

The Canadian Merchant Service Guild

A NATIONAL ASSOCIATION OF MASTERS - MATES - PILOTS - ENGINEERS AND OTHER MARINE OFFICERS

La Guilde de la Marine Marchande du Canada

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June 13, 2018

Honourable Marc Garneau, PC, MP Minister of Transport Place de Ville – 330 Sparks Street Ottawa, ON

Dear Minister,

The release of the final report of the *Pilotage Act* Review represents an opportunity for the Canadian Merchant Service Guild ("the Guild") to provide you with some initial comments on the recommendations contained in the report. The Guild understands you will have subsequent discussions with stakeholders on the subject, and we look forward to participating in those.

The principal concern of the Guild throughout the Review has been to ensure that Canada's world-leading pilotage regime not be compromised, and that its outstanding safety record be maintained. The report recommends certain changes to the legislation which would modernize, clarify or otherwise strengthen the existing framework, and in our view, such recommendations could only contribute to the ongoing excellent performance of the system. As such, those recommendations have the support of the Guild.

Other recommendations call for significant changes that present a serious potential risk to safety, have not been subject to rigourous analysis in terms of possible impact, and which seem out of proportion in terms of addressing rather specific and local issues through the introduction of new system-wide practices that, in our view, run the risk of creating unintended consequences.

Specifically, **Recommendation #8** opens the door to a competitive pilotage system that is likely to allow business considerations to override safety concerns, and thereby undermine the integrity of the system and public confidence in it. The recommendation is clearly out of proportion as a response to a very particular management issue in the Laurentian pilotage region, that could have easily been otherwise addressed. It has been clearly documented in other jurisdictions how competitive pilotage results in a less safe system. The fact is that very recent examples here in Canada have reinforced this view; the following two examples pertain.

- 1) Lower Cove, NL is a non-compulsory port where pilots licensed by the Atlantic Pilotage Authority are available on request. In one incident in February 2018, an operator requested a licensed pilot for the 190-metre bulk carrier M.V. Jay, but rejected the services on the basis that the tug requirements specified by the licensed pilot were too onerous. Instead, the operator engaged a non-licensed pilotage service, that agreed to less onerous conditions. During the assignment, damage was incurred by both the vessel and the facility, very likely because of the lack of an adequate tug.
- 2) Stephenville, NL is a compulsory pilotage area. In May 2018, licensed pilots recommended the use of at least one "capable" tug for a post-Panamax-size vessel scheduled to call at the port. Although this recommendation constituted the basic minimum requirement for safe navigation, port officials criticized it as "killing the port's business" and sought to proceed without the "capable" tug. If other than the single group of licensed pilots were available, commercial pressure would surely have been applied to arrange for a less costly but less safe operation.

These examples underscore the ever-present danger that exists when the door is opened to competition. Recommendation #8 allows for two groups of pilots to operate within one pilotage district, thereby introducing the risk of allowing the groups to be played off against each other in those cases where commercial considerations are in conflict with safety.

It must also be noted that implementation of this recommendation would be very disruptive in terms of pilotage operations. It would be regarded with deep suspicion not only by marine pilots, but by many others who understand the importance of a universally-accepted principle: safe pilotage is best assured in those circumstances where there is a single service provider. Erosion of the social license which pilotage enjoys would diminish public confidence in the overall integrity of Canada's maritime transportation system.

Recommendation #22 seeks to extend eligibility for pilotage certificates to foreign masters and officers in all pilotage regions. Again, while the origin for this proposal was a very local issue on the West Coast, the recommendation is national in scope, despite the lack of any evidence that there is a problem to be addressed anywhere other than in the Pacific region. In fact, given that a solution to the waiver issue that sparked the recommendation is already under development by the Pacific Pilotage Authority, the recommendation is unnecessary.

As would be the case with implementation of Recommendation #8, proceeding with Recommendation #22 would have disruptive consequences, perhaps the most important having to do with security considerations arising from vessels transiting Canadian waters, especially in the Great Lakes region, without Canadians onboard. The risk of such disruption seems especially unnecessary given the absence of any need for it.

Recommendation #23 calls for a national pilotage certification program to replace the current programs developed and administered by each pilotage region. Insofar as this recommendation is proposed in order to foster greater consistency "without compromising safety or creating a competitive pilotage situation", the Guild has no objection. If significant change to the current regime(s) were to be contemplated, further consultation and discussion would be necessary. Of particular concern would be changes to current requirements that take account of local circumstances, and any modification to the standing practice that a certificate holder must be a regular member of a ship's complement.

For the sake of brevity, these comments have focused on those areas where the Guild has special concern with recommendations made in the report. It does not diminish the fact that many of Review's recommendations have great value and have our support. We have appreciated the opportunity to participate in the Review, and look forward to future opportunities to collaborate with you and your officials on subsequent steps intended to ensure Canada's pilotage system remains the best in the world.

Sincerely,

Mark Boucher

National President

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