

REPORT OF THE AD HOC WORKING GROUP ON MARINE POLICY

Agenda

1. Introduction and Approval of Agenda.
2. *Amendments to the Canada Transportation Act Data Regulations*
Presentation of proposed amendments to the *Carriers and Transportation and Grain Handling Undertakings Information Regulations*, their rationale and how they might impact Canada Port Authorities and the Canadian shipping industry.
3. Canada-China Agreement on Maritime Transport
Presentation on the 1997 Canada-China Agreement on Maritime Transport, an international treaty that was recently updated by Protocol to encourage cooperation between the maritime officials, industries and service providers.
4. *Nairobi International Convention on the Removal of Wrecks, 2007 (Nairobi Convention)*
Transport Canada is seeking stakeholder views on whether or not Canada should ratify the *Nairobi Convention*, which was adopted by the International Maritime Organization at a diplomatic conference in Nairobi on May 18, 2007. The Convention is the first international instrument dealing with liability and insurance in relation to shipwrecks located beyond the territorial sea of coastal states. It forms part of a framework of conventions dealing with liability and compensation for maritime casualties (including the CLC, IOPC and Bunkers Conventions).
5. Asia-Pacific Gateway and Corridor Initiative (APGCI) Performance Table
Outline of APGCI Performance Table background and approach, as well as the development of main areas of focus (performance/competitiveness, operations/integration and people/skills) and an overview of results and observations to date.
6. Other Business.
7. Tentative agenda items for the next CMAC meeting.

The meeting of the Ad hoc Working Group chaired by Tim Meisner, Transport Canada was held on Monday, April 26, 2010.

As electronic versions of the presentation are available by contacting Karen Westerlaken at 613-998-5029 or karen.westerlaken@tc.gc.ca, this report does not repeat the various presentations, but rather reflects the discussions that took place.

1. INTRODUCTION AND APPROVAL OF THE AGENDA

Tim Meisner noted that updates on consultations on the *Coasting Trade Act* and Hands Free Mooring had been requested and that these updates would be covered under other business. He was asked if it would be possible to have an update on the 25 percent duty as well, and it was agreed that it would be possible.

2. AMENDMENTS TO THE CANADA TRANSPORTATION ACT DATA REGULATIONS

Alain Lumbroso, Transport Canada's Economic Analysis Directorate, provided a presentation on proposed amendments to the *Carriers and Transportation and Grain Handling Undertakings Information Regulations*, which included their rationale and how they might impact Canada Port Authorities and the Canadian shipping industry. The presentation focused on why the regulations need to be changed; the consultative approach; the four data requirements (marine liability, dangerous goods, vessel activity, and port infrastructure); administrative monetary penalties; and, next steps.

Through the discussion that ensued, it was learned that stakeholders have three main concerns, namely:

- confidentiality of the data gathered;
- duplication of data reporting requirements; and
- the extent of the consultations to date

Alain Lumbroso provided reassurance that the data's sensitivities are understood, that it will be held by Transport Canada for internal use only, and it will not be published.

Doug O'Keefe, Marine Policy's International Marine Policy Branch, explained that information on marine liability is required in order to determine whether or not international conventions that call for additional insurance impact the industry. Also, knowing the historic level of claims informs whether insurance levels are sufficient or not, as well as whether or not improving marine security results in a reduction in claims. There was discussion concerning the possibility of having insurance underwriters provide the data.

Alain Lumbroso indicated that as it is impossible to consult with every stakeholder but they tried to meet with those that were representative, but as they are not finished, he is open to meeting with anyone who so desires.

Tim Meisner committed to consulting with stakeholders on details of the proposal and reminded participants that Alain Lumbroso agreed to meet with anyone who requests such a meeting.

3. CANADA-CHINA AGREEMENT ON MARITIME TRANSPORT

Doug O'Keefe, Marine Policy's International Marine Policy Branch, provided a presentation on the 1997 Canada-China Agreement on Maritime Transport, which is an international treaty that was recently updated by a Protocol, to encourage cooperation between the two countries maritime officials, industries and service providers. The presentation focused on the main provisions of the agreement.

Through discussion it was made clear that the agreement is 'an agreement to cooperate' and there is nothing in the agreement or protocol concerning seafaring certifications, labour laws/codes, union rates, or productivity.

4. NAIROBI INTERNATIONAL CONVENTION ON THE REMOVAL OF WRECKS, 2007 (NAIROBI CONVENTION)

Doug O’Keefe, Marine Policy’s International Marine Policy Branch, provided a presentation on the *Nairobi International Convention on the Removal of Wrecks, 2007*, the *Nairobi Convention*, which was adopted by the IMO in May 2007 and deals with liability and insurance in relation to shipwrecks located beyond the territorial sea of coastal states. The presentation focused on the main provisions of the convention/protocol. Transport Canada is seeking stakeholder views on whether or not Canada should ratify the *Nairobi Convention* and comments on the convention can be provided by June 30, 2010.

5. ASIA-PACIFIC GATEWAY AND CORRIDOR INITIATIVE (APGCI) PERFORMANCE TABLE

Neil Weatherdon, Marine Policy’s Ports Policy Branch, provided a presentation on the Asia-Pacific Gateway and Corridor Initiative Performance Table. The presentation focused on the Performance Table’s background, objectives, approach, current status, key findings and the main areas of focus, namely: defining the supply chain, system performance, competitiveness, operations/integration, and people/skills. In summary, the Gateway Performance Table focused on making the Port of Vancouver a Gateway of choice.

Tim Meisner reiterated, for emphasis, the fact that the Gateway Performance Table was an industry-based initiative. While Transport Canada played a catalyst and facilitator role in getting the parties around the table, it was chaired by an independent Chair and all of the recommendations coming from it, came from industry themselves, the individuals who actually use the supply chain.

6. OTHER BUSINESS

Under Other Business and as requested, updates on the Coasting Trade Review, Hands Free Mooring and the remission of the 25 percent duty on foreign-built vessels were provided by Valerie Devlin, Director, Seaway and Domestic Shipping Policy.

In regards to the **Coasting Trade Review**, Valerie Devlin committed to relaying concerns with the inadequacy of the CTA’s consultative process to the Agency and to recommending to them that they share a preliminary version of the guidelines. Valerie Devlin also committed to sharing the recommendations contained in the Coasting Trade Review report.

With regards to the **Hands Free Mooring** technology being tested on lock 7 in the Welland Canal, labour organizations expressed concerns with both the degree of success experienced to date and the technology’s ultimate impact on labour and safety if implemented. Valerie Devlin offered to include it as an agenda item at a future meeting.

All present agreed that the **remission of the 25 percent duty on foreign-built vessels** is an important issue and hope that the Minister of Finance will approve it in the near future.

7. TENTATIVE AGENDA ITEMS FOR THE NEXT CMAC MEETING

Tim Meisner invited participants to consider and submit agenda items for future meetings.

Approved by:

Tim Meisner, Marine Policy, TC, Ad Hoc Working Group Chair