



Volume 1, n° 17 ❖ Spring 2006

# Manifest

ASSOCIATION OF CANADIAN PORT AUTHORITIES

*"Charting a Course for Tomorrow - Today."*

## CHAIRS LETTER

The business and social program for the Annual Conference is now complete and posted on the Association's website. As this year's host port for the Annual Conference I would like to extend an invitation to you to join us for the 48th annual conference of the ACPA. This year's theme is 'Ports Progress.' The theme is viewed as both an adjective, that is, assessing the progress ports have made to date; and as a verb, the things ports are doing to progress the marine agenda for the good of the entire port community. We have a solid line-up of presenters for the business program and a social program that I think you will really enjoy. There are some interesting venues for the social events in the surrounding area and we will take advantage of the best of them this year.

The Association has been active on a number of fronts over the past few months. The various Committees have been working hard on key issues for members. The Law Committee has completed a draft of the program for the Governance Seminar to be held in Halifax on October 31 and November 1 at the Westin Nova Scotian. The Operations Committee continues to address a number of security related issues and members of the Committee will be attending a workshop in Ottawa on Canada's transportation security strategy in mid-June; others will be considering the impact of a security management system for Canada; and continue the ongoing work on a workable waterside security policy for ports. The Environment Committee has a number of issues it is tracking and to this end it held a workshop in Vancouver in early June to continue working on the Association's environmental action plan. The PILT Task Force continues to monitor developments related to a fair and equitable tax regime under the Payment in Lieu of Taxes Act and there will be an update provided on this subject at the Annual Conference.

A committee of the board continues to work on Canada Marine Act amendments. It is looking forward to better amendments being brought forward in the very near future. There are a series of meetings planned related to the Act and more information will be provided to the membership in the very near future.



On the management side of things, the Association continues working to attract more Associate and Affiliate members to broaden the base of the Association, to give it a stronger voice on port-related matters. The Executive Committee of the Board is also working on finalizing a renewed business plan that will address ongoing strategic plan objectives of the Association. The communications audit is still underway and will be finalized in the coming weeks and presented at the AGM. Finally, the Past Chair, Gordon Houston and Allan Baydala, President and CEO of the North Fraser Port Authority, recently presented the Association's Gallantry Award in Richmond, BC. It was the first time the award had been presented in many years and it is good to see that the Association continues to value its traditions including its three awards, the others being the Medal of Merit presented annually; and the Certificate of Commendation that has been presented several times in recent years.

See you in Oshawa!

Donna Taylor  
**CHAIR**

*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.*



## BOARD-WALK

**Governance Manual for ACPA:** The Board Governance Committee sought comments on the proposed terms of reference for the Governance Committee and it was noted that the Committee will establish future meetings and dates to further refine the Terms of Reference.

**Governance Seminar Evaluation:** Because of the importance of good governance at Canada Port Authorities it was suggested that the bi-annual conference henceforth be an annual event. It is also a good revenue generator for the Association that, in turn, allows the Association to do more on behalf of its members. While the evaluation of the last Governance Seminar was most positive, some respondents suggested that new ways of presenting key governance concepts be considered. It was recommended that the venue be changed to some other city as the last three were in Toronto and that the Law Committee consider new approaches for the seminar in general.

**Marine Blueprint Action Plan:** The blueprint action plan was developed by Canada's Marine Industry Alliance (CMIA) and efforts are underway to ensure that key aspects of the plan are being actively worked. Future meetings are planned with Transport Canada and other departments to determine next steps on key priorities of the plan.

**CMA Review:** The new government's legislative agenda was discussed generally and noted that specific election platform items were a priority with some concern expressed that other important transportation legislation may not move

ahead. It was strongly suggested that the Association stick with the 5 items agreed to last Fall by all Corporate Members with respect to Bill C-61 amendments. The letter has been re-sent to the new Minister of Transport with the appropriate follow-up and several meetings with the Minister and his staff.

**ACPA Business Plan:** A draft business plan was presented to the board for review and comment. There was some discussion of the role of smaller ports who are already members of the Association and other local ports across Canada. It was suggested that the Executive Committee review the draft business plan and report back to the full board.

**Membership Recruitment:** The Association continues to seek new members for two classes of membership, Associate and Affiliate. There have been a number of initiatives undertaken in recent weeks to attract new members who are doing business in and around ports and benefiting from the ongoing work of Canada's major ports, the Corporate Members of the Association.

**Communications Audit Proposal:** As per this year's Strategic Plan target, a proposal for a formal communications audit was approved by the Board. It was suggested that the communications audit be provided to the Executive Committee before presentation to the full Board. The Communications Audit continues.



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## ◆◆ Annual Conference ◆◆

The 48th AGM and Annual Conference of the Association will be hosted by the Oshawa Harbour Commission from August 13 to August 16 in Oshawa. A strong business program has been created for the conference to address topical issues related to infrastructure, security, environment, taxation and more. The social program planned by the Harbour Commission will be second to none with excellent theme nights like Medieval Times, the Wild West and a Great Gatsby evening. It plans to draw on excellent local attractions in the surrounding area to make the annual conference a memorable one for all.

## IN COMMITTEE

### Environment

The Environment Committee has been most active over the past several months and has been looking at issues of importance to Canada's port community. In addition to several teleconferences, the Committee has planned a day-long meeting in Vancouver in June to consider the various issues and develop concrete action plans. Some of these issues include sulphur emissions control and related efforts to ensure the port community plays a positive role in limiting emissions from the marine sector. Other issues deal with ongoing government regulatory initiatives and studies related to oily waste reception facilities; green ship programs; environmental assessments; ballast water; ship recycling; and disposal at sea. The Committee has also reviewed the draft of the marine paper and provided comment to Transport Canada related to its Sustainability Development Strategy that will be tabled in Parliament this coming Fall.

### Operations

Security continues to be very much on the radar of the National Operations Committee. There are several important ongoing initiatives that the Committee continues to monitor and on which the Committee provides direct input. Members of the Committee will be attending a workshop on Canada's Transportation Security Action Plan in mid-June in Ottawa. There is also ongoing communication with Transport Canada on three specific areas related to marine security including background checks for port workers; the eventual waterside security policy and related policing requirements; and the contribu-

tion program for marine-facilities in Canada. Committee members are also considering demonstration projects for security technology that may be applicable at Canada's ports. Finally, the Committee is involved in the joint effort ongoing with the Canadian Standards Association and the federal department of Public Safety related to development of emergency preparedness standards for Canada.

### Governance

The Governance Committee is once again busy planning the Governance Seminar scheduled for this October in Halifax. The dates for this year's session will be October 31 and November 1, 2006 at the Westin Nova Scotian in Halifax. Full program details will soon be provided to the membership. The Committee will also be considering a full review of all the legislation and regulation that impacts Canada's ports – and the list is long.

### PILT

Following the PILT workshop with representatives from all the Corporate Members last February in Ottawa, there have been a number of informal discussions with key federal officials to monitor the ongoing development of 'best practices' for the application of the PILT Act. There will also be two sessions to address this issue at the upcoming Annual Conference in Oshawa. We will hear views from the port community and a representative of the Federation of Canadian Municipalities.



## Multi-Stakeholder

As always, the Association continues to engage with stakeholders in the maritime sector at every opportunity. It continues to work with Canada's Marine Industry Alliance that is comprised of 8 marine associations in Canada. This group came together to host a reception in Ottawa to recognize the important contribution of the maritime sector with a National Marine Day. The National Marine Day reception was attended by many Members of

Parliament; federal officials; other transportation associations; and a cross-section of marine industry representatives including carriers, ports, terminal operators and shippers.

The Association was also invited to be a representative on Transport Canada National Advisory Group for the department's three-year Sustainability Development Strategy. A number of meetings were held to assist with the development of workshops to be held across Canada in June.



## GALLANTRY AWARD

Keith Finsterwald and Constable Gerry Proctor received the ACPA's Gallantry Award in recognition of 'outstanding acts of courage in a Canadian-related marine environment' for their efforts at the foot of the Fraser River in January of 2006. A truck flew over a two-metre berm and plunged into the Fraser River. Keith Finsterwald, 31, was near the truck at the time of the accident and waded into the water right away and yelled for help. Constable Proctor, 38-years old, stripped and jumped in the freezing waters to save a screaming woman in the truck. A woman, a 21-year old New Westminster woman, had a broken leg and was screaming hysterically for someone to save her boyfriend as well. Unfortunately, by the time they pulled the woman to shore the truck had sunk and the body of her 31-year old boyfriend was recovered by Coast Guard divers 45 minutes later.

The Award was presented on May 18 at the North Fraser Port Authority by Past Chair of the Association Gordon Houston, President and CEO of the Vancouver Port Authority and Alan Baydala, President and CEO of North Fraser.

## MEDAL OF MERIT

The Board of Directors of the Association has approved the nomination for the prestigious Medal of Merit award. This year's recipient is Jack D. Leitch, Chairman of Upper Lakes Group Inc. Upper Lakes owns and operates 13 bulk carriers and 8 self-unloading lake ships carrying bulk commodities on the Great Lakes and St. Lawrence River for many years, and grain transfer elevators in Thunder Bay and Trois-Rivieres, Quebec. The award will be presented at the upcoming Annual General Meeting and Conference in Oshawa, August 13-16, 2006, at the Holiday Inn. The Medal of Merit will be presented on Monday, August 14, 2006. The Medal of Merit is, "Made in recognition of outstanding works or service, preferably of national impact, by an individual, institution or organization in the port, shipping and maritime fields."

## TAKING CARE OF BUSINESS



**Sept-Iles:** Sept-Iles showed a strong year in 2005 with cargo up by 5 million metric tonnes! For 2005 the cargo-handling activities hit 22,450,000 metric tonnes. All categories of cargo showed growth and it was the port terminal at La Relance that recorded the biggest increase, as the volume of activity almost doubled to 1,555,000 metric tonnes. Marine traffic was more intense with 550 vessels calling at the Port in 2005.

**Hamilton:** The Hamilton Port Authority announced that it has concluded a long term agreement with longstanding tenant Federal Marine Terminals (FMT) that will see the respected stevedoring and terminal operating company extend its lease at the Port for a period of 15 years. This agreement will require the HPA and FMT to proceed with significant capital investments in order to renew and refurbish infrastructure on Piers 12 and 14 with the ultimate goal of transforming this area into a modern terminal facility capable of handling an increased volume of international cargo. Montreal based vessel operator Fednav Inc, the parent company of FMT is the largest deep-sea vessel operator in Canada and carries the largest volume of international cargo in and out of the Great Lakes. Hamilton is the company's largest and most important cargo terminal in Canada and is the Canadian Great Lakes hub for Fednav's "Falline" transatlantic service.

**Vancouver:** The Vancouver Port Authority's office at Canada Place has achieved LEED-CI (Leadership in Energy and Environmental Design for Commercial





Interiors) Gold. This marks the VPA's latest achievement in its pursuit to lead environmental responsibility in the Port of Vancouver. In 2004, the VPA moved into its own building at the north end of Vancouver's flagship cruise terminal in Canada Place. The move brought the VPA employees together in one location after previously being spread out among a patchwork of offices in a downtown building.

**Halifax:** Cerescorp Company recently announced that it has purchased two of the world's most technologically advanced, super post-panamax cranes for its Fairview Cove Container Terminal facility in the Port of Halifax. With this purchase, Cerescorp will own and operate a total of six cranes at the terminal – three, 65-tonne, super post-panamax cranes and three, 40-tonne, gantry cranes that will have the capability of handling a throughput in excess of 400,000 containers per annum. The new cranes will be shipped from the Liebherr Container Cranes Ltd. facility in Killarney, Ireland. Liebherr is one of the world's top crane manufacturers and has a strong reputation for its successful crane operations in U.S. East Coast Ports. Cerescorp's new super post-panamax cranes can handle 22 containers across and are capable of working the world's largest mega container-ships. They also complement the Port of Halifax's 16.8 m (55 ft.) deepwater berthing capability. Delivery is expected by Summer of 2007.

**Halifax:** Karen Oldfield has been recognized as one of the Top 50 CEOs in Atlantic Canada by Atlantic Progress Magazine. She adds this award to the one received several years ago from Canadian Business Magazine for one of the "Top 40 Under 40." Congratulations!

**St. John's:** Upon the recent completion of its \$24-million Port Redevelopment Program,

the Port of St. John's has set three new records: in gross revenue; cargo volumes; and vessel arrivals. In 2005, the SJPA attained its all-time highest gross revenue: \$4.482 million; an increase of 9.5% over 2004's revenues. Net income derived from this revenue amounted to \$0.381 million. Leading the growth in cargo in 2005 was the General Cargo category (comprised of automobiles, break bulk, containers, and trailer traffic) which experienced an increase of 0.5% over 2004's record performance. Since the Port of St. John's became a Canada Port Authority seven years ago, General Cargo has increased by nearly 20 per cent. Oceanex operations at the Port's Main Terminal remains a significant contributor with more than 43% of total waterborne cargo handled at this location. An all-time record of 1,250 vessels entered the Port of St. John's in 2005. In 2005, the Port of St. John's hosted 11,904 cruise passengers: a 50% increase over 2004. 20 cruise vessels are scheduled to visit the Port in 2006.

**Toronto:** The Toronto Port Authority recently signed a Commercial Carrier Operating Agreement with REGCO Holdings Inc. for the operation of a regional carrier from the Toronto City Centre Airport beginning later this year. REGCO has announced that its wholly-owned regional airline will serve a number of regional markets in Canada and the United States. The TPA also announced its decision to proceed with the construction of Ferry Passenger Transfer Facilities on the mainland and the TCCA after the completion of an Environmental Assessment (EA) that assessed the potential environmental effects of the project. These facilities will improve ferry passenger access. A new ferry, to replace the aging Windmill Point which has been in service since the 1950s, will begin operation later this year.

**Prince Rupert:** The Prince Rupert Port Authority has attracted new cruise lines for the 2006 season with Celebrity Cruises' Infinity and Mercury calling at the Northland Cruise Terminal and Regent Seven Seas Cruises' Seven Seas Mariner and Norwegian Cruise Line's Norwegian Sun. The Port has been diligently working with other organizations and business groups to offer a more diverse range of initiatives that will translate into an expanded shore excursion program and improved visitor experiences.

**SLSMC -** Executives of the Canadian and U.S. St. Lawrence Seaway corporations and other marine and shipping companies recently visited China to try to drum up business for the inland waterway. While shipping to the North American hinterland from China via the St. Lawrence River and seaway would require a long detour through the Panama or Suez canals, seaway officials claim there are advantages. For example, ships from China would avoid the congestion at west coast ports like Los Angeles and Vancouver, while an all-water route to places like Chicago may be cheaper than adding a train run from the west coast. The delegation of 23 promoted new business partnerships in Beijing, Shanghai, Hong Kong and Shenzhen. Besides the seaway, the delegates represented the ports of Quebec, Hamilton, Cleveland, Toledo; the International Longshoremen's Association; and shipping companies like Upper Lakes Group Inc.

**Vancouver:** Cruising at the Port of Vancouver began more than 100 years ago with passengers traveling on paddle wheelers and freight vessels. In 1986 Vancouver hosted the World Exposition and with it came the Canada Pavilion and cruise facility, known as Canada Place, welcoming 300,000 passengers on 233 sailings. Twenty years later,





in 2006 the port will host 28 ships on about 275 sailings throughout the season resulting in more than 900,000 passengers visiting Vancouver. The cruise industry provides significant economic benefit to Canada including \$1.3 billion in total economic output and \$567 million in total GDP annually. Each sailing through Vancouver generates approximately \$2 million in economic benefits to the local and provincial economy.

**Saint John:** Saint John Port Authority had first quarter successes in three of its market sectors: cruise, project cargo and forest products. Total confirmed calls have been increased to 33 and the total number of passengers and crew to 87,300 and 35,000 respectively, which will have an economic impact of \$9 million on the region. Secondly, Furncan Marine have secured a contract for exporting project cargo at the Lower Cove terminal. Almost 500 pieces of dismantled equipment is being transferred from the dry dock to Lower Cove by road and by barge to be loaded for India. With the start-up of operations at the AV Nackawic mill, shipments of pulp products have resumed through the Port of Saint John over the past month, heralding a return of regular service from the port by Star Shipping, of Bergen, Norway. The re-introduction of this cargo will have positive impact on port labour, the terminal operator (Logistec Stevedoring Atlantic, Inc.), and the Port Authority as well as numerous other port-related services and associated transportation industries.

**Vancouver:** The Vancouver Port Authority (VPA) recently introduced new and stronger requirements to its mandatory Truck Licensing System (TLS). These will include more rigorous safety, security and environmental standards that will apply to all container trucks and container truck operations at Lower Mainland ports. It should be

noted that the same regulations will also apply to trucking at the Fraser River Port Authority. The new requirements are part of the VPA's response to last summer's withdrawal of services by most lower mainland container truckers. Container truck operators will have 60 days to comply with changes designed to improve the flow of container truck traffic on lower mainland roadways, reduce wait times at truck gates, reinforce safe driver behaviour, and reduce emissions. Chief among the new license provisions is mandatory compliance with container terminal reservation systems. Also, operators will be required to take advantage of extended hours of operation at terminal truck gates.

**Fraser River:** Fraser Surrey Docks set a new record at Fraser River Port for receiving a record steel shipment discharged from a single ship, when M.V. SANKO REJOICE delivered 38,237 tonnes of steel to the general cargo terminal this week. A reception was held aboard the vessel on March 22nd to celebrate the record delivery, attended by representatives from the shipping lines and major steel importers for Western Canada. Ed Kargl, Vice-President Business Development for the Fraser River Port Authority, and Bill Wehnert, Vice President Sales and Marketing for Fraser Surrey Docks, each presented the vessel's master, Captain Baijal Sharad, with plaques to commemorate the record-setting occasion, and a gift to the chartering agent, Mr. Chun-Bae Lee, Deputy Senior Manager for SK Shipping, of Seoul, Korea.

**Halifax:** The Port of Halifax celebrates the arrival of Maersk's new Middle East Container Line service (MECL 2) to the east coast of North America, via the Suez Canal. Maersk has returned to Halifax after a brief stop in service. The Maersk Duisburg, one of eight vessels making up this weekly service, made its inaugural call to Halifax in April.

Halterm Limited provides container handling services in the Port of Halifax. Halterm President Doug Rose estimates that this new service will increase container volumes by 30-35% at Halterm. Maersk is the world's largest container shipping line, with more than 500 container vessels and 1,400,000 containers.

**Halifax:** National Gypsum Canada Ltd., a leading manufacturer of gypsum wallboard, will celebrate 50 years of mining at its Milford, Nova Scotia, Quarry on October 13. National Gypsum began operations at Milford Station in 1954, and it is now the largest gypsum quarry in the world, supplying rock to the company's eight eastern seaboard plants. This year, the quarry will supply approximately 3.8 million short tons. In addition, it sells gypsum to BPB for its plant in New Brunswick, and area potato farmers use approximately 20,000 tons annually to enrich their soil.

**Pacific Gateway Confirmed:** The Honourable David Emerson, Minister of International Trade and Minister for the Pacific Gateway and the Vancouver-Whistler Olympics, met in Vancouver with representatives of the Greater Vancouver Gateway Council as part of the federal government's commitment to ongoing consultation with key private-sector and government stakeholders in the West.





## CPA CHAIR PROFILE

### George A. Adams

George Adams retired from MacMillan Bloedel in 1997 having served as Vice President, Transportation. He was also President and CEO of Canadian Transport Company since 1981 and where his responsibilities included all marine and land transport activities. Mr. Adams has served as a Director of many organizations including Vancouver Port Authority (1999 to 2003), Pacific Pilotage Authority of Canada (1991 to 1999), Vancouver Maritime Museum (2000 to 2003), B.C. Maritime Employers' Association (1981 to 1997), Chamber of Shipping of B.C. (1981 to 1993), Shipowners Mutual Strike Insurance Association (1982 to 1997), Mercator Chartering Limited (1975 to 1997), Empire International Stevedoring Services Limited (1991 to 1997), the Chartered Institute of Logistics and Transport (since 1986), Vancouver Maritime Arbitrators' Association (1992 to 1995) and Missions to Seamen (1988 to 1994). Mr. Adams is a Master Mariner and a Fellow of the Chartered Institute of Logistics and Transport.

## RO/RO: APPOINTMENTS

**Quebec:** Yvon Bureau of Quebec City, Quebec, was re-appointed to the Board of Directors of the Quebec Port Authority for a further three years. Born in Stoneham, Quebec, Mr. Bureau received a bachelor's degree in applied sciences (magna cum laude) from Laval University in 1965 and became a member of the Corporation of Quebec Land Surveyors that same year. For more than 30 years he worked at the Port of Quebec Corporation and its predecessor organization, the National Ports Council (Port of Quebec), reaching the level of acting President and CEO. He is former chairman of the Quebec Seamen's Club, former president of the Canadian Port and Harbour Association, a director of the Club des Matinaux de Charlesbourg and an active member of the Théâtre des aînés de Charlesbourg.

**Laurentian Pilotage:** Michel Beauregard of Carignan, Quebec, was appointed as part-time chairman of the Laurentian Pilotage Authority. The proposed appointment will be referred to the Standing Committee on Transport, Infrastructure and Communities for review. Mr. Beauregard graduated with a bachelor of arts from College Sainte-Marie. In 1978 he joined Clarke Transportation where he held many operational positions, including operations manager. In 1978, he left Clarke and

joined Cast Container where he became vice-president of Cast North America. He was appointed executive vice-president of Cast North America (1983) Inc. in 1987. In 1995, he became president of Montreal Gateway Terminals Company and in 2001 became president of CP Ships (Canada) Agencies Ltd. Mr. Beauregard has held many board positions, including chairman of the Maritime Employers Association, board member and chairman of the Shipping Federation of Canada, vice-chairman of the board of directors of Edicom, and member of the board of la Chambre de commerce de Montréal.

**GLPA:** Brian Charles Ducharme, of Windsor, Ontario, as Chair of the Great Lakes Pilotage Authority. Brian Charles Ducharme received his bachelor of arts from the University of Windsor in 1972 and then his bachelor of laws in 1977. He was called to the Ontario Bar in 1978 and is currently in private practice. Mr. Ducharme has been the Vice-president of the Windsor Club; member and president of the board of directors of Hiatus House, a home for battered women and children in the Windsor region; the founding president of the Windsor Essex Bilingual Legal Clinic; and the past commodore of the Windsor Yacht Club.



## INTERNATIONAL

### AAPA LAUDS SENATE APPROPRIATIONS SUPPLEMENTAL BILL

The American Association of Port Authorities (AAPA) praised the U.S. Senate Appropriations Committee for approving the FY 2006 Emergency Supplemental Appropriations bill, which would result in a major boost in security funding for America's seaports. As part of the bill, the committee approved an amendment, offered by Sen. Robert Byrd (D-WV), which would provide an additional \$648 million in resources for radiation portal monitors, container inspections, port inspections and port facility security grants.

In total, the Senate Appropriations' supplemental bill allocates \$106.5 billion in emergency funding, including \$72 billion for the global war on terror and \$27 billion for hurricane recovery efforts. Within the \$648 million port security amendment to the bill, \$227 million of additional funds are allocated to the federal Port Security Grant program, \$211 million for Customs and Border Protection (CBP) to purchase 60 more cargo container inspection systems, \$23 million for CBP to hire 50 additional port inspectors, \$23 million for the U.S. Coast Guard to triple the number of port security plan specialists, \$32 million for CBP to hire 85 cargo container security specialists, and \$132 million to place more than 300 additional radiation portal monitors in U.S. seaports to check cargo containers for carrying radioactive materials.

### Bond Agreement in Place

The California dream remains alive for decades to come with billions invested on the US West Coast. Working with the Legislature, the Governor of California reached an agreement that looks to California's future and addresses its infrastructure needs in a comprehensive and fiscally responsible way. Some of the highlights include the following:

- *Relieving congestion: \$4.5 billion*
- \* Funds will expand capacity, enhance operations, and improve travel times in high-congestion travel corridors.  
Public transit: \$4.0 billion for public transit, intercity and commuter rail, and waterborne transit operations.
- \* Projects include new capital outlay, rehabilitation, capital service enhancements and improvements to safety, modernization, and bus rapid transit projects.

- *Sea, land, and airport infrastructure: \$3.1 billion* to relieve traffic congestion along major trade corridors, improve freight rail facilities, and enhance the movement of goods from port to marketplace.
- \* \$1.0 billion is designated for air quality improvements that will achieve emission reductions from activities related to port operations and freight movement.
- \* \$100 million will also be available for port, harbor, and ferry terminal security improvements.
- *State Transportation Improvement Program (STIP): \$2.0 billion* to augment funds for STIP, a five-year capital improvement program for state and regional transportation projects.
- *Route 99: \$1.0 billion* for improvements to this 400 mile stretch of highway through the Central Valley.
- *Local streets and roads: \$2.0 billion* for improvements to local transportation facilities that will repair and rehabilitate local streets and roads, reduce local traffic congestion, improve traffic flow or increase traffic safety.
- *Matching funds for counties: \$1.0 billion* for counties that have raised local money for transportation projects.
- *Highways: \$750 million* for highway safety, rehabilitation and pavement preservation projects.
- *Railroad infrastructure: \$250 million* for railroad crossings and the construction of bridges over rail lines.

### Environmental Recognition

Kawasaki Kisen Kaisha, Ltd. ("K" Line) has been recognized for its contribution to environmental conservation during 2005 by the Long Beach Board of Harbor Commissioners that has been staging a voluntary ship speed reduction program to curb air pollution from exhaust gas in certain designated waters. The Long Beach Board awards Green Flags to individual ships and ocean carriers that comply with specified environmental conservation criteria, and among those receiving awards for year 2005, "K" Line was among the top 6 out of 100 carriers, and the only Japanese line, that received Special Environmental Recognition as one of the Port's "greenest" vessel operators.





## MULTI-MODAL

### CN and Customs

**The Canadian National Railway Company (CN) has launched Customs clearance services for shipments entering Canada from the US or overseas. Through the services, CN will arrange to have shipments cleared electronically through Canada Customs. Other tasks include imported goods release, delivery instructions, duty payment, record maintenance and response to Canada Border Services Agency issues after payment. The service will also be applied to the company's own international freight forwarding subsidiary, CN WorldWide.**

## IN THE MEDIA...

The year 1956 was marked by upheaval and revolution. The Hungarians rose up against the Soviet Union (and were brutally crushed by Russian troops). The Suez Crisis was sparked when Egypt's president, Colonel Gamal Abdel Nasser, nationalized the Suez Canal. And Elvis Presley was busy turning the music world on its head with hits like Heartbreak Hotel, released that year. Less well remembered is the fact that 1956 saw the start of another kind of revolution altogether. On April 26, what one reporter described as an "old bucket of bolts" set sail from the port of Newark, New Jersey, and headed down the east coast of the U.S. for Houston, Texas. The vessel — a converted Second World War tanker — was a curious-looking craft. But with a reinforced deck carrying 58 metal boxes, Malcom McLean's Ideal-X initiated the first-ever scheduled containership service, setting in train an idea that was to have profound implications for the world.

It is the birthday of the box — the 50th anniversary of this pioneering voyage, and time to remember the impact the shipping container has had on the planet. Since the late 1960s, this steel box has been transforming world trade. It is a secret revolution that has taken place right under our noses. Few people notice containers, but more than 90% of global trade now travels inside them. As Marc Levinson argues in his recently published book *The Box: How the Shipping Container Made the World Smaller and the Economy Bigger*, this unassuming metal object was to pave the way for globalization. The genius behind the shipping container was Malcom McLean, a North Carolina truck driver who watched cotton bales being loaded on to a vessel in New Jersey and realized it would be easier to hoist the whole trailer on board.

## CPA-CEO PROFILE

Bill Mills is President and Chief Executive Officer of the Nanaimo Port Authority and started with the Port's previous entity, the Nanaimo Harbour Commission, in September of 1986. Since 1986, he led major organizational and operational changes at the Port, including the transition from Harbour Commission to Port Authority under the Canada Marine Act. Bill became a Chartered Accountant in 1970 and began his career with Thorne Riddell, a predecessor of KPMG, an international accounting firm. He was Treasurer of a bilingual Community College in Ontario for 10 years and, in 1982 he moved to Nanaimo to join the administrative team at Malaspina College. He left the College in the fall of 1986 as Vice-President of Administration to accept his current position of President & Chief Executive Officer with the Port of Nanaimo. Bill retains memberships in a number of professional organizations and participates in various capacities in port-related associations such as the Association of Canadian Port Authorities, the Association of Pacific Ports, the International Association of Ports and Harbours and the American Association of Port Authorities of which he currently serves on the Board. He strongly believes in the concept of "none of us is as smart as all of us" and strives to bring out the best in all those who work with him.

## AFFILIATE MEMBER PROFILE BCMEA

The British Columbia Maritime Employers Association is an unaccredited employers association currently consisting of sixty-seven (67) member companies. The primary purpose of the Association is to provide sound labour relations advice to waterfront employers in British Columbia. The Association staff, on behalf of the Association's membership, interact daily with representatives of various Union Locals and the Canadian Area office of the International Longshore and Warehouse Union (the "Union"). The Association handles day-to-day labour relations matters such as Collective Agreement





## ⇒ AFFILIATE MEMBER PROFILE continued

administration, discipline, grievances and arbitration hearings. Additionally, the Association is responsible for Collective Agreement negotiations on behalf of its members. The Association also participates in the establishment and maintenance of various Industry Benefit Plans. The Association works with the Waterfront Employers of B.C. in providing payroll services and the compilation and distribution of statistical information for the industry. Ensuring that a sufficient and qualified work force is available to meet the needs of the membership is also an Association responsibility. The Association is responsible for the training and retraining of the longshore workforce. In this regard, the Association employs trainers as well as

professional writers and illustrators, who are engaged in the development and delivery of training. The Association is also involved in the promotion of accident prevention, safety education and WCB claims management. The Association represents employer interests with respect to regulatory matters in the areas of labour relations, pensions, legislative reform, Canada Labour Code reform, health and safety, human rights and employment equity. Additionally, the Association actively participates in Transportation Associations such as the Federal Employers Transportation and Communications (FETCO), the Western Marine Community (WMC), and the Greater Vancouver Gateway Council (GVGC).

## WORTHY OF NOTE

### China's trade surplus almost doubles in March

China's trade surplus in March almost doubled that of the same month last year, and one expert says it will be impossible for the country's annual trade surplus to drop this year. "The expected drop in trade surplus doesn't match the reality of the situation," said Mei Xinyu, a researcher with the Ministry of Commerce. He said that the surplus continues to climb due to the good economic prospects of developed countries and their robust demand for imports. Figures from Chinese customs show the country's trade surplus in March jumped 98.5% year on year. "It is still not clear why the figure rocketed in March, but I am sure China's trade surplus will not decrease sharply this year," Mei said.

### Big Ship!

When the new Freedom of the Seas recently arrived at a port in the United States and made history as the world's largest cruise ship, a behemoth built to carry more than 5,000 people. Boarding passengers will be easy enough. But questions arise about

whether cruise lines can successfully evacuate the Freedom and other ships in emergencies. Unlike the airline industry, cruise lines don't have to prove they can get every passenger off ships within a set time. Routine lifeboat drills are done without passengers because of the risk of injury.

### Border Guns

Canadian border agents finally will get guns. Canada's Conservative Party, which has assumed majority in the country's government, put campaign promise into action Tuesday when it allotted \$101 million in the next two years to arm the border.

### Big Boys

The Canadian Trade Commission says Hong Kong and two other Chinese ports are three of the five busiest in the world. Hong Kong handled 22 million TEUs (20-foot equivalent units) in 2005, Shanghai 18 million TEUs and Shenzhen 16 million.



# EYE ON OTTAWA

## Ministerial Meanderings

**The Hon. Lawrence Cannon, PC, MP  
Minister  
Transport, Infrastructure and Communities**

“CN recently announced a \$100-million investment to rebuild and upgrade its train yard in Memphis. They anticipate that Memphis will be a key destination point for Asian goods coming through the new intermodal terminal in Prince Rupert and their investment in Memphis will facilitate the continental free flow of goods. That’s a remarkable vision — the fastest, most efficient way to get from Shanghai to the U.S. South could be through Northern British Columbia. It demonstrates the importance of Canada’s Pacific Gateway, and the ability to compete with U.S. ports further down the west coast. Through the Government of Canada’s Pacific Gateway Strategy, investments in multimodal transportation — air, roadways, ports and rail — as well as in human resources, will ensure that Canada is the first choice where economies meet to do business with the world’s fastest growing markets.

As my colleague Minister Emerson said when he recently met with the Vancouver Board of Trade: “We’re in the midst of nothing short of a revolution in the character of global commerce.” The Pacific Gateway Strategy will help Canada adapt to this revolution. It means jobs for people in British Columbia. It means a port service that complements Vancouver, and could relieve some of the congestion pressures there. It means sustaining and building a level of traffic that will help the transportation system prosper and grow, and acquire the capital for further improvements. But this corridor will not work unless we can keep our border crossings free-flowing and efficient. We need to demonstrate to our trading partners that rail transportation is safe and secure.” “Let me be clear — this government is certainly committed to investing in our infrastructure. However, we need to look at all options to make our transportation systems as efficient, effective and sustainable as possible. That’s why shipping more of our cargo by water just makes sense. It reduces congestion, while helping to protect our environment. It’s also better for the economy. Quite simply, shippers want their goods to be delivered to market in a cost-effective manner. You won’t make much money shipping products by truck if those trucks are stuck in traffic.” (Shortsea Shipping Conference, April 2006, Vancouver).

**The Hon. Rona Ambrose, PC, MP  
Minister of the Environment**

Very shortly, we will be sitting down for the first time ever in this country’s history with the provinces to launch our way forward to a national renewable fuels strategy –

which will see real, tangible benefits to the environment and economic benefits to the agriculture sector. We are launching a long-overdue review of the Canadian Environmental Protection Act, Canada’s most important piece of environmental policy to find ways to strengthen it. The Liberals put off the review, we committed in our Speech to the Throne that it receive the comprehensive review it deserves for the sake of the Canadian environment. We have begun the review of the Canada-US Great Lakes Water Quality Agreement, which hasn’t had a serious review since 1987.

## Budget in Brief

Over the next four years, the Government will provide unprecedented support for initiatives to improve our infrastructure and transportation system. Moreover, the Budget renews funding under existing federal infrastructure agreements and announces funding for new infrastructure initiatives, Mr. Speaker. Among the initiatives is a new, permanent Highways and Border Infrastructure Fund. The Budget provides \$2.4 billion over the next five years for this initiative.

This new fund will progressively replace the previous Border Infrastructure Fund. As a result, we have committed an additional \$400 million to the \$2 billion that we promised in our election platform last winter. Not only will the new Highways and Border Infrastructure Fund provide funding for the core national highway system, it will also fund infrastructure improvements to border crossings with the U.S. Other items of interest to the port community include:

- An additional \$2 billion to renew the Canada Strategic Infrastructure Fund;
- Recognizing the needs of smaller municipalities, the Budget allocates \$2.2 billion over the next five years to renew the Municipal Rural Infrastructure Fund; and
- \$591 million over the next eight years for investments in the Pacific Gateway initiative;

## CANADA TRANSPORTATION ACT AMENDMENTS INTRODUCED IN PARLIAMENT

When the Act was tabled in Parliament it was noted that “Amendments to the Act focus on balancing the interests of communities, consumers, commuters and urban transit authorities with those of air and rail carriers.” However, it also noted that Transport Canada was to report on the state of transportation in Canada before Parliament every 3 years; that an 8-year review of the CTA and other trans-





portation-related Acts (does this mean the CMA?); review of mergers and acquisitions re: matters of 'public interest' with more powers given to the Minister to make decisions; and that the Minister 'may' refer merger matters the Canadian Transportation Agency who will have no more than 150 days in which to respond. These and other matters will be clarified as the Act wends its way through the Standing Committee process.

### **ADVISOR APPOINTED TO REVIEW TORONTO PORT AUTHORITY ISSUES**

Lawrence Cannon, Minister of Transport, Infrastructure and Communities, appointed Roger Tassé to review decisions and issues associated with the Toronto Port Authority and the transportation links to the Toronto City Centre Airport. The review has been called to provide the Government of Canada with an independent view of decisions, actions and transactions made concerning proposals for the link to and the operation of the airport. Mr. Tassé will also be able to draw upon the outcomes of the work of an accounting expert. The report is to be delivered on September 1, 2006.

The Toronto City Centre Airport is operated by the Toronto Port Authority under the terms of the Tripartite Agreement. The agreement was signed in 1983 by the City of Toronto, the Toronto Harbour Commissioners (now the Toronto Port Authority) and the Minister of Transport on behalf of the federal government and amended by these parties in 2003.

### **THIRD ROUND OF SECURITY FUNDING**

Marine operations working to comply with the International Maritime Organization's International Ship and Port Facility Security Code have a new shot at some serious cash. Transport Canada is now accepting applications for the third round of funding under the Marine Security Contribution Program (MSCP). The \$115-million program was launched in 2004 to modernize and strengthen the security systems of ports and marine facilities. These operations may apply for funds help purchase the new security equipment and programs required under their security plans. Eligible expenses incurred between April 2004 and November 2007 may be reimbursed by the MSCP. Eligible projects include improvements to dockside and perimeter access control, surveillance and communications equipment like vessel-to-shore radios. The deadline for applications was June 2.

### **INTERNATIONAL BRIDGES AND TUNNELS ACT TABLED IN PARLIAMENT**

The International Bridges and Tunnels Act to be amended soon. "For the first time, the Government of Canada is establishing a legislative framework to enable it to exercise authority over international bridges and tunnels," said Minister Cannon. "The proposed amendments would give the Government of Canada the legislative authority required to oversee the approval of international bridges and tunnels. They would provide the governor-in-council,

on the recommendation of the Minister of Transport, with the authority to approve the construction or alteration of international bridges and tunnels, and to develop regulations pertaining to the governance, maintenance, safety, security and operation of these structures. The legislation would also permit the federal government to approve any sales or transfers affecting the ownership of international bridges and tunnels. There are currently 24 international vehicular bridges and tunnels and five international railway tunnels linking Canada and the United States. These bridges and tunnels carry the vast majority of Canadian trade with the United States and play a vital role in Canada's transportation system.

### **PORT OF DALHOUSIE OFFICIALLY TRANSFERRED TO LOCAL INTERESTS**

Transport Canada has transferred the ownership of the port of Dalhousie to the Port of Dalhousie Inc. Under the transfer agreement, Port of Dalhousie Inc. acquired the site from Transport Canada, and is subject to operating conditions including the facility's continued operation as a public port for a 4-year period. The transfer agreement includes a financial contribution of \$3.5 million from the Government of Canada, to be used exclusively for operational and maintenance costs over the next 10 years.

Port of Dalhousie Inc. is a locally owned not-for-profit corporation, sponsored by area longshoremen. The Town of Dalhousie and all major port users are supportive of the transfer of the port property to Port of Dalhousie Inc.

### **SHORT SEA SHIPPING**

A Declaration was signed between Canada, the United States and Mexico following the short sea shipping conference in Vancouver from April 18 to 20, 2006, the "North American Marine Conference - Towards a Shortsea Shipping Strategy for the North American Continent."

The Minister of Transport, Infrastructure and Communities, Lawrence Cannon, was on hand to welcome participants and give the opening address on April 19, 2006. Minister Cannon also met with United States and Mexican officials and key marine stakeholders on a variety of transportation related issues.





## OTTAWA MOVES

### Changes in the Upper Ranks

Prime Minister Stephen Harper recently announced the following changes in the senior ranks of the Public Service and one can predict with some certainty that there will be more before Parliament recesses for the summer.

Samy Watson, currently Deputy Minister of the Environment, becomes Special Advisor to the Privy Council Office, pending his next assignment.

Michael Horgan, currently Deputy Minister of Indian Affairs and Northern Development, becomes Deputy Minister of the Environment.

Michael Wernick, currently Deputy Secretary to the Cabinet (Plans and Consultations), becomes Deputy Minister of Indian Affairs and Northern Development.

Margaret Biggs, currently Assistant Secretary to the Cabinet (Priorities and Planning), Privy Council Office, becomes, Deputy Secretary to the Cabinet (Plans and Consultations), Privy

Margaret Bloodworth, currently Deputy Minister of Public Safety, becomes Associate Secretary to the Cabinet, effective May 1, 2006.

Suzanne Hurtubise, currently Deputy Minister of Industry, becomes Deputy Minister of Public Safety, effective May 1, 2006.

William J.S. Elliott, currently National Security Advisor to the Prime Minister, becomes Associate Deputy Minister of Public Safety, effective May 1, 2006.

Richard Dicerni, currently Partner at Mercer Delta Canada, becomes Deputy Minister of Industry, effective May 1, 2006.

Robert Fonberg, currently Deputy Minister of International Trade, becomes Senior Associate Secretary of the Treasury Board, effective immediately.

Marie-Lucie Morin, currently Associate Deputy Minister of Foreign Affairs, becomes Deputy Minister of International Trade, effective immediately.

Louis Lévesque, currently Associate Deputy Minister of Finance, becomes Deputy Minister (Intergovernmental Affairs), Privy Council Office, effective May 1, 2006. Mr. Lévesque replaces Marie Fortier who retired recently after 20 years of exceptional service. The Prime Minister wishes her every success in her future endeavours.

Jonathan Fried, currently Senior Foreign Policy Advisor to the Prime Minister and Head of Global Affairs and Canada-United States Secretariats, Privy Council Office, is nominated for the position of Executive Director for the Canadian, Irish and Caribbean constituency at the International Monetary Fund (IMF) in Washington, D.C. The Prime Minister thanks Mr. Fried for his dedicated support in the transition period.

David Mulroney, currently Assistant Deputy Minister, Bilateral Relations at Foreign Affairs, will assume the responsibilities of Foreign and Defense Policy Advisor to the Prime Minister in the Privy Council Office.



## UPCOMING EVENTS

### **Saint John Port Days**

A reminder to advise you that the Saint John Port Authority will be holding its Annual Port Days events on June 12th and 13th at the Saint John Trade and Convention Center (see [www.sjport.com](http://www.sjport.com)).

### **Hamilton Port Days**

The Hamilton Port Authority will hold its Hamilton Port Days from June 23-June 25, 2006. For more information please contact: ([www.hamiltonport.ca](http://www.hamiltonport.ca))

### **Great Lakes St. Lawrence Cities Initiative Conference**

June 21 - 23, 2006

Parry Sound, ON

Info: Lynn Middaugh (705) 746-2101

E-Mail: [middaugh@townofparrysound.com](mailto:middaugh@townofparrysound.com)

### **CANADIAN ENVIRONMENT WEEK**

JUNE 4 - 10, 2006

Across the country, thousands of events are held in communities, workplaces, and schools to raise awareness of environmental issues and promote activities aimed at preserving, protecting, and restoring our environment.

See Environment Canada's website: [www.ec.gc.ca](http://www.ec.gc.ca).

## FUTURE ACPA BOARD MEETINGS

**August 13, 2006, Oshawa, ON**

**August 17, 2006, Oshawa, ON**

### **ACPA GOVERNANCE SEMINAR**

October 31 and November 1, 2006

Westin Nova Scotia

Halifax, Nova Scotia

## FUTURE ACPA ANNUAL MEETINGS/CONFERENCES

August 13-16, 2006     The Oshawa Harbour Commission will host the 48th Annual Meeting/Conference of the Association at the Holiday Inn, Oshawa.

August 25-30, 2007     The Montreal Port Authority will host the 49th Annual Meeting/Conference of the Association at the Queen Elizabeth Hotel,

August 17-21, 2008     The Saint John Port Authority will host the 50th Annual Meeting/Conference of the Association at the Hilton Saint John.

## Future ACPA Conventions

2006 - New Orleans, Louisiana



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