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Chair

The Honourable Judy A. Sgro

Standing Committee on Transport, Infrastructure and Communities

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• (1135)

[English]

The Chair (Hon. Judy A. Sgro (Humber River—Black Creek, Lib.)): I call to order this meeting of the Standing Committee on Transport, Infrastructure and Communities. Pursuant to Standing Order 108(2), we are studying the subject matter of clauses 225 to 279, part 4, divisions 11 and 12, of Bill C-97.

Welcome, committee members and all of our witnesses. My apologies for the forthcoming interruption of our meeting, but we'll try to get as much done as we possibly can in a shorter period of time.

By the way, we are not in camera. This meeting is public and will be recorded at the same time.

Before we go on to our witnesses, Mr. Badawey.

Mr. Vance Badawey (Niagara Centre, Lib.): Thank you, Madam Chair. I'll be quick.

Members of the committee have received the motion that I had put forward, and I think it was put aside, because who knows if the bells are going to go again quickly. So we do have a motion before us:

That the motion of Tom Kmiec adopted on Thursday, April 9, 2019: "That the Committee undertake a study on allowing Canadians to bring their legally owned, U.S.-registered and plated passenger vehicles into Canada for a defined temporary period, in the same manner that U.S. citizens may do in Canada, without having to pay any taxes, duties or importation fees; that the Committee report its findings to the House no later than 90 sitting days following adoption of this motion; that the Committee make recommendations on actions the Government of Canada should undertake to adopt a border control system that allows for the temporary use of American-plated vehicles by Canadian citizens; that no less than a one-hour meeting be dedicated to this study; and that the Committee request that the Government table a comprehensive response to its report" be rescinded and replaced with the following motion:

That the Committee undertake a study on allowing Canadians to bring their legally owned, U.S.- registered and plated passenger vehicles into Canada for a defined temporary period, in the same manner that U.S. citizens may do in Canada, without having to pay any taxes, duties or importation fees, and that a one-hour meeting be dedicated to this study and that the Committee receive an update from the Government of Canada with respect to undertaking a system that allows for the temporary use of American-plated vehicles by Canadian citizens."

It's self-explanatory. I think that for the most part, from the discussions that I've had with members of the Conservative Party, this is going to expedite the process, as is their desire, versus spending the time. Especially given the fact that we're coming up to the end of session, I think this would be prudent for us to do.

Thank you, Madam Chair.

The Chair: Any questions or comments?

Ms. Block.

Mrs. Kelly Block (Carlton Trail—Eagle Creek, CPC): As Mr. Badawey pointed out, I believe he probably had conversations with Mr. Kmiec, who sees this as a friendly amendment.

The Chair: Is there any further discussion?

(Motion agreed to)

The Chair: We now go to our witnesses. I took the liberty of asking all of them to come to the table at once. There will be five presentations. I know we limit it to five, but I'm going to ask if you could limit it to three, if possible, just so that members will have a chance to ask any questions that they have. Keep your remarks as to the point as possible of whatever it is you want to make sure that we understand fully on the issue.

We'll start with the Chamber of Marine Commerce, and Bruce Burrows, the president.

I turn the floor over to you, Mr. Burrows.

[Translation]

Mr. Bruce Burrows (President, Chamber of Marine Commerce): Good morning, everyone.

[English]

Thank you, Madam Chair, and thank you for the invitation to appear before the committee.

[Translation]

My name is Bruce Burrows. I'm the President of the new Chamber of Marine Commerce.

[English]

I'm joined today by Robert Turner, our Vice-President of Operations.

I'll launch right into our remarks, as I know you're all aware of the CMC and what we do.

[Translation]

The CMC represents over 130 marine industry members in Canada and the United States.

[English]

I can't stress how fundamentally important these reforms are to Canada's pilotage system. The Pilotage Act hasn't seen a major overhaul since the early seventies, and it shows, quite frankly. After 45 years, we're finally seeing changes in Bill C-97 that will set out a framework that will encourage greater objectivity, transparency and consistency. All of these are essential elements to good governance, which has been lacking in today's monopolized pilotage system.

The Pilotage Act will now have clear purpose and principles to guide decision-making, and pilotage services are to be provided in an efficient and cost-effective manner.

Use of evolving technology and sound risk management are also brought to the forefront.

Mr. Robert Turner (Vice-President, Operations, Chamber of Marine Commerce): In addition, it is important for us to note the following five critical changes in the bill: separating of regulatory authority from the delivery of pilotage services; transferring of responsibilities for regulating and issuing pilotage certificates from the pilotage authorities to Transport Canada; giving Transport Canada regulatory responsibility for risk assessments and for the establishment of compulsory pilotage areas; ensuring that service contracts can't be used to address regulatory matters, thereby circumventing the regulatory process; and finally, requiring that service contracts be made publicly available.

Each of these is key to ensuring objectivity in decision-making and avoiding areas of conflict, and to ensure that services are provided with efficiency and cost-effectiveness in mind.

To build on the cost-effectiveness aspect, we are keen to work with Transport Canada on the development of a national certification system that promotes on-board training and certification of a company's masters and officers to pilot their own vessels, similar to what we already have in place on the Great Lakes.

● (1140)

Mr. Bruce Burrows: This change alone would be a huge improvement to the out-of-date system that currently exists in other pilotage areas.

However, one issue that was not included for reform is one that we on the industry side believe is critical in giving pilotage authorities the full control of their service delivery. Authorities do not have the ability to choose the hiring model that meets their needs, often locking them into costly contracts with monopoly pilot corporations, instead of being able to hire employee pilots or contract with individual pilots.

This lack of flexibility will hamper pilotage authorities from being able to choose the service delivery model that is right for them, and will result in higher charges for their customers, while at the same time not providing any service improvements. This is a major concern. It was a recommendation in the review, but it has not carried through into the act recommendations.

I know that there will be a 10-year review of the Pilotage Act, should this pass, and we will continue to seek this reform in future reviews.

We're cautiously optimistic as this point. While a great suite of reforms has been proposed per this division in the budget implementation act, passing the bill is half the battle in reforming Canada's pilotage system. The heavy lifting to reform the system will take place in the transition of the regulatory reform and the supporting policies and programs from the pilotage authorities to Transport Canada.

The updated system must take the clear direction provided by this bill, and that provided by the Pilotage Act review report, and apply it based on the new purpose and principles contained in the act.

Once again, thank you for the invitation to appear, and we'd be happy, of course, to answer any questions later.

The Chair: Thank you both very much.

We'll go on to Mr. Lewis-Manning, President of the Chamber of Shipping of British Columbia.

Mr. Robert Lewis-Manning (President, Chamber of Shipping of British Columbia): Good morning, Madam Chair, and members of the committee. I'll try to be brief as possible and not repeat anything I've heard from our colleagues from the Chamber of Marine Commerce.

Overall, the proposed amendments to the Pilotage Act are supported and will provide a good basis for modernizing the pilotage framework in Canada, a framework that has largely gone untouched for decades.

Generally, Canada's ability to manage the evolution of risk from shipping has been admirable, and statistics support this assertion. While the number and size of commercial cargo and cruise ships has increased steadily, the rate of shipping accidents as reported by the Transportation Safety Board has remained static in the past years and has decreased over the longer-term.

Canada's marine safety network, which includes professional pilot corporations and employee pilots in compulsory pilotage areas, has served Canada and coastal communities well. However, in 48 years, a great deal has changed in safety management practices, available technology, trade and vessel traffic patterns, along with the knowledge of impacts from shipping and our capacity to mitigate those at impacts.

With increasing competitive pressures from the United States and internationally, Canada's marine supply chain must strive to be as competitive as possible while ensuring that it appropriately manages risk and protects our marine ecosystems. We are pleased to see that the proposed purpose and principle statements clearly aim to address these three requirements.

Shipping in Canada is facing new challenges that will potentially demand changes in the way ships operate as they transit to and from Canadian ports. One very topical challenge is addressing physical and acoustic impacts of shipping on species at risk.

Ships create an acoustical disturbance underwater that interrupts the ability of the endangered southern resident killer whale, one of many other species at risk, to locate its prey, chinook salmon. The marine industry, in partnership with the port of Vancouver, Department of Fisheries and Oceans, and Transport Canada, has been working collaboratively to identify and implement measures to reduce vessel noise, including developing the first ever conservation agreement for an aquatic species in Canada under the Species at Risk Act.

While reducing vessel speeds reduces underwater noise levels and the potential for ship strikes, this places additional demands for pilots in compulsory pilotage areas that will affect the costs of shipping and potentially the competitiveness of the Canadian supply chain.

The proposed amendments to the Pilotage Act set the stage for developing a more adaptive pilotage framework, and its success could be increased if the proposed amendments permit new approaches to the delivery of services.

The framework could include new ways of managing mandatory pilotage zones, exchanging pilots within these zones, and revenue models that more appropriately value the service in a sustainable and competitive manner.

The proposed amendments centralize many of the regulatory powers, as you have already heard. Overall, this is viewed as positive, especially as it relates to the standardization and the management of risk.

The evaluation of risk, risk tolerance and risk mitigation in Canadian waters is very asymmetrical between the current pilotage regions. While some of this is logical due to unique situations, much of it is not, and that results in significant disparities and anti-competitive policies.

The ownership and management of risk in Canadian waters is somewhat awkward, and it is often unclear which federal department is the lead. It is hoped that these amendments will solidify Transport Canada's role as the lead in managing risk in Canadian waters.

Once this legislation is implemented, it will be very important to ensure that Transport Canada is enabled to successfully manage the national framework. It will need the resources and, most importantly, the technical expertise to transition the regulatory authority appropriately. It will also need the active support of the four pilotage authorities, which have considerable experience in understanding the uniqueness of their individual regions.

In conclusion, we support these amendments and thank the government for its bold approach to modernization. We encourage the committee to highlight the importance of building a more flexible, adaptable and competitive pilotage framework that will continue to protect our pristine coasts and waterways and facilitate trade.

Thank you very much.

● (1145)

The Chair: Thank you very much.

We go now to the Shipping Federation of Canada. Michael Broad is president and Sonia Simard is the director of legislative and environmental affairs.

Mr. Michael Broad (President, Shipping Federation of Canada): Thank you, Madam Chair.

We are a national trade association. Our members are the owners, operators and agents of ships trading between Canada and overseas ports. Their vessels operate in all four pilotage authority areas in Canada from coast to coast. These ships, operating internationally, shoulder most of the pilotage costs in Canada.

The existing Pilotage Act has remained largely frozen in time since 1972 despite changes in navigational technology, ship design and communications. We strongly believe that Bill C-97 will provide a solid basis from which to continue the much-needed task of modernizing pilotage service in this country. We therefore urge members of this committee to ensure that these amendments are passed into law as soon as possible.

In Canada, pilotage authorities are mandatory, and delivered under a legislated monopoly with a for-profit component. More specifically, under the existing Pilotage Act, pilotage authorities are solely responsible for the administration of pilotage services, while pilots are responsible for delivering these services either as employees of the authorities or as for-profit corporations on a contractual basis.

Before going any further, we wish to note that the existing act has served as an excellent tool for ensuring safe navigation in Canadian waters, and the amendments proposed under this bill in no way detract from this essential value of the pilotage system. Unfortunately, the present pilotage model lacks accountability and transparency, in some cases is insufficiently responsive to user needs, and does little to foster a culture of continuous improvement or cost competitiveness. As a result, the uptake of new technology has been less than optimal and the system has been unable to control costs.

We are therefore pleased to note that the amendments to the Pilotage Act proposed under Bill C-97 will provide a number of important tools for addressing these concerns and modernizing the delivery of pilotage services in Canada. One of the key tools provided under the bill is the addition of an explicit "purpose and principles" clause that will directly shape how pilotage service is delivered and how legislative, administrative and judicial powers are exercised. Given the important role this clause will play in the way service is delivered and enforced, we have proposed a handful of amendments in the form of additional wording to strengthen the framework that Bill C-97 provides. Those amendments can be found in our written submission.

In order to further strengthen the implementation of the act, we also respectfully request that this committee consider making comments in its report on the need to ensure that Transport Canada continues to work towards greater transparency and accountability from pilot corporations, given their status as legally imposed monopoly service providers. In addition, in a context where the regulatory framework will be consolidated under Transport Canada, we urge the committee to stress the importance of providing Transport with the necessary resources to deliver in terms of regulatory development while also ensuring that pilotage authorities are provided with the necessary management tools to remain effective.

Finally, there is one element of division 11 that we object to, the transfer of the full costs of administering the legislation from Transport Canada to the private sector. We are unaware of any other activity-specific legislation that would allow the minister to pass on these costs to industry. In addition, it would seem that any cost recovery initiative should be subject to the Service Fees Act, which comes with its own set of guidelines, rules and standards. This proposal also fails to acknowledge the public good component involved in legislating pilotage services in Canada.

To summarize our asks, first, we strongly support the amended pilotage framework proposed under division 11 of Bill C-97, and ask the committee to ensure that it is passed into law as soon as possible. We ask you to consider one set of very targeted amendments to the purpose and principles clause, which will further strengthen the framework from a user's perspective. Finally, we ask the committee to consider the removal of the extraneous clause with respect to the transfer of Transport Canada's administration costs, which goes beyond mandatory pilotage and, in our opinion, differs from government-wide policies.

• (1150)

The Chair: Thank you very much, Mr. Broad.

I will need to move on now to the Atlantic Pilotage Authority, with Mr. Griffiths, Captain and Chief Executive Officer.

Captain Sean Griffiths (Chief Executive Officer, Atlantic Pilotage Authority): Good morning, Madam Chair and other members. Thanks for allowing us the opportunity to sit here this morning to talk briefly about what we do on the east coast and how the amendments could affect pilotage services in a positive way.

As you know, the APA provides licensed pilots to ships that enter our waters, to ensure that these ships travel within the pilotage area as safely and efficiently as possible. The operations of the authority are organized according to geographic location, and the APA has designated 17 areas requiring compulsory pilotage, with one further area currently in the regulatory process. Each of these 17 areas has its own licensed pilots; its own delivery model and arrangements; and unique customers, industries and tariff structure.

In the last five years, the APA has performed 42,397 assignments, including 16,400 tanker movements. We have 106 total employees. This includes both full-time and casual employment. Nearly all of the pilots licensed by the authority are employees. The APA has 50 employee pilots who provide services to the busiest pilotage areas. However, the authority also has 11 pilots who are entrepreneurs and contract with the authority for pilotage services in areas that have

small volumes of traffic. The employee pilots do perform 90% of our assignments in the Atlantic.

Under the Pilotage Act, shipmasters who have the required experience and have passed a certificate examination are able to pilot their own vessels in their designated areas. The APA has approximately 79 masters operating with certificates in the Atlantic provinces today. There's a significant number of these movements in the ports of St. John's and Halifax. In 2018, there were a total of 2,800 movements done by certificated masters, an increase from 2,200 the year before. These movements by certificated masters saved the industry about \$6.4 million in pilotage fees last year, and \$4.8 million in 2017.

Safety is paramount to the authority, and we're pleased to report that the authority has maintained a safety record that is exemplary, with an incident-free rate of 99.94%. The few shipping incidents that have occurred have been without injuries, and no pollutants have been released into Canadian waters. With a focus on maintaining this outstanding record, the APA has now acquired an ISO 9001 quality management system.

As for amendments resulting in efficiencies for APA and the industry as a result of the changes in the act, tariff setting is one of them. The APA sets aside one month for consultations with industry, and once agreed to by industry, it can take as long eight months to get a tariff adjustment approved through the current regulatory process.

Recently, APA has resorted to posting tariff rates for a two-year period to eliminate lost revenue from these delays. This ensures the adjustments are in place each January 1, but accuracy of projected activity and inputs is compromised. This leads to more variance in financial results, where the APA has significant periods of losses or other stretches of time with greater amounts of profit than desired. The new procedure would allow these adjustments to be made more quickly and based on more current information and forecasts. This should reduce the length of time the APA suffers losses or the periods where the APA has more than required profits.

Due to the number of ports in Atlantic Canada, the APA uses pilotage risk management methodology, or PRMM, regularly to measure risk. Between 2010 and 2017, the authority conducted 22 preliminary scans of ports. In recent years, the authority has also conducted 12 full PRMM studies. These studies are used to determine the ports and the vessel classes that must be subject to compulsory pilotage. They take a significant amount of time, resources, personnel and finances, and the results are not often decisive. The APA, as the regulator and the service provider, has at times been seen by interested parties as in a conflict. The proposed amended act removes the APA as the regulator for these determinations and reduces the appearance of potential bias by increasing transparency.

In terms of investment vehicles, the Pilotage Act currently limits the authority's investments to include only instruments that are guaranteed by federal, provincial, or municipal governments. There are other low-risk instruments offered by major banks with higher rates. Having the ability to invest in vehicles with a higher return would result in greater savings for capital replacement without a significant increase in risk.

The progress of technology and advancements in risk evaluation are continuous. Although this is captured in the amendments, industry will continue to evolve. Thus, the 10-year review of the act will be important so that future changes can be incorporated into the delivery of pilotage services.

Since 1972, of course, the four authorities have made their own regulations to react to their own unique circumstances. With regulations being centralized in Ottawa, with Transport Canada as the regulator, there will be more opportunity to align some of the APA regulations with the others, becoming more efficient and easier to understand for industry and more transparent for all parties.

The APA and its pilots are keenly interested in ensuring that safety is not compromised when new facilities are built or when a change in stakeholders is expected in a particular port. The authority makes its pilots available to assist industry and communities with various marine projects. Since 2014, the APA has provided consultation services on over 22 projects that have stretched through all districts.

•(1155)

The Chair: Thank you very much. I'm sorry, but I'm going to have to cut you off.

We'll go on to Simon Pelletier, President of the Canadian Marine Pilots' Association.

[*Translation*]

Captain Simon Pelletier (President, Canadian Marine Pilots Association): Thank you, Madam Chair. Good morning, members of the committee.

[*English*]

The CMPA is a professional body that represents Canada's licensed pilots from the Avalon Peninsula to Vancouver Island. With me today is Captain Rae, Vice-President for the Atlantic region, where 60% of the oil transported in Canadian waters transits every year. Also with me is Captain Michael Burgess, who is representing the pilots operating in the industrial heart of the continent, the Great Lakes region.

For my part, I am an active pilot on the St. Lawrence, and since 2014 I've been president of the International Maritime Pilots' Association, which represents pilots in over 50 countries.

Canada's pilotage system has been highly effective, and some 50,000 pilotage assignments are completed every year without incident because its foundation is rock solid. Safe navigation is recognized as a matter of paramount public interest, and it is delivered by rigorously trained pilots who are allowed to exercise their best judgment, independent of undue external influence, in a system that takes special account of unique local circumstances.

Twenty per cent of Canadian exports and imports are moved by water, which results in cargo worth over \$210 billion yearly being transported by pilots to its destination. Through their work, pilots play an important role in bringing our natural resources to market in an environmentally responsible manner and in supporting the country's international trade. Not only does high-performance pilotage contribute to prevent accidents and avoid cleanup costs, but also it provides near certainty that access to critical marine infrastructure such as ports will not be compromised, thereby avoiding costly disruptions to supply chain operations.

The amendments to the Pilotage Act respect this strong foundation. By reaffirming the most fundamental principles of the system, such as the professional independence of pilots and high standards for their licensing, the legislation reflects the preoccupation of Canadians for environmentally responsible practices.

One outcome of the Pilotage Act review that is gratifying is the clear conclusion, reached in the independent studies commissioned by Transport Canada, that Canada's system performs remarkably well. I will quote from the study by the AIM group on "Economic and Competitive Considerations in the Provision of Marine Pilotage in Canada", in particular the conclusion that "in the context of the national economy as a whole, pilotage costs do not negatively affect Canada's trade competitiveness for importers and exporters". That is especially noteworthy.

At the same time, the legislation suggests important changes. For example, the 2019 Pilotage Act brings forward a new clarity of purpose by enunciating principles that all stakeholders can support, including the promotion of safe navigation in the public interest, a focus on efficiency and cost-effectiveness and a requirement that risk-management tools be used effectively and that evolving technologies be taken into consideration.

This statement of principles reflects accommodations made by all parties, with each party able to see their interests represented in the result. Moreover, it reflects not only great balance between the interests of various marine stakeholders, but remarkable balance between the interests of the marine transportation sector and the public interest.

The statement of purpose and principles is a great illustration of the amendments as a whole. They constitute a single package that cannot easily be changed without disrupting the remarkable equilibrium achieved through the process undertaken. Because of this, we are not suggesting changes to the proposed legislation. We think that other parties should also respect the integrity of the whole as put forward. The package before you was achieved through a long process of deliberation, and it is the right package.

In closing, let me underline a few more ways by which the legislation improves an already robust system. The provision dealing with compliance and enforcement has been brought up to par with other legislation. These measures are healthy and make application of the act more certain. The important role given to a specialized tribunal is a good example. The amendments also provide for transparency in the contracting of pilotage services by pilotage authorities, with contracts now available to all interested parties.

• (1200)

The act is also modernized, in that it allows the minister to administer and enforce it using electronic means.

The Chair: Thank you very much, Mr. Pelletier. I'm sorry to interrupt.

We can go on to the members' questioning.

Ms. Block, you have six minutes.

Mrs. Kelly Block: I want to thank all of our witnesses for being here today and accommodating the shortened period of time that we have to ask you questions, notwithstanding the fact that all of these substantive changes have been included in a budget implementation act that, in and of itself, shortens the kind of scrutiny that we would be able to give to the changes in this act.

Having said that, I know there have been lengthy consultations in regard to this pilotage review, as have been referred to. I'm sure none of us want to even believe that the 1970s was 50 years ago and that it's been that length of time since there have been any changes to this act.

I take your point that it was time, and I do hear that you are cautiously optimistic about the act as it stands today and supportive of the amendments, albeit you do have some recommendations.

I'm sure you're all aware that we can take up those recommendations, and certainly it will be up to the governing party whether or not they go forward. If they do go forward, they will go forward to the finance committee, where that committee will determine whether or not those recommended amendments will be made to the budget implementation act.

My first question will be for you, Mr. Pelletier.

Reflecting on the second last paragraph of your April 24 letter to our committee, Chair, perhaps for the rest of the witnesses, I'll just quote what was in your letter. You said:

What is perhaps most gratifying about the proposed amendments is that the changes to the Pilotage Act will contribute to further Canada's economic prosperity by optimizing our capacity to trade competitively and responsibly. In particular, the amendments enhance the safety of marine transportation to facilitate the movement of such dangerous cargo as petroleum products, while reflecting the preoccupations of the Canadian public for environmentally-responsible practices.

I know that I'm going to have an opportunity to ask this question of your colleagues from British Columbia, but first I want to ask you about Bill C-48, the government's oil tanker moratorium act, of you specifically as the president of the national association. How does the marine pilot industry view the concept of a moratorium on shipping?

• (1205)

Capt Simon Pelletier: First of all, we have to understand that our job, our expertise, is to pilot ships in compulsory pilotage areas. Our job is not to define which area ships should go or not go. With that understanding, when we are dispatched to pilot ships safely into an area with appropriate mitigation, that's what we do, but we need to be dispatched to such a zone.

Mrs. Kelly Block: Thank you.

I also appreciate the information that was shared with us that of 225,000 pilotage assignments in Canada, over 99.9% were incident-free. I would say that that's the same safety record of our pipelines here in Canada.

My next question would be for you, Mr. Griffiths.

Would you speculate on what impact an oil tanker moratorium would have on Canada's east coast and the commerce on the east coast?

Capt Sean Griffiths: Twelve of our 17 ports in Atlantic Canada ship large volumes of oil and petroleum products in and out of port. I can imagine it's a way of life back in the east, and it has been for quite some time. We move a lot of oil in and out of our ports. Placentia Bay alone, for instance, has 1,000 to 1,100 tanker movements every year on average, so a moratorium would, I'm sure, devastate the region.

Mrs. Kelly Block: Thank you for that, especially given the safety record of your operations.

My last question would be for any one of you who might want to comment on this.

The Chair: You have one minute and eight seconds.

Mrs. Kelly Block: As Conservatives, we support enhancing marine safety and we definitely understand that you would all agree that it's happening through the changes to this act.

Can you tell us more specifically how these changes to the Pilotage Act would increase marine safety?

Mr. Robert Lewis-Manning: Ms. Block, I'm happy to answer that.

Probably the first piece—and it's one of a few pieces—is that the centralization of the regulatory power within Transport Canada means there should be—though I won't say there will be—standardization across the entire marine system in Canada that looks at risk in a common approach. I think there are examples where that has not happened in the current framework.

The Chair: Thank you, Ms. Block.

Mr. Rogers.

Mr. Churence Rogers (Bonavista—Burin—Trinity, Lib.): Thank you to all our guests for their presentations today.

This act, of course, is crucially important to the riding that I represent in Newfoundland and Labrador, particularly Placentia Bay, as Mr. Griffiths just referenced. I have had numerous conversations with the pilotage authority of Atlantic Canada and others, and I appreciate the information that has been provided to all of us over the last number of months and years.

You made reference to 1,000 to 1,100 tankers in one given year. Obviously, that is a huge concern for the fishing industry and other people in our province. I applaud you for your impeccable safety record.

I'm hearing from you that the bill as it's currently proposed as a package is fine. Given our safety record, as it currently stands, will there be the same kind of expectation that we will be able to maintain that safety record going forward?

• (1210)

Capt Sean Griffiths: I believe there has to be. We wouldn't be doing our jobs if we didn't strive for 100% safety at all times. That should not change one bit as a result of this act's amendments.

Mr. Churence Rogers: I can recall when offshore oil and gas became a major industry in Newfoundland and Labrador. I refer to that because it's the one I'm most familiar with, Bull Arm and Arnold's Cove within that area of Placentia Bay, which coexists with the fishing industry and an aquaculture industry project and others. It's a very busy location.

When I look at this bill and I see your group endorsing where it's going, and keeping in mind that you made reference to the safety and needs of the industry, do you think there's a good balance in all of that?

Capt Sean Griffiths: I believe there is, and it comes back to community outreach and stakeholder engagement. I think Placentia Bay sets the model going forward for consultation and engagement with the Placentia Bay Traffic Committee, which comprises fish harbour service, pilots, tanker operators, masters, tugs and anyone in that sector who is involved in some way in the industry. We meet regularly, discuss our problems and come to some fruitful solutions each time.

That is a positive that will never change no matter who takes the regulations. That outreach and community engagement will continue. It has to.

Mr. Churence Rogers: For any of the witnesses here today, I know in some earlier conversations that some concerns were expressed about the long consultation process and some of the points

that were being raised. Mr. Lewis-Manning, do you think this bill addresses most of these issues?

Mr. Robert Lewis-Manning: I don't think it addresses all of them. Of all the consultation on anything under the oceans protection plan, this suite of amendments has had the most consultation. It's been pretty comprehensive.

Mr. Churence Rogers: Go ahead, Mr. Broad.

Mr. Michael Broad: Yes, if you're talking about the tariff process, I just want to say that industry, at the end of the day, pays for everything. If an authority in the past had a loss one year, industry would end up paying for the next year.

I don't think the amendments here are going to make a huge difference. They might speed up the process a bit.

Mr. Churence Rogers: Do you anticipate that there might be additional costs for the shipping industry as a result of the changes proposed here?

Mr. Michael Broad: As I mentioned, our only concern would be the administrative costs of Transport Canada being transferred to the industry. I think we're not dissatisfied with the fact that they don't have to go to the Gazette to publish a tariff.

Mr. Churence Rogers: Okay. Thank you.

Mr. Pelletier, I guess you made reference to and saw the effect of safety as paramount in this whole process. I'm going to ask you a very simple question.

Do you think this bill meets your needs and expectations?

Capt Simon Pelletier: Certainly the bill reaffirms the basic principles to have a sound and safe pilotage system. Of course, I think it will help increase safety in a couple of ways. I'm thinking about the added clarity in the principles of the act. I think it's going to help the stakeholders to be focused more on safe delivery. I think the new enforcement and compliance regime will also help in that regard.

One thing that might not be obvious would be to have a systematic risk assessment process in any change or any new way of doing things. I think this will increase the safety level.

The Chair: Thank you very much.

We'll move on to Monsieur Aubin.

[*Translation*]

Mr. Robert Aubin (Trois-Rivières, NDP): Thank you, Madam Chair.

I want to thank everyone for joining us this morning.

I'll use my allotted time to try to benefit from your expertise in order to understand some notions that seem a little unclear and that you may be able to address.

The consensus is that marine transportation in Canada has an A1 safety record, and everyone agrees to maintain it.

Clause 226 of the bill proposes principles to support the Pilotage Act. According to one principle, “the pilotage services [must] be provided in an efficient and cost-effective manner.” That’s understandable. Another principle states that “evolving technologies [must] be taken into consideration” and that “risk management tools [must] be used effectively.” That’s when things become a bit unclear. Things become even more unclear when I see that it’s possible to obtain a three-year exemption from certain provisions of the act for research and development activities.

In the Standing Committee on Transport, Infrastructure and Communities, we’ve talked a great deal about smart cars, autonomous cars and drones. In short, we’ve discussed the technology of tomorrow that’s already almost at our doorstep.

With regard to research and development, are we moving towards technological support in pilotage that would make it possible to remove pilots from vessels?

My question is for Mr. Pelletier. However, if other people want to respond, they should feel free to do so.

• (1215)

Capt Simon Pelletier: Thank you for the question.

The proposed subclause 52.1(1) does refer to exemption orders. I think that’s the change you’re referring to. If we interpret the proposal literally, the subclause states that these types of orders would be issued only if the proposed activities could enhance marine safety. This is an important condition for me. I imagine that risk analyses, which I mentioned earlier, will be carried out. I think that the proposal in this subclause, if we interpret it literally, won’t reduce safety. That’s my current interpretation.

Mr. Robert Aubin: Thank you. You’ve reassured me.

In the spirit of maintaining a five-star safety record, I’ve always advocated for the restoration of greater power to Transport Canada. I won’t back down today.

I have a question about pilot certification. What’s the difference between the pilot certification that you currently issue and the certification that Transport Canada could issue?

For example, in your association, do pilots receive lifelong certification to navigate a stretch of the Great Lakes or the St. Lawrence River? Do pilots need to renew their licence often? Do pilots take ongoing training? Could we expect the same requirements from Transport Canada, if that were the case?

Capt Simon Pelletier: After reading the proposed amendments, I don’t see any concrete difference between the current act and the act that would be implemented following this process. As you said, regulations are in place in the four regions. I gather from the bill that Transport Canada would develop the regulations under the new act. The principles proposed in Bill C-97 suggest that things would be basically the same.

Mr. Robert Aubin: I’ll ask a more specific question.

The approach of the previous Conservative administration and the current Liberal administration aims to deregulate the industry. Are you concerned about this or are you not at all concerned?

Capt Simon Pelletier: As it currently stands, the bill doesn’t raise any concerns in this regard, since the certification scheme would remain basically the same. Only one word has been changed, but for us, it doesn’t change anything.

Mr. Robert Aubin: Thank you.

Would anyone else like to respond to one of my questions?

Go ahead, Mr. Turner.

Mr. Robert Turner: Thank you.

[English]

I appreciate the opportunity to respond to that. As to where Transport Canada goes forward, that’s up for consultation of course, but right now they, under the bill, will be taking on the responsibility for developing the standards and issuing pilotage certificates. When I refer to pilotage certificates as opposed to pilotage licences, they’ll be doing both, but the pilotage certificates are what the masters and navigating officers on the ships receive in order to pilot their own vessels in pilotage areas.

This practice has been going on for decades in the Great Lakes quite extensively compared with the other regions. The certification process was formalized in 2012.

In 2013, I will just add that the Canadian shipowners developed a very rigorous and comprehensive training program in conjunctions with the Great Lakes Pilotage Authority. This is a program that we’d like to see taken to other regions as well.

• (1220)

The Chair: Mr. Badawey.

Mr. Vance Badawey: First off, lady and gentlemen, thank you for being here today. I appreciate your input.

I’ll preface my comments before getting into my question with this. I’m going to try to gear towards the bigger picture. As many of you know, we’re working on a transportation logistics strategy. What is falling out of that is a trade corridor strategy. I’m going to concentrate on the Great Lakes and St. Lawrence River as well as the southwestern Ontario region, as we’re working on a strategy for trade corridors in that area.

I’m going to allow Mr. Hardie to take care of the west end of the country.

With that the Detroit River, the Great Lakes, and the St. Lawrence are all attaching themselves to a multimodal system. That system includes connections to air, Pearson and Munro, as well as connections to rail, CN and CP, and of course to road. It’s in a binational manner because a lot of the product that we see leaving Niagara, Ontario, is actually crossing over the border and being taken by ship from ports in New York and across the eastern seaboard. If not, it’s down the river into the Montreal area.

My question is twofold. One, and I'll be broader here, is what is your vision? What is your vision specifically for your industry? Second, what is your vision attaching that to the broader vision of the economy when it comes to multimodal transportation and allowing us as a nation to perform with a lot more strength on the global stage when it comes to the economy?

I'm going to open it up as the first question in a broader sense and then I'm going to ask a second question. I'll give you a heads up right now that the second question is to find more efficiencies to then be more competitive on the global stage with respect to transportation.

I ask because I don't have much of an understanding of what you guys do with respect to pilots on the Great Lakes versus captains and the differences between them. I know that most of the captains do end up leaving and going to be pilots. Why is there no push, no move afoot, to train captains to otherwise do what pilots do on the Great Lakes and the St. Lawrence River and, therefore, being that much more efficient?

I'll throw that open for all of you.

Mr. Bruce Burrows: Perhaps I can take that question first.

[Translation]

I'll respond in English.

[English]

Mr. Badawey, I think that's a good question. From an industry perspective, our vision is for a very integrated multimodal system. You mentioned the Great Lakes. An average ship that would sail from, let's say, Montreal up to Duluth would be crossing the border 24 times on that route, so we need a very harmonized and competitive system of rules and regulations across this region. We don't really have that now. Ballast water is a good example. We've had some real challenges and we have some more work to do there, and there are a host of other issues.

We also have some cost issues to increase the competitiveness of the system. My vision would be of a system that is even more cost-competitive than it is today. It's a system that's contributing 180,000 direct and indirect marine-related jobs in Canada, so this is very important for this \$6-trillion economy in the Great Lakes-St. Lawrence region. We're moving 185,000 tonnes of cargo at 50% capacity, so we have an opportunity with some additional investment.

On the shipping side, we're going to continue to invest. Our vision is to put even more than what we've already put into new ships. We've invested over \$2 billion in the latest environmentally best vessels, with all the bells and whistles. We'll continue to invest, ensuring, though, that we're going to have a more integrated and a more harmonized system, where we're addressing some of the cost issues, like on pilotage, icebreaking, and squeezing the seaway system down even more so that we have more seasonality and optimized seasonality again as part of that vision.

• (1225)

Mr. Vance Badawey: Mr. Burgess.

Captain Michael Burgess (Vice-President, Great Lakes Region, Canadian Marine Pilots' Association): Thanks.

A couple of things. When you talk about embracing the idea of the captains doing their own pilotage, that does already exist, as you know, with the pilotage certification program. It's really been in place since 2012. Unfortunately, the companies were a little slow on the uptake in embracing it, so there have only been 15 pilotage certificates issued since that time. But they're all fully on board and working towards getting their masters and mates certified to do their own piloting.

As far as a lot of the captains ending up as pilots is concerned, in every industry there's always room for advancement, and that's one of them. On our side, we have started working with industry to make sure that we bring more people into the industry and that it's understood that it's a good vocation to get into. Our main focus right now is making sure we have the people to continue doing that.

Mr. Vance Badawey: That's one of the reasons I asked the question. It's obvious—and correct me if I'm wrong—that the direction we're taking here is actually going to help the industry be more competitive internationally with respect to moving trade.

Second is the challenge of human resources the industry is going to be facing, if it's not already facing it, with respect to the different disciplines that are on a vessel—captains, mates, cooks, deckhands, engineers and so on. We're hoping that this legislation will also lend itself positively to ensuring that we have enough people to person the ship so they can sail.

Would you agree this is a step in the right direction to that effect?

Capt Michael Burgess: I would agree, yes, and it's being embraced for sure.

Ms. Sonia Simard (Director, Legislative and Environmental Affairs, Shipping Federation of Canada): Maybe I could add very quickly a third element to what you just outlined. There are also the optics of the new technologies, and in your case, the Great Lakes and the St. Lawrence, for example, the use of real-time information on water levels on the clear dynamic systems. When we talk about a vision for pilotage, in no way is the discussion on cost-effectiveness, responsiveness to users and uptake of new technology exclusive of safety. They work together. That's our vision.

Mr. Vance Badawey: That's a great point.

Thank you.

The Chair: Mr. Hardie.

Mr. Ken Hardie (Fleetwood—Port Kells, Lib.): Thank you, everybody, for being here.

One item that popped out to me was a comment by the Chamber of Marine Commerce that they've factored in an important change to “allow Canadian crews that have similar knowledge and experience as...pilots to navigate their own ships in compulsory pilotage zones.” How do you define “similar knowledge and experience”, and where would that apply?

Mr. Robert Turner: Currently, as the discussion has been going, on the Great Lakes and the St. Lawrence Seaway in the Great Lakes pilotage area our masters and senior navigating officers are piloting their own vessels. They have a safety record that's equal to or better than their GLPA licensed counterparts. The program was formalized in 2012, but they've been doing on-the-job self-training and evaluation to develop the piloting skills.

Mr. Ken Hardie: But it counts on the fact that it's kind of a milk run—albeit that's not really a very appropriate term. They keep doing the same thing back and forth.

Mr. Robert Turner: They're concentrators. They're captive to Canadian waters. They're going up and down. They could be on certain lakes, but there's variability. Forty percent of their voyages are under 24 hours long, so they're in and out of ports, locks, canals, rivers, currents—

Mr. Ken Hardie: I'm sorry, my time is short, so I need to spread the questions around a little bit.

Would that work in Atlantic Canada? If you're looking at the ships coming in, my guess is there's going to be a lot more variation, and certainly not the level of experience in navigating into Halifax, Fredericton or anywhere else.

Capt Sean Griffiths: Back to Mr. Burgess' comment, we have the same principles in place now. However, the conditions for a master to meet the qualifications to be certificated for pilotage are essentially in the same spirit as for the licence holder. The exam is almost the same as what a licence holder would be challenged with. The knowledge level he or she would need to pass an exam would be the same as for licence holder, but the trips aren't quite there.

Mr. Ken Hardie: Can you foresee a large number of skippers being able to pilot their vessels into and out of ports in Atlantic Canada?

Capt Sean Griffiths: They do today. I expect that number to continue to grow over the next couple of years as more masters become more familiar with the waters and want to challenge that exam to be exempt from pilotage. There are at least 10 to 14 certificate exams in the Atlantic region every year.

● (1230)

Mr. Ken Hardie: My concern, and I'll just put this on the record, is that out on the west coast we're dealing with a lot of volume, and it's growing, but we're also dealing with other factors like species at risk, obviously. We rely on local knowledge from a number of different quarters to make sure that things out there are managed in an appropriate way. It's not necessarily even the official management structure, but, rather, it's people who are aware of more than just getting the ship to the dock and back out again. For instance, advice on the design of port facilities has come from pilots, who obviously have had the experience of bringing ever larger ships into those facilities and back out again. I would question whether or not somebody who might visit our port fairly regularly would develop sufficient familiarity to provide that added value. Maybe, Mr. Pelletier, you could respond to that.

Capt Simon Pelletier: That's a very valid point. The basis of having a certificated person, captain or officer, on board a ship is to make sure that this person has the proper local knowledge to safely navigate a ship within a compulsory pilotage zone. That's the basis.

Essentially that's what has been going on in the regions. Every time there's a captain certificated, he's been through a thorough process, and the four pilotage authorities are assessing his competence and knowledge. That's fundamental for the system. As far as I know, Bill C-97 says the same thing.

Mr. Ken Hardie: I think that it would be very important, especially out on the west coast, because of all of the other issues and tensions, to be very transparent in that. For anybody who's not a Canadian pilot used to the waters, if they're bringing a ship in from the Philippines or wherever, if they are to be allowed to pilot their vessel through that zone, it has to be bullet-proof.

Capt Simon Pelletier: I think it's important in every region of Canada, not only one, but every region. I also believe that you will have some pilots from the west coast here next Tuesday who would be happy to respond to your questions about that region.

Mr. Ken Hardie: We've had comments about increasing the level of competition. Right now you sort of have two layers of monopoly, particularly when we're dealing with the pilotage authorities themselves. Then, of course, there's the provision of contracted services. Help me get my head around how you would achieve more competition and, obviously, through competition, I suppose more price or cost management with some of the changes that are coming up.

Does anybody want to take that one on?

Go ahead.

Mr. Michael Broad: First of all, any foreign ship coming into Canada has to take a Canadian pilot. Your concern there is.... I don't think you have to worry about that.

Mr. Ken Hardie: Okay, good—but I'm talking of competition.

Mr. Michael Broad: I don't think this bill introduces any competition into the pilotage regime in Canada. I think Simon would agree with me there.

Mr. Ken Hardie: It's still missing that aspect of it. What, then, is the net benefit in terms of cost? That seems to be what's driving the industry side quite a bit. Is there any net benefit in terms of cost?

Mr. Bruce Burrows: This is a failing of the proposed legislation, as we were pointing out. It does not have a flexible labour model where the authorities would be able to choose. The Danes have taken some great leadership over the 10 years in having more options and have successfully introduced...as you say.

We will continue to push, but clearly there is very little change in that regard.

The Chair: Thank you very much.

Mr. Liepert.

Mr. Ron Liepert (Calgary Signal Hill, CPC): Welcome, everyone. I have to preface my questions by saying that I represent a riding in Calgary, so my knowledge of the marine business is pretty darn limited. If my questions end up being on the dumber side of the day, I apologize in advance.

I was actually going to pursue exactly what Mr. Hardie was asking. In the presentations, the only “caveat”, if I can use that term, was brought up by Mr. Burrows around this flexible labour model. I'm assuming that the associations do not necessarily agree with Mr. Burrows. Is that fair?

• (1235)

Capt Sean Griffiths: That's fair.

Mr. Ron Liepert: Okay.

Can I assume then also, Mr. Burrows, that the reason it isn't included in the legislation is that there wasn't agreement that the government could come forward with? Is that also fair?

Mr. Bruce Burrows: I guess you'd have to pose that question to the government about why they didn't—

Mr. Ron Liepert: I'm indirectly doing it through you.

Voices: Oh, oh!

Mr. Bruce Burrows: I think it's clear that we don't have unanimity. Obviously, the status quo from some interests' perspective needs to be protected. I understand the labour point of view, but from a competitive point of view, we continue to need modernization. This is one area where we will be advocating strongly in the future for further modernization.

Ms. Sonia Simard: If we could—

Mr. Ron Liepert: I'll ask the association, then: What is your rationale for not having more open competition for what you do?

Capt Simon Pelletier: If you look around the world, this is the model that exists everywhere else. Why does it exist like this? It's to make sure that people who are conducting a ship are not linked, or they're independent, let's say, from any undue pressure, commercial pressure or anything else. That's the best way to ensure that safety will always be the first thought a pilot has.

If you look around the world, very, very few countries have tried a model with competition or different labour models working in the same compulsory pilotage zone. Every time the prices went up, the costs went up, and in some places the safety went down. From those very few examples we have from around the world, that's what happened.

Mr. Ron Liepert: What about the U.S.? Is it a similar model to ours?

Capt Simon Pelletier: The U.S. is a similar model. There's no competition. There's always one group of pilots providing pilotage service in a single port.

The Chair: I think Ms. Simard was trying to get something in there.

Mr. Ron Liepert: By all means.

Ms. Sonia Simard: With regard to your question, perhaps I could add one other angle very quickly.

Aside from competition, the discussion in 10 years might be on the labour model, and we wouldn't want to lose the occasion to address that issue right now in the current system in order to improve the competitiveness and the cost-efficiency of the service. So it's not only about the labour model; it's also about addressing the current efficiencies and working together with the pilots to do that. That's why, when we talk about the principles, the cost-efficiency and the responsiveness to users....

Take the example of double pilotage. We don't need to address labour models in order to address the issues and have a good look at double pilotage—for example, the need for double pilotage in winter. Bill C-97 will give us the tools, we hope, to look at efficiencies and address some of the competition issues.

Mr. Ron Liepert: We had the airlines in the previous day because of the changes that are happening with CATSA. One of the concerns they expressed was the downloading of administrative costs. Is there any concern among industry here with the downloading of administrative costs?

Mr. Michael Broad: Yes, there is. As we pointed out in our presentation, it's the intention through this bill to transfer all of the costs of administering the regime to industry. We don't know of any other activity-specific area where this is done. Certainly, I don't think it's done in any other industry.

Mr. Ron Liepert: That leads me to the question that I think is important in this whole discussion, that we've again seen a situation where the government has brought in a hodgepodge of everything and lumped it into the budget bill. It seemed to me that since you have your own act, wouldn't it have made more sense to discuss these changes thoroughly through a freestanding piece of legislation versus in the bowels of the budget bill. What's your view on that?

• (1240)

Mr. Michael Broad: It's been a long time since this act has been reviewed. I think everybody here will agree that we've got to get moving on this. Time is of the essence. We have no issue with its moving quickly in this bill.

Mr. Ron Liepert: Are there any other comments?

Capt Sean Griffiths: No, we support the Minister on these changes and we're looking forward to royal assent of these new amendments so that we can get on with it. We have a lot of work to do. It's going to take a lot of time, but we need to work very closely with Transport to ensure this is done successfully so we have a piece of legislation going forward that we can all live by.

Mr. Ron Liepert: Okay. Thank you.

The Chair: Mr. Badawey, do you have any further questions?

Mr. Vance Badawey: I have one quick question. I'd like to give you folks an opportunity, based on all the questions and some of the questions I had asked earlier. I know that Ms. Simard has some more comments to make as well, but I'll give you the opportunity to jump in and fill in the gaps on some of the questions that have been asked.

The Chair: We'll start with Ms. Simard. We cut you off a bit.

Ms. Sonia Simard: I used your time.

I think we want to be clear on vision, safety, efficiencies and user needs. We believe that the equilibrium Mr. Pelletier was referring to in the purpose and principles could be strengthened to reflect the user perspective, because safety has always been there. It's not disappearing. We need to start moving on the efficiency side of it as well. That's one point we want to stress very much.

Mr. Vance Badawey: Mr. Burrows.

Mr. Bruce Burrows: I think again on the vision piece, certainly you're hearing the message that an expanded certification system would be part of our vision. We have to remember that safety is clearly the number one priority for all marine shipping stakeholders. Pilotage is just one element of the safety system. It's a comprehensive system. We also have regulatory oversight, traffic control systems, advanced navigation technology. We've had tremendous change in that area from 50 years ago when this act was first put in place, and rigorous licensing and training of crews. The certification angle, as Mr. Turner referenced, is that we have a very successful system that is potentially even safer today in the Great Lakes in terms of incidents and occurrences. We've done a very good study recently that shows an even better system under certification from a safety perspective. Let's get on with that and syndicate and expand that further where we can.

Mr. Vance Badawey: Mr. Burgess.

Capt Michael Burgess: When they talk about expanding certification, it makes me a little nervous. The certification process that's in place in the Great Lakes is there because we had nothing prior to 2012. It was 10 trips, and nobody had to show anybody they knew what they were doing, and off they went on a ship.

It's tightened it up immensely and I didn't want to bring up the numbers, but since the CMC has.... Unfortunately, last year you didn't have a good year. There were over twice as many incidents on the domestic fleet than there were with licensed pilots on board.

Anything that's going to weaken the pilot certification process is definitely a concern to everybody in this country.

Mr. Vance Badawey: Yes.

Mr. Lewis-Manning.

Mr. Robert Lewis-Manning: If we look 10 years out, the pressures are going to be very different. We're going to have major energy projects that will require the delivery of the service they provide. The pilots are going to look very different and are going to demand different challenges and ways to deliver that service.

As I mentioned in my remarks, our awareness of our impacts on the environment are becoming well known and our ability to mitigate them will require a flexible and adaptable framework.

This suite of amendments hopefully points us in a direction where it will be easier to have that science-based, evidence-based discussion about how this pilotage framework needs to evolve.

Mr. Vance Badawey: Mr. Hardie.

Mr. Ken Hardie: I have a quick question. I noticed that one of the amendments will take all of you off the boards of the pilotage authorities. Are you comfortable with that? Are there mechanisms

that will allow you to make sure that your interests are on the table? Maybe we could have one comment from each group.

Capt Simon Pelletier: As a matter of fact, it's true. There will be no users of pilotage services, or providers of pilotage services, appointed to the boards of directors. We think that has some value. We don't feel that we will be out of the loop or out of the discussions. I think there's some mechanism to replace the expertise that those boards would need—operating committees or whatever—and that they could use to have this operational expertise for themselves. We do agree with the change.

• (1245)

Mr. Michael Broad: I have an additional comment. I think Mr. Grégoire, in his report, suggested the change in the composition of the boards, but he also recommended a national pilotage committee. I think that was meant to cover any issues that came up, with respect to experience on the board.

The Chair: Ms. Block.

Mrs. Kelly Block: How much time do I have?

The Chair: You have five minutes.

Mrs. Kelly Block: You'll forgive our skepticism of the comments you made about the future energy projects, given Bill C-69, which is in the Senate right now, but this does open the door for me to ask you about how Bill C-48, the oil tanker moratorium, is viewed by the shipping industry as a whole.

Mr. Robert Lewis-Manning: If you're all right with it, I'll jump in, Ms. Block.

Mrs. Kelly Block: Yes.

Mr. Robert Lewis-Manning: I've testified about Bill C-48 at this committee before, and I think you know my feelings about it. Marine policy has to be based on evidence, and I had a concern about that. Having said that, since we're here to discuss pilotage, this is an evidence-based framework that has to support keeping Canada's coasts safe and moving trade. I think the changes in this bill can support that and, hopefully, that will prevail. That's why I remain optimistic, despite some of the comments I heard.

Mrs. Kelly Block: Thank you very much. I appreciate that.

I do want to go back to one comment you made, Mr. Broad, regarding your concerns about the transfer of the full cost of administering the act. I want to understand what you believe will be the implications of this policy for your industry, if this bill is passed in its current form, without addressing the concerns you've raised.

Mr. Michael Broad: I think our concern is that right now, the responsibility for regulation is with the authorities. That's going to be transferred over to Transport Canada, so one would assume, normally, that you would go where the resources and the authorities are and increase those in Transport Canada, and there wouldn't be any change. We don't think that's going to happen. It's going to take a couple of years for this to move forward. We're not going to see that move on. It's going to end up in the tariff in the future. That's our main concern.

There is a public-good component to this kind of legislation. We have to recognize that.

The Chair: Monsieur Aubin.

[*Translation*]

Mr. Robert Aubin: Thank you, Madam Chair.

I'm the member for Trois-Rivières, and in my constituency, I'm fortunate to have the magnificent Laviolette bridge. The bridge looks nice, but its construction is a bit fragile.

I want to address my technological concerns. I boarded a ship last year, not too long ago. I'm far from being an expert in the field, but I really didn't see what technology could be added.

Is the technology being developed to replace pilots or to enable pilots to respond more quickly because they're better supported by the technological equipment around them?

Obviously, my question is for the pilots.

Mr. Simon Pelletier: Good question.

Technology is everywhere in our daily work. I started my career in 1994. Technology has certainly evolved considerably since that time. As a result of the new technology that has been implemented over the years, the efficiency of vessel movements has evolved significantly, and in the right direction.

Technology helps pilots and sailors make better decisions, which helps vessels navigate more safely. It also brings larger and more hollow vessels into ports, which increases the efficiency of marine transportation. In most cases, the technology aims to enhance the

safety, efficiency and decision-making of sailors and pilots, among other things.

● (1250)

Mr. Robert Aubin: Mr. Burrows, do you have anything to add?
[*English*]

Mr. Bruce Burrows: I'll connect back to your earlier comment about autonomous vehicles and vessels. We're all familiar with the tremendous amount of research that's going on in this area. Navigating a vehicle in downtown Ottawa through the road system is probably, with very tight tolerances, even more difficult, I would suggest, than navigating vessels in water, yet we're going down this path.

In terms of this whole discussion, you were on a ship, presumably, so you saw that change in technology. Compared with 50 years ago, it's tremendous. We have electronic charting. We have GPS—global positioning systems. We have DIS, the draft information systems, and advanced radars, auto tracking and real-time positioning. All these things now are tremendous ways to better navigate and manage a ship in this autonomous world that we are moving towards.

We have potential advancements with onshore piloting down the road. This movement is happening. It will affect our industry. I believe that we will probably have fewer people on our vessels down the road. I suspect that we won't get a world in my lifetime where we have no people on our vessels, but we're clearly moving in a more autonomous direction with technology. It's the way to go.

[*Translation*]

Mr. Robert Aubin: Thank you.

[*English*]

The Chair: Do committee members have any further questions? All right.

Thank you to our witnesses for being so efficient in your comments that you've answered all of the committee's questions.

I will suspend the meeting for a few minutes for everyone to leave. Then we will go into committee business.

[*Proceedings continue in camera*]

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