

MESSAGE FROM THE PRESIDENT

Year in Review:

As another year draws to a close, I am sure that we all share similar sentiments – 2023 was like many others - it contained significant changes, challenges, and opportunities. We saw a continuation of inflationary pressures, freight and charter rate instability, cargo volume changes, and a looming threat of a recession. But perhaps one of the most notable challenges across the supply chain was that of labour instability – whether it was a shortage of labour in some cases, or labour disputes on the West Coast and St. Lawrence Seaway, labour was an important issue.

As those challenges were playing out, the pace of regulatory change and emerging issues remained very high, resulting in a very busy year for all of you and the Federation team. Some of the more notable files throughout the year were in the areas of environment, pilotage, port governance, and supply chain. Across all of these areas, I believe we obtained the right level of visibility with various government departments and agencies, and in many cases, we were able to advance the interests of our members on a national scale.

Our most recent board meeting had a very full agenda and it resulted in some very productive discussions across a wide range of issues. At this meeting, I presented a few notable metrics that provide a snapshot of activities from 2023 that I would like to share for your interest.

2023 “By the Numbers”

- ❖ 71 Members + 30 Affiliates (1 new core member, 2 new affiliate members)
- ❖ 131 Circular Letters Issued
- ❖ 4,300 Vessel Calls
- ❖ 800 Oil Spill Response Contracts managed
- ❖ 45 Issues Being Managed or Tracked
- ❖ 33 Standing and District Committee Meetings
- ❖ 12 Submissions & Comments to Government
- ❖ 4 House and Senate Committee Appearances
- ❖ 9 Media Articles, Interview & Mentions
- ❖ 70 + External Committees & Working Groups
- ❖ 1,600 Website Hits since September.
- ❖ 2,518 LinkedIn Followers
- ❖ 1,158 Twitter Followers
- ❖ 120 Annual Conference Attendees
- ❖ 100+ Mariners Workshop Attendees
- ❖ 19 Trips to Visit Members Across Canada.

Looking ahead to 2024, we have a solid plan of operations to uphold our core services to members: advocacy, operational support, information dissemination, and training. I am confident that we are on track to provide the

services you need and expect. If anyone has questions or comments about our plans for 2024, please feel free to contact me at any time.

In closing, I would like to thank our members from all regions of the country for your strong guidance and contributions throughout the year, without which we would not be effective. The direction and support from the Board of Directors, your ad hoc enquiries, and participation in our standing and district committees is greatly appreciated.

Thank you once again, and I wish you and yours a safe and happy holiday season.

Chris Hall

You will find below a summary of developments within the maritime industry and of the Shipping Federation's key areas of involvement in recent weeks:

Legislative Update

The Federation continues to actively monitor and participate in a number of ongoing legislative initiatives. The Federation appeared before the House Committee on Transport, Infrastructure and Communities in November to provide comments on Bill C-33, which proposes to modernize several pieces of marine-related legislation in order to increase the efficiency, resilience and security of the marine transportation system.

Labour also continues to be a prominent topic, with Bill C-58 proposing legislation surrounding the use of temporary replacement workers during a strike or lock-out in federally regulated industries. The Federation has also submitted comments to the panel for the initial review of Section 106 of the *Canada Labour Code*, seeking to review supply chain resiliency in light of recent labour strikes. Furthermore, we are closely monitoring the upcoming expiration of labour

agreements and possible disruptions at CN, CPKC, and the Maritime Employers Association (MEA).

Other noteworthy legislative items on our radar include the following:

- ❖ Bill C-52, which proposes to provide port users and tenants with a mechanism for challenging new or revised fees through the Canadian Transportation Agency, amongst other items.
- ❖ Transport Canada Rail Review, which seeks stakeholder input regarding the adequacy of the regulatory provisions in Canada Transportation Act.
- ❖ Shipping Conferences Exemption Act Review, as mandated in Transport Canada's 2023 budget.
- ❖ Supply Chain Regulatory Review, which includes themes of transportation and border operations.

National Supply Chain Office

As many people have heard, Transport Canada has recently announced the formation of a new Supply Chain Office. This newly created entity was born out of a recommendation in the 2022 report of the Supply Chain Task Force. This office has a mandate to work with industry, governments and partners to make Canada's supply chains more efficient, fluid, resilient and reliable.

The Federation supports this mandate, and as a result, has been working very closely with the senior leadership of the new Supply Chain Office to build the necessary relationships and help provide direction and guidance that will benefit our members and the supply chain at large. We will provide updates as the work of the new department evolves.

To learn more about the Supply Chain Office, go to <https://tc.canada.ca/en/supply-chain-canada/national-supply-chain-office>.

Southern Resident Killer Whales – Conservation Agreement Renewal

Federation members continued to be great supporters of voluntary slowdowns on the approach to the Port of Vancouver, which reduce underwater noise from vessels in the interest of allowing the endangered Southern Resident killer whales ‘listening space’ to echolocate and to catch salmon to eat. These voluntary slowdowns are run by the Port of Vancouver Fraser Authority’s **Enhancing Cetacean Habitat and Observation Program, commonly known as “ECHO.”**



The Federation has been actively engaged in discussions throughout 2023 leading up to the renewal of a five-year Conservation Agreement that ties Fisheries and Oceans Canada (DFO)’s legal obligation to protect Species-at-Risk, to the Port of Vancouver’s voluntary ECHO Program. This first-of-its-kind agreement was originally signed in 2018 by DFO, TC, and industry organization. The Conservation Agreement is non-binding, but recognizes the work done by the shipping industry under the ECHO program, and formalizes an agreement to continue that work for 5 years in lieu of legislation. It lays out goals and elaborates with an extensive list of measures and annual actions over the next five years, identifying responsible parties and lead signatories for each.

As the ECHO program has been extremely successful and is widely seen as a global model for adaptive, voluntary management, all parties to the Agreement indicated the desire early in 2023 to “renew, but not re-do” the Agreement and have since had extensive discussions and meetings, including a workshop we attended in Vancouver this October. We anticipate that we will commit once again to “reduce acoustic and physical disturbance to SRKW by Large Commercial Vessels in Pacific Canadian Waters” through adaptive management and continuous improvement. A final version of the Agreement will be available for review in January, 2024 with the plan to have it signed in May 2024.



The ECHO voluntary measures are developed through a collaborative, consensus- based decision-making process involving multiple stakeholders with different perspectives. As with many of the Federation’s files, in-person and regular engagement is key to understanding each other’s perspectives and arriving at mutually acceptable solutions.



Pictured above (L-R): Transport Canada’s Manager of the National Whales team/ Senior Policy Advisor **Sonja Henneman**, the Federation’s Director, Environmental Affairs **Miako Ushio**, and Indigenous Advisor **Dr. Teresa Ryan**, at a post-meeting social hosted by the Port of Vancouver.

Welcome New Members !

Joining from Vancouver is the West Coast Marine Response Corporation, or WCMRC.

WCMRC is the official oil response organization on the West Coast, providing necessary support in dealing with environmental incidents on the water. The Federation has enjoyed a long relationship with WCMRC by facilitating the required contract between WCMRC and the ships our members represent.



Joining from Quebec City is the Cruise the St. Lawrence Association. This organization



provides services to many of the businesses in the St. Lawrence region that serve the cruise ship industry. SFC has relationships with many other trade and business organizations across the country, and this new relationship with Cruise the St. Lawrence will allow us to leverage each other's strengths in the cruise industry.



Kent Line is a long-standing ship agency based in Saint John, NB, and we are pleased to welcome their team to the Shipping Federation as our newest core agency member. Providing full agency services in the region, Kent Line is part of the Transportation and Logistics Division of JD Irving Limited.

Below are some snapshots of the Federation's recent activities:



The Federation with Cecilia Lei, Executive Director, Supply Chain, Transport Canada



The Federation's West Coast District Committee with Julie Gascon, CEO, Pacific Pilotage Authority

Some Upcoming Activities in Early 2024:

- ✚ Pilotage Committee Meeting: **January 9th**
- ✚ Operations Committee Meeting – **February 13th**
- ✚ Board Meeting – **February 15th, Vancouver**
- ✚ Annual Meeting and Conference – **May 8th, Montreal**



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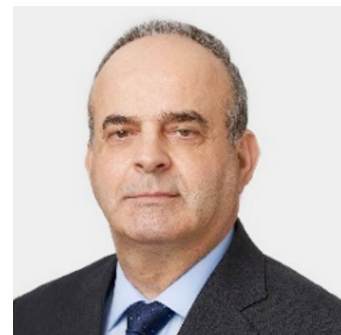


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**Best Wishes
And
Happy New Year
from the Team**



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