficit, as well as by rural and remote access."

"Our goal should be to unleash the potential of our assets — our ports, airports and other infrastructure — and our people, through new initiatives in the transportation sector. This will require a recognition, for example, that our major ports and airports are economic generators, not merely sources of revenue. That they are critical to creating dynamic urban centres that are magnets for investment and talent."

"But its not just government that needs to change. To succeed, I think industry too needs to change its perspective. I would like to see, for example, a greater openness on the part of industry to explore and experiment with intermodalism. We need to create more intermodal connections that make it easier for people and goods to move within our cities and among all regions of Canada."

"To tap into this potential, I believe transportation policy must be founded on four pillars: a market driven policy framework; a multimodal infrastructure strategy; an efficient and secure trade corridor policy; and research and development, to support transportation innovation."

"In the marine sector, we need to provide greater flexibility and more economic opportunities for the industry and port authorities in particular. Ports have told us that it is a challenge for them to raise capital. That they need better mechanisms to do it. We also need to make strategic investments in key intermodal linkages and look at options for governance of federally provided marine services."

"We also need to analyze and collect data that will illustrate where the trade corridors are developing. This should steer our approach to transportation policy. Our transportation policy cannot just be about meeting capacity — it needs to be about positioning Canada as a global trader. Transportation policy can and will either facilitate or act as a barrier to achieving our trade objectives."



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OTTAWA MOVES

Gerry Frappier: Gerry Frappier has been with Transport Canada for more than two years as Director General for Safety and Security. His duties now relate solely to marine security as it relates to the Marine Transport Security Act and oversight related to other marine security transportation Acts and regulations.

Paul-Emile Drapeau: In April Paul-Emile retired from Transport Canada for a well-deserved rest. Paul Emile was a Director in the Programs and Divestiture Branch at Transport and was a long-standing friend and supporter of many in the port community. Paul Emile was also an ardent supporter of ACPA's activities and could be counted on to liven up the annual AGM and Conference. He will be missed, but will no one will begrudge him his newfound freedom. Bon Voyage!!

John Platts: John Platts also retired from his position as senior advisor on marine security. John did yeoman service on ensuring that the marine facility security regulations were moving forward to a logical and sound conclusion. All in the port community wish you well in your future endeavours.

Laureen Kinney: Ms. Kinney was recently appointed Director responsible for the marine security contribution program recently announced by the Minister for marine-facility security.

Canadian Transportation Agency Appointment

In May Transport Minister Tony Valeri announced the appointment of Baljinder S. Gill of Ottawa, Ontario, to the Canadian Transportation Agency.

Mr. Gill is currently the Chief Executive Officer for MG & BAL Business Services in Ottawa, Ontario. He holds a bachelor's degree in education, masters' degrees in arts, economics and science, as well as a Diploma in Professional Transportation from the Canadian Institute of Traffic and Transportation at the University of Toronto. Mr. Gill worked at Transport Canada for almost 15 years as Senior Facility Planning Officer, Manager of the Environmental Assessment Navigable Water Protection Program, and Chief of Facility Planning Marine Technical and Support Services. He has also sat on the Minister of Transport's Advisory Committee on Accessible Transportation and the Policy Subcommittee of the Treasury Board Advisory Committee on Real Property.

Marie Fortier, currently Associate Deputy Minister of Indian Affairs and Northern Development, becomes Deputy Minister, Intergovernmental Affairs, Privy Council Office, effective April 26, 2004. She succeeds Claire Morris who has retired from the Public Service.

Michelle d'Auray, currently the government's Chief Information Officer, Treasury Board Secretariat, becomes Deputy Minister of the Economic Development Agency of Canada for the Regions of Quebec, effective

Robert Fonberg, currently Deputy Secretary to the Cabinet (Operations), Privy Council Office, becomes Deputy Minister for International Trade, effective May 10, 2004.

Yaprak Baltacioglu, currently Assistant Secretary, Social

Development Policy, Privy Council Office, becomes Deputy Secretary to the Cabinet (Operations), Privy Council Office, effective May 10, 2004.

Suzanne Tining, currently Assistant Deputy Minister, Operations, Economic Development Agency of Canada for the Regions of Quebec, becomes Associate Deputy Minister of Indian Affairs and Northern Development, effective June 14, 2004.

Susan Peterson, currently Assistant Deputy Minister of Cultural Affairs, Canadian Heritage, becomes Associate Deputy Minister of Canadian Heritage, effective April 13, 2004.

Jean-Claude Villiard, currently Deputy Minister of Industry, becomes Senior Advisor to the Privy Council Office, effective May 10, 2004.

Suzanne Hurtubise, currently Deputy Minister of the Environment, becomes Deputy Minister of Industry, effective May 10, 2004.

Samy Watson, currently Deputy Minister of Agriculture and Agri-Food, becomes Deputy Minister of the Environment, effective May 10, 2004.

Leonard Edwards, currently Deputy Minister of International Trade, becomes Deputy Minister of Agriculture and Agri-Food, effective May 10, 2004.

Paul Boothe, currently Professor of Economics at the University of Alberta, becomes Associate Deputy Minister of Finance, effective June 1, 2004.



UPCOMING EVENTS

June 24 and 25 **Vancouver, BC**
ACPA Ports Valuation Workshop
Westin Bayshore

June 26-28, 2004 **Hamilton, Ontario**
Hamilton Port Days

July 29 & 30, 2004 **Halifax, Nova Scotia**
Halifax Port Days

Tall Ships 2004 will arrive in Halifax Harbour on July 29th with the Parade of Sail scheduled for August 2nd. With up to 40 ships expected, Halifax is the only Canadian Port to host Tall Ships 2004.

FUTURE ACPA BOARD MEETINGS

•St. John's, Newfoundland, July 31, St. John's, Nfld. from 1:00 p.m. to 4:00 p.m. at the Fairmont Newfoundland Hotel.

FUTURE ANNUAL MEETINGS/CONFERENCES

August 1-August 4, 2004
The 46th Annual Meeting/Conference of the Association will be held August 1 to August 4, in St. John's, Newfoundland, Fairmont Newfoundland Hotel.

2006
The Oshawa Harbour Commission will host the 48th Annual Meeting/Conference of the Association.

FUTURE AAPA CONVENTIONS

2004 Long Beach, California
2005 Tampa, Florida
2006 New Orleans, Louisiana



Association of Canadian Port Authorities

Phone: 613-232-2036
Facsimile: 613-232-9554
Email:
leroux@acpa-ports.net
Web Site:
www.acpa-ports.net

Published by:
Association of Canadian
Port Authorities

Written and Edited by:
J. Gary LeRoux,
Executive Director

Translation by:
Anne Laliberté, Services de
Traduction Myriade inc.

**Desktop and
Printing by:**
Cindy Xin Li,
Elm Printing Inc.

For more information or
comments on any item in this
newsletter please contact the
ACPA National Office:

**Association of Canadian
Port Authorities**
1502 - 85 Albert Street
Ottawa, Ontario
CANADA K1P 6A4

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