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Chair

Mr. Larry Miller

Standing Committee on Transport, Infrastructure and Communities

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● (1100)

[*English*]

The Chair (Mr. Larry Miller (Bruce—Grey—Owen Sound, CPC)): I'm going to call our meeting to order.

I want to welcome all of our witnesses here. We appreciate that you are here today.

We have members here from the Department of Transport, from the Pacific Pilotage Authority Canada, and from the Department of Fisheries and Oceans.

We're going to go right into presentations. We'll start with the Department of Transport, for ten minutes or less, please.

Mr. Lachance.

Mr. Sylvain Lachance (Executive Director, Legislative, Regulatory and International Affairs, Department of Transport): Thank you, sir.

I'd like to thank the committee for this opportunity to discuss safety management systems in the marine sector and other measures to ensure marine safety.

Safety management systems, or SMS, are a useful means to manage risk that complements the statutory inspection and certification regime in Canada. The value of SMS lies in formally identifying rules, responsibilities, and procedures that ship operators must follow and associating these with specific targets.

In order to maximize the benefits, Transport Canada marine safety and security has for some time been consulting with marine stakeholders about proposed amendments to the existing safety management regulations. These regulations set out the current requirements for SMS in Canada's marine sector.

The amendments focus on three key goals. First, we aim to reduce the number of shipping fatalities and injuries involving Canadian vessels. Second, we want to create the flexibility to adapt to evolving technologies in the marine industry. Third, we want to ensure that Canada's regulatory regime is more closely aligned with international requirements.

In Canada, the requirement to have an SMS in place has applied since 1998 to vessels that engage in international voyages. However, these vessels make up only a fraction of the Canadian fleet. If we are to see the benefits of SMS, we need to apply them much more broadly, and that's exactly what our proposed amendments to the existing safety management regulations aim to do. By making a greater number of vessels subject to the regulations, we will reach a much larger portion of our domestic fleet, ensuring that more vessels put these potentially life-saving measures into practice. For this reason, we intend to apply the regulations to all vessels 24 metres or more in length. This will allow us to standardize the implementation of SMS for vessels and their associated companies in Canada.

If adopted, the amendments will formalize safety procedures, require proper documentation of planned maintenance, assign responsibilities, and identify potential risks. This move would make the marine industry proactive in managing safety and fully integrating safety considerations into operations. It would also help bring about a culture of continuous improvement with respect to safety. The changes Transport Canada is proposing in no way compromise existing regulatory requirements relative to marine safety, such as those for inspection and certification of vessels. Instead, SMS are a separate requirement that complement and reinforce the safety requirements made under other regulations.

I would like to add that in developing these proposed amendments we have been mindful of the Transportation Safety Board's recommendations. We have been careful to take the board's concerns into account, and I believe we have found a workable solution that will meet our safety objectives by placing achievable, affordable requirements on industry. Adopting these proposed amendments to the safety management regulations would represent a significant step towards enhancing the safety of marine shipping in Canadian waters.

Over the past several years we have taken a series of measures with that goal in mind. Transport Canada administers a comprehensive marine legislative and regulatory system, the cornerstone of which is the Canada Shipping Act, 2001, to ensure that marine transportation is safe and efficient and that it protects the environment.

You will also be pleased to know that in pursuit of these objectives Transport Canada is moving forward with measures to ensure tanker safety. For example, these measures require oil tankers to be double-hulled and also set out how they are built, equipped, inspected, certified, and operated.

In addition, with the introduction of the world-class tanker safety system initiative, first announced in March 2013, the Government of Canada has further strengthened Canada's marine oil spill prevention, preparedness, and response regime. Through measures such as expanding the national aerial surveillance program, introducing new aids to navigation, and increasing tanker inspections, we continue to support the safe transportation of the roughly 320 million tonnes of oil shipped off Canada's coasts every year.

Additional measures announced last May include area response planning, which will establish new response plans in specific areas that have been identified as having higher vessel traffic.

● (1105)

Modernizing Canada's navigation system by moving towards an electronic system and investing in state-of-the-art technology is another priority area that has been identified. In the rare event that an oil spill should occur under world-class initiatives, the Government of Canada has established an incident command system to better coordinate response to marine spill incidents. We will also seek to amend legislation to permit the use of alternative spill response measures where this would have a net benefit on the environment.

Moving forward, we will continue to focus on the safety of marine transportation in this country for the protection of people and the environment.

Sir, I will now pass the mike to my colleague Nicole Girard.

Ms. Nicole Girard (Director General, Transport Dangerous Goods, Department of Transport): Thank you.

In addition to the Canada Shipping Act, 2001, as mentioned by my colleague as being the cornerstone ensuring marine transportation is safe, efficient, and protects the environment, the transportation of dangerous goods in Canada is regulated under the Transportation of Dangerous Goods Act and associated regulations. They're administered by Transport Canada's transport of dangerous goods directorate and establish the regulatory requirements for the importing, handling, offering for transport, and transport of dangerous goods by all modes—rail, road, air, and marine—within Canada.

These two pieces of legislation together cover the safe transport of dangerous goods. Compliance with both the TDG Act and the Canada Shipping Act and associated regulations is required as they apply. The TDG Act does not apply to dangerous goods confined only by the permanent structure of a vessel, for example, a tanker. The TDG regulations make reference to the International Maritime Organization's international maritime dangerous goods, or IMDG code, for certain requirements. This code was developed as a uniform international code for the transport of dangerous goods by sea, covering such matters as packing, container traffic and stowage, with particular reference to the segregation of incompatible substances. The TDG and marine safety and security directorates of Transport Canada have a memorandum arrangement that clarifies the roles and accountabilities in the administration and coordination of regulatory and oversight activities in the transport of dangerous goods by the marine mode. Transport Canada's marine safety and TDG directorates have also established a joint process for reviewing applications for exemptions from the requirements stipulated under the cargo, fumigation and tackle regulations, and the TDG regulations.

In addition to marine safety inspections, a marine shipment of dangerous goods could be subject to a dockside TDG inspection. TDG inspections are performed at ports like Halifax and Vancouver, including inspections for shipments of dangerous goods moving to Canada's north. As with other TDG inspections, inspectors will verify compliance with the TDG regulations, including use of proper means of containment, shipping documents, and classification. In cases where non-compliance is found, Transport Canada does not hesitate to take appropriate enforcement action.

Emergency response assistance plans, or ERAPs, are an essential pillar for the transportation of dangerous goods program. An ERAP is a plan to ensure that there is an immediate and effective response to an actual or imminent release of dangerous goods. ERAPs are required by the transportation of dangerous goods regulations for certain high-risk dangerous goods that require specialized expertise and response equipment.

In the marine mode, an ERAP is required both for the loading of dangerous goods onto a vessel, as well as during the off-loading of dangerous goods from a vessel. An ERAP is not required while the vessel is in transit although requirements under the Canada Shipping Act would apply. International marine shipments are exempt altogether from the ERAP requirements. Instead, international marine shipments must comply with the requirements of the IMDG code.

Transport Canada provides immediate dangerous goods information and support following an incident via CANUTEC, our 24-hour emergency response centre. CANUTEC is staffed by bilingual professional scientists specialized in emergency response and experienced in interpreting technical information. CANUTEC advisers can provide advice to first responders in the case of an incident involving dangerous goods. In particular, for marine incidents involving dangerous goods, including a major oil or noxious substance spill, CANUTEC will provide technical assistance to callers, including first responders. Once a call is received, CANUTEC will advise the Canadian Coast Guard as well as notify a TDG marine safety inspector of the incident.

Between the robust requirements under the Canada Shipping Act and those in the TDG Act, and the work being done on the world-class tanker safety initiative, marine shipments of dangerous goods are moving safely, and in the rare event of an incident, there are measures in place for an effective response.

My colleagues and I would welcome now any questions you may have.

● (1110)

The Chair: Thank you very much.

We'll now move to the Pacific Pilotage Authority, Mr. Obermeyer, for 10 minutes, please.

Captain Kevin Obermeyer (Chief Executive Officer, Pacific Pilotage Authority Canada): Thank you, Mr. Chair, and I'd like to thank the committee for the opportunity to speak about marine pilotage and our SMS update.

I will give just a short overview of who we are to set the stage. The Pacific Pilotage Authority is a federal crown corporation operating pursuant to the Pilotage Act of 1972. Our mandate is to provide a safe and efficient marine pilotage service on the west coast of Canada on the basis of financial self-sufficiency. We do this by working in partnership with the shipping industry we serve, in order to protect and advance the interests of Canada.

The government oversees the operation of the authority through the publication of the corporate plan and annual report, both of which are submitted annually. In addition, the Office of the Auditor General conducts annual financial audits as well as special audits every five to ten years, where every facet of our operation is reviewed.

The minister overseeing our portfolio is the Honourable Lisa Raitt, MP, Minister of Transport. Transport Canada is a resource to our operations as well, and this includes providing assistance with the publication of our pilotage regulations and our tariff regulations, and in some instances operational issues.

On the public side, we have been engaged in community outreach programs for the last four years, speaking to municipalities and first nations in our areas of operation.

The marine pilots on the coast of B.C. are all masters in their own right, with many years of experience in the local waters, and we provide marine pilots to all vessels over 350 gross tonnes, which is about a 50-metre long vessel. Pilots are a resource to the master and the bridge team and provide them with expert local knowledge, and are responsible to the master for the safe navigation of the vessel while it is in compulsory pilotage waters. There are some exceptions to this, and they are the ferries, government vessels such as DND, and the coast guard.

Pilotage is a country's insurance against marine disaster. By placing a pilot on the vessel, you are ensuring that at least one member of the bridge team has an in-depth knowledge of the local dangers, is not fatigued, and is a knowledgeable resource in the event that something does occur. Lastly, the pilot adds an additional level of safety on the vessel.

Our area of operation extends from the Washington state border in the south to the Alaskan border in the north. As a rule of thumb, if you take two miles of every major point of land around the B.C. coast and join those together, that's our area of operation.

With respect to the carriage of dangerous cargo, we have developed guidelines and standards for many of the more difficult passages of the coast. When dealing specifically with tankers, there is always extensive consultation before any changes are made to an accepted practice. Recently we have broadened the scope of the guidelines for crude oil carriers over 40,000 dead-weight tonnes transiting Haro Strait and Boundary Pass—the area between Vancouver and Victoria, quite a narrow passage—to include all liquid build carriers over 40,000 dead-weight tonnes. This will capture many of the product carriers with multiple chemicals and hydrocarbon products as their cargoes.

With respect to safety management systems, SMS, over the past two years we have been engaged in putting in place an International Organization for Standardization ISO 9001 system in our dispatch office and an ISM, international safety management code system, on our launches. We are presently being audited by Lloyd's classification society and we fully expect to obtain certification by December of this year on both the ISM and ISO certifications.

Our two pilotage groups, eight employee pilots on the Fraser River and 100 contract pilots working for the private company, British Columbia Coast Pilots Ltd., are currently engaged in putting a safety management system in place, with the expected certification by December 2016.

With this in mind, we believe we have raised the level of safety for vessels carrying hazardous cargoes in the Vancouver area and will ensure that similar safety measures are in place for the many energy projects we presently see on our coast.

We are extremely proud of our safety record and regularly exceed a 99.9% success ratio. In 2013, we handled over 12,000 ships and had five incidents for a 99.96% success ratio. In the 20 years that I have been involved in shipping on the west coast, we have had only one oil pollution incident with a pilot on board. This occurred when a freighter was pushed back alongside the dock in a squall and a piece of metal punctured the hull right next to a daily service tank. If this had been a double-hulled tanker, we would have had no spill.

● (1115)

Our level of success is not achieved by chance. Our safety systems include a very stringent exam process, one of the most stringent a candidate will face. An enormous amount of time and money is spent on training to maintain these safety levels. On average we spend over a half a million dollars per annum, and in 2010, when we were engaged in amending the tanker requirements for the Vancouver harbour, we spent over $1.2 million in training the pilots.

In addition, all pilots, both senior and junior, have to attend a training establishment at least once every five years. This is, of course, over and above any training that is deemed necessary as a result of proposed changes or new projects such as the LNG we expect to see on the coast.

Nationally we work with the Canadian Marine Pilots' Association and our counterparts across the country in developing national initiatives that will further enhance the already high level of safety.

In closing, I believe that we offer an excellent service often exceeding our mandate to provide a safe and efficient marine pilot operation on the west coast of Canada, due largely to the procedures and practices that we have in place to minimize the risk. While we have not yet achieved that elusive 100% success ratio on the coast, we will continue working to achieve that goal.

Thank you. Those are my comments.

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

We'll now move to the Department of Fisheries and Oceans and we have Mr. Pelletier, Mr. Hutchinson, and Mr. Hains. Who wants to take the floor? Mr. Hutchinson.

Mr. Jeffery Hutchinson (Director General, National Strategies, Canadian Coast Guard, Department of Fisheries and Oceans): Thank you, Mr. Chair, I will indeed. Thank you for the opportunity to appear this morning before the committee.

As the chair has already noted, my name is Jeffery Hutchinson. I'm the director general of national strategies for the Canadian Coast Guard. I'm joined today by Mr. Denis Hains, director general of the Canadian hydrographic service and by Mr. Mario Pelletier, our assistant commissioner for the central and Arctic region in the Canadian Coast Guard.

I'd like to take a couple of moments to speak to the mandate of the coast guard at a fairly general level and then focus in on our roles and responsibilities as they relate to the safe transportation of dangerous goods in a marine context. I'll also offer some general comments about the Canadian hydrographic service.

● (1120)

[*Translation*]

Regarding our mandate, I would like to remind you that the Canadian Coast Guard, unlike other federal departments and agencies, is not a regulatory organization. When the Coast Guard became a special operating agency within Fisheries and Oceans Canada in 2005, all of its regulatory services were transferred to Transport Canada.

The Coast Guard's mandate derives from the Constitution Act, 1867, which gives the Government of Canada authority over navigation, shipping, beacons, buoys and lighthouses. The Oceans Act and the Canada Shipping Act, 2001, gave that mandate to Coast Guard programs. In addition, the Arctic Waters Pollution Prevention Act confers on the Coast Guard responsibilities in relation to marine pollution responses in the Arctic.

What does all this mean in practice? On an average day, the Coast Guard saves 15 lives, assists 52 people in 27 search and rescue cases, manages 1,233 ship movements, carries out 11 fisheries patrols, supports 8 scientific surveys and 3 hydrographic missions, deals with 3 reported pollution events, and surveys 3.5 kilometres of navigation channel bottom.

Our colleagues and partners from the Canadian Hydrographic Service, or CHS, are part of the Ecosystems and Oceans Science Sector at Fisheries and Oceans Canada. Their main role and mandate in navigational safety is documented in most of the acts and regulations applicable to the Coast Guard.

CHS is the official provider of charts, publications, data and services related to navigation in Canada. It supports safe navigation and sovereignty by ensuring the identification and precise positioning of all borders and boundaries of Canada's territorial waters.

Its nautical products and services include 944 paper charts, 967 electronic navigation charts, as well as a number of mandatory publications such as sailing directions, and information on tides and real-time water levels.

That summarizes the respective mandates of the Coast Guard and the Canadian Hydrographic Service.

I will now talk about the Coast Guard's activities and services that support the safe shipping of dangerous goods.

[*English*]

The roles of the Canadian Coast Guard supporting the safe transportation of dangerous goods can be grouped into three areas: prevention, preparation, and response. In covering each of these, I'll underscore where the recent announcements on the world-class tanker safety system augment our roles and responsibilities.

Let's begin with prevention. In our view, safe shipping is important irrespective of the cargo being carried, and the Canadian system, as you know, is second to none. Working in partnership with Transport Canada, the shipping industry, and others, the objective for shipping is to ensure that it is both safe and efficient.

The coast guard's role in safe and efficient shipping includes the provision of aids to navigation. The coast guard deploys more than 17,500 aids to navigation, including buoys, radio towers, lights, foghorns, and radio beacons. The coast guard also maintains a differential global positioning system, which adds better accuracy as well as monitoring to traditional GPS. We provide marine communications and vessel traffic services which, taken together, provide distress and safety call monitoring, broadcast maritime safety information, such as weather and navigational warnings, and information and advice to regulate traffic movements. Indeed, I'm talking about the communications backbone of the Canadian Coast Guard. It supports a healthy economy, safety of life at sea, and protection of the environment through traffic management and efficient movement of shipping.

We provide icebreaking services. The coast guard supports economic activity by assisting commercial vessels to navigate efficiently and safely through and around ice-covered waters. In addition, the coast guard provides ice information, routing advice, flood control, harbour breakouts, and vessel escorts through ice-infested waters. The focus of icebreaking operations are on the east coast, in the Great Lakes and the St. Lawrence River system in the winter and, of course, in the Arctic during the summer.

We also provide waterways management services. The coast guard helps to ensure safe, efficient, and environmentally responsible design, maintenance, and use of ship channels and marine structures. It provides channel safety information to mariners. With respect to waterways management services, there is significant harmonization of our efforts with the efforts of the Canadian hydrographic service because hydrographers are the experts in hydrographic surveying and in the production of charts and publications that describe the waterways to end users, the mariners.

All of these areas are key elements of prevention and contribute significantly to ensure Canada's marine navigation system remains safe and efficient. As part of the government's commitment to ensure a world-class safety system on the water, it announced in May 2014 its intent to modernize Canada's marine navigation system. Specifically, this announcement includes modernizing navigation through the provision of more electronic navigation charts and digital information that can be integrated into vessel systems in real time. It includes the implementing of leading-edge tools and technology to support the collection and sharing of data to mariners, like “smart” environmental weather buoys and year-round lighted buoys on the St. Lawrence shipping channel. It also includes increasing the number of ships that would have the automated identification system, which allows ships to communicate with shore and with each other their own positions, increasing marine safety. None of this will happen overnight, but it all builds on the solid foundation that's already in place.

I would turn your attention now to preparedness. Notwithstanding our extensive efforts and the efforts of our partners on the prevention side, we cannot, and do not, ignore the preparedness side. Measures put in place by the coast guard allow us to deal with marine incidents in many forms. We have personnel across the country who are trained in environmental response and they're equipped to respond as needed. We have a life-cycle asset plan that ensures our vessels and assets are maintained. Our levels of service have been thoughtfully and realistically designed, they're widely communicated, and mariners use them to plan accordingly.

Coast guard planning and preparedness initiatives are not carried out in isolation. We consult with mariners and industry, fishers, and recreational boaters. For example, we meet twice a year with industry stakeholders via the national marine advisory board and the respective regional bodies such as le Groupe conseil in Quebec.

With respect to our environmental response program, preparedness is a critical component that focuses on planning, training, and exercising. The coast guard works internally and also externally with its federal, industry and international partners to ensure that we are prepared to respond in the event of a pollution incident. Canada's marine oil spill preparedness and response regime is national in scope and requires industry-funded response organizations south of 60 to maintain certain response capacities. For example, response organizations are required to have on hand enough capacity and capability to handle a ship-sourced spill of up to 10,000 tonnes within timelines prescribed by the Canada Shipping Act, 2001. Prescribed vessels are required to have arrangements in place with a Transport Canada-certified response organization. However, north of 60 there are no certified response organizations as the marine transport of oil is quite limited compared to the south. The majority of oil response equipment housed north of 60 is owned and maintained by the coast guard. We have 19 caches of equipment that have been distributed across the north.

● (1125)

In addition, we have three larger depots, located at Tuktoyaktuk, Churchill, and Iqaluit, and a rapid air depot in Hay River, which allow us to respond in a timely fashion should there be a pollution incident.

The Canadian Coast Guard is a key participant in many of the world-class tanker safety initiatives. A cornerstone of the world-class tanker safety system is risk-based area response planning. Through the announced ARP process, the coast guard, in partnership with Transport and Environment Canada, will lead the creation of a new risk-based model for planning and preparing for marine oil spills, which includes the identification of risks such as vessel traffic, type of cargo, and marine environment, as well as the development of mitigation strategies to address identified risks. Through area response planning, the Canadian Coast Guard will play a key role in marine spill response planning and management by bringing together stakeholders who may be impacted should a pollution incident occur.

One other initiative I'd like to mention on the preparedness side is a transfer payment program that will be established to support aboriginal communities in accessing funding for the purchase of equipment required to participate in the Canadian Coast Guard Auxiliary and in Canada's marine search and rescue system.

Finally, I draw your attention to our roles with respect to response. Canada's marine oil spill preparedness and response regime is a joint government–industry partnership for addressing marine pollution based on the polluter pays principle, meaning the polluter is always responsible for addressing any pollution they have caused.

From the federal government side, Transport Canada, Environment Canada, Fisheries and Oceans Canada, and the Canadian Coast Guard are partners in the regime. Transport Canada regulates the regime. Environment Canada is responsible for the provision and coordination of scientific information and advice to support pollution response. Additionally, Fisheries and Oceans conducts scientific research on fisheries and marine ecosystems and provides advice as part of spill preparedness and response.

The coast guard, as the operational arm of the government, is the lead federal response agency responsible for ensuring appropriate responses for ships or spills in waters under Canadian jurisdiction. The coast guard receives reports of pollution and responds to ensure that the polluter is taking action and, if so, will monitor the response of the polluter to ensure it's appropriate.

The coast guard also has the authority to assume command of a response in the event that the polluter is unwilling to, is unable to, or is unknown. The coast guard can recover costs of monitoring or responding to an event either from the polluter or from the Canadian ship-source oil pollution fund.

One of the initiatives under the world-class system is the coast guard's implementation of an incident command system. The incident command system is a standardized, on-scene, all-hazard management methodology designed to ensure effective command, control, and coordination of response to pollution incidents. Through implementation of the incident command system, the coast guard's ability to work collaboratively with other emergency responders and stakeholders will be improved, and we will be better equipped to respond in cooperation with key partners and other departments and agencies.

Finally, I'd like to speak for a moment about the Canadian Coast Guard fleet. Canadian Coast Guard services are ably supported by the Canadian Coast Guard fleet operational readiness program, which provides safe, reliable, available, and operationally capable vessels.

Our fleet consists of 119 large vessels and air cushion vehicles, as well as 21 helicopters. These vessels are operated by qualified and certified crews who are ready to respond to on-water and maritime-related requirements, and who deliver the full range of coast guard programs and support the on-water programs of our federal partners. We operate within the safety management regulations introduced by Transport Canada in 1998 and have voluntarily implemented a safety management system pursuant to the international safety management code. The objectives of the international safety management code for the safe operation of ships and for pollution prevention are to ensure prevention of human injury or loss of life, safety at sea, and avoidance of damage to the environment, in particular to the marine environment and to property. Our safety management system for the CCG fleet ensures that we are compliant with international conventions and Canadian laws. The system also maintains a safety, security, and pollution prevention culture within our organization and maintains our response readiness.

Mr. Chair, I thank you and members of the committee for the opportunity to provide this overview of the coast guard's roles and responsibilities related to prevention, preparedness, and response to marine spill incidents. On behalf of Mr. Hains and Mr. Pelletier, I want to thank you for this opportunity to discuss the role of the Canadian hydrographic service in Canada's navigation safety network.

We'd be pleased to answer any questions you may have for us.

● (1130)

The Chair: Thanks, Mr. Hutchinson.

We'll go right to questioning.

Mr. Mai, you have seven minutes.

Mr. Hoang Mai (Brossard—La Prairie, NDP): Thank you, Mr. Chair.

[*Translation*]

I want to thank the witnesses for participating in today's meeting. This testimony is very important for our study.

I would like to first discuss Canadians' concern over environmental protection.

Coasts and rivers are very important to Canadians. Since the Lac-Mégantic incidents, Canadians have been very worried about Transport Canada and its role, which really consists in protecting citizens. Concerns were also voiced when the Auditor General issued his report on rail safety, which drew attention to many shortcomings.

I will read an excerpt from the Transportation Safety Board of Canada's report:

> Some transportation companies are not effectively managing their safety risks, and Transport Canada oversight and intervention has not always proven effective at changing companies' unsafe operating practices.

Canadians are quite concerned, and so are we, as the opposition party, especially since the government has cut budgets. For instance, Transport Canada's spending in transportation security is now 20% lower than it was in 2009-2010. When it comes to marine safety, the 2010-2011 budget indicates that expenditures totalled $82.7 million, but they have been reduced by 28%. So that area has also been subject to cuts.

The worrisome part is oversight. Could you tell us how many inspectors are currently involved in marine safety?

● (1135)

Mr. Sylvain Lachance: Until late October, we had 319 inspectors, but we are currently going through a major recruitment phase. Owing to attrition, we lost a lot of people. Many of them retired.

Mr. Hoang Mai: Are the 319 inspectors involved specifically in marine safety?

Mr. Sylvain Lachance: Yes.

Mr. Hoang Mai: You also talked about unfilled positions in transportation security. In the department's latest report, for 2013-2014, it was a matter of 585 unfilled positions in transportation security and 56 positions in marine safety.

Is the situation similar today?

Mr. Sylvain Lachance: No, there are no longer as many unfilled positions. Our planned complement is currently about 364.

Mr. Hoang Mai: How many auditors do you have working on safety management systems?

Mr. Sylvain Lachance: No one works solely on that. Our people have a number of duties. Many of them can do that work.

Mr. Hoang Mai: Do your inspectors perform audits on the ground in addition to checking safety management systems?

Mr. Sylvain Lachance: Some do, but not all of them.

Mr. Hoang Mai: Concerns were also raised over the rising number of oil tankers in the St. Lawrence, and that is something that really affects Quebec. We have heard that the number will double or triple.

Has Transport Canada looked at this in its risk assessments?

Could you tell us what your predictions are in terms of the rising number of oil tankers?

Mr. Sylvain Lachance: We are monitoring this situation very closely, but the presence of oil tankers in the St. Lawrence is not new. They have been there for a very long time. The idea is that they need to comply with all the regulations, acts and international conventions. When an oil terminal project is developed, promoters ask that an environmental impact study be carried out.

Mr. Hoang Mai: Oil tankers are present in the St. Lawrence, but does Transport Canada know whether their numbers will increase? Some people have said that the numbers could double or triple.

Do you agree with that? Is that in line with your predictions or the systems used to anticipate problems?

Mr. Sylvain Lachance: It all depends on project approval. You are talking about the number doubling or tripling, but compared with what?

Mr. Hoang Mai: You agree that their number will increase.

Mr. Sylvain Lachance: It may well increase. As you can read in newspapers, projects are being implemented to increase the number of oil tankers. However, the actual number depends on a broad range of factors.

Mr. Hoang Mai: I understand.

Mr. Sylvain Lachance: Among others, it depends on the price of oil.

Mr. Hoang Mai: I agree. Thank you.

I have a question for the Canadian Coast Guard representatives.

We have heard in the media that, when an oil spill occurs, only 5% to 20% of the oil can be recovered. Can you confirm that? When a spill takes place, how much could be recovered and how much would end up in nature?

Mr. Mario Pelletier (Assistant Commissioner, Quebec Region, Canadian Coast Guard, Department of Fisheries and Oceans): Each spill is different.

I don't remember where the information you provided came from. We work with response organizations that recover oil, on the ship owner's behalf. The percentage recovered can depend on the location, the current and environmental factors.

● (1140)

Mr. Hoang Mai: Have any oil spills occurred in the St. Lawrence? If so, what percentage of the oil would you say was recovered?

If only 5% to 20% can be recovered and the number of oil tankers in the St. Lawrence increases, the situation in case of spills becomes worrisome. As you probably know, the St. Lawrence is very important for Canadians, who want to be sure that all of the oil can be recovered. Given that it cannot all be recovered, what could be done to ensure that it does not end up in the environment?

Mr. Mario Pelletier: We are working with response organizations. Given the new initiative concerning tanker safety, we have to carry out a more in-depth analysis of risks at specific locations.

Mr. Hoang Mai: Does that mean there are no more risks? The number of oil tankers in the St. Lawrence has not been assessed, and we don't know what can be done in that area.

Mr. Mario Pelletier: There are risks inherent to navigation. That is why the Canadian Coast Guard has a highly effective navigation system. The St. Lawrence is very well marked out. There are vessel traffic zones, so that the traffic can be controlled. Some crossings are allowed or refused according to the tide. That's a way to mitigate risks.

According to the statistics, there have been very few pollution incidents in the St. Lawrence over the years thanks to our navigation system's effectiveness.

[*English*]

The Chair: Thank you, Mr. Pelletier.

We now move to Mr. McGuinty for seven minutes.

Mr. David McGuinty (Ottawa South, Lib.): Thanks, Mr. Chair.

[*Translation*]

Good morning.

[*English*]

Thank you very much for being here today.

I want to go right to the Transportation Safety Board report released yesterday.

According to the Transportation Safety Board in its final report, some progress on transportation safety issues has been made, but "actions taken to date are insufficient". It said:

> An SMS on its own is not enough. That's why we are also calling on TC to regularly oversee all safety management systems and processes to ensure they are effective.

It went on to single out that not all marine and air transportation operators are currently required to have formal SMS.

The watch list that TSB puts out identifies the transportation safety issues that pose the greatest risk to Canadians. That's the context within which Canadians are hearing this testimony today and following the work of this committee. The overarching context is that the Transportation Safety Board says it's not good enough. In fact, it goes out of its way to cite the rail disaster in Lac-Mégantic as an example of insufficient government oversight.

I want to turn to the numbers. My colleagues really appreciate it when I raise the numbers. I like to follow the money because the money tells us where government's priorities really are.

Bruce Cheadle from the Canadian Press published a story recently and came out and said the following:

> The Harper government has made dramatic cuts in spending on aviation, marine and rail transport over the past five years...actual spending by Transport Canada on marine safety has plunged 27 per cent since 2009-10, while aviation and rail safety spending are both down 20 per cent or more.

I want to ask a direct question if I could of Madame Girard.

Madame Girard, the Parliamentary Budget Officer has been trying to get information from Transport Canada for a long time now to evaluate the government's claim that the cuts that have been made have had no bearing on core services, including safety. Are you in a position to release to this committee the information that the Parliamentary Budget Officer is calling for, so that we can evaluate it for ourselves?

Ms. Nicole Girard: I can only speak on behalf of the transportation of dangerous goods directorate. Certainly, what we've had to emphasize, especially since Mégantic, is looking at emphasizing the importance of our oversight program and making sure that we are paying attention to where the highest risks are.

● (1145)

Mr. David McGuinty: Can you help? Can you provide for us a list of how the cuts were made and where they were made over the last five years, say, on marine safety?

Ms. Nicole Girard: I could not speak on behalf of marine safety. I would have to turn to my colleague for that information.

The Chair: We have a point of order from Mr. Watson.

Mr. Jeff Watson (Essex, CPC): Yes, Chair, just briefly, the study is related to safety management systems and the transportation of dangerous goods regime and our ability to find improvements to those regulatory frameworks.

While this is not unimportant information to talk about, it's not germane to the actual topic that we're called to study today. We can save that for estimates or something else, if he wants to.

The Chair: Yes, I agree, and I think Mr. McGuinty also realizes that certain questions, certain topics, department staff, anyone in there....

I think you understand the rules and what they can answer and don't have to answer.

Anyway, I'll turn it back to you. You still have a little over three—

Point of order, Mr. Mai?

Mr. Hoang Mai: Yes, on that point of order, I think the questions that Mr. McGuinty is raising are important for us in order to understand where we are at regarding the safety regime. The coast guard is here to tell us whether or not we're prepared, and Transport Canada is here to tell us what we're doing and what our resources are, so I don't understand why we can't ask this.

The Chair: I think, Mr. Mai, that there wasn't a question about if we're prepared or are we prepared.... That wasn't what the question was about, not from what I heard. It was about financial numbers, and Mr. Watson is correct on that point, which is that when the estimates are here, if you want to ask those questions....

Anyway, you have a little over three minutes left, Mr. McGuinty.

Mr. David McGuinty: I take it, then, from the answers, Mr. Chair, and Mr. Watson's intervention, that we're not going to be receiving the details of the cuts that have a direct bearing on the safety management systems, inspections, audits, etc., so let me move on to another line of questioning, if I may.

The government is saying in another venue that all is okay with the world on safety. It even has public servants, Mr. Chair, repeating the mantra of something about a global safety system that's the best in the universe. I forget what the slogan is, but even public servants are being asked to use the slogan now, which is unfortunate. But I want to go to these cuts again, because they do have a direct bearing on the ability to improve our safety system.

We can't get any information as to where the resources have been managed. We don't know whether there have been cuts for inspectors, etc., but one thing we do know is that Canadians are watching television and seeing hundreds of advertisements on television—hundreds—that are put on by the government and are talking about “responsible resource development”.

Last year, the government spent $16.5 million on advertising—$16.5 million—in this very sector, including marine safety. Do I have that right? Is there a pronounced advertising program in place to help condition Canadians' belief that things are safe and better?

Ms. Nicole Girard: I don't have that information to confirm....

Mr. David McGuinty: Nobody knows about the government's...? Surely somebody on marine safety is involved in the advertising campaign being run by the government to drive up the belief in Canadian society that things are safer in the marine sector.

Mr. Sylvain Lachance: Sir, I can answer part of your question, which is about where cuts were made. No cuts were made to the inspectorate workforce, none whatsoever. The cuts—

Mr. David McGuinty: Can you give us the details of all the cuts that have been made?

Mr. Sylvain Lachance: I can give you some on where the cuts were made. There were some cuts made at the management level. Some management functions were combined. We—

Mr. David McGuinty: If I may, Monsieur Lachance, given the time, instead of enumerating them now, can you provide a document that would give us all the cuts over the last, say, five years?

Mr. Sylvain Lachance: I'm not sure if that's been made public or what, but I can certainly inquire if I can do that.

But I can give you more examples. For example, in those cuts of 27% or the figure that you quoted, sir, some programs were moved within Transport; so it used to show within marine safety, but they were moved within Transport to other places.

● (1150)

Mr. David McGuinty: That would be very helpful if we could get that, Mr. Chair. I think we just got a commitment from officials that we're going to get the details of these reallocations, these cuts, these so-called back office reallocations. The government likes to use the words “back office”.

I think it's important for all of us to see this, because Canadians see cuts of 27% in marine safety and they ask, “How do I square this? How can you run ads on television and tell me that things are safer with regards to marine safety when you've cut marine safety by 27% in five years?” Nobody in business believes this, by the way. Most people scratch their heads and say, “I don't understand this. And, by the way, you're spending $16.5 million in one fiscal year running ads telling me that everything is okay with marine safety.”

That would be very helpful, Mr. Chair, if we could follow up through you and the clerk to get the information that we need and that the Parliamentary Budget Officer needs to be able to evaluate the government's claims, so we can know as legislators whether or not it's true.

The Chair: Thank you. Your time has expired.

We'll now move to Mr. Watson for seven minutes.

Mr. Jeff Watson: Thank you, Mr. Chair. There was not a single question from across the way on the safety management systems or the transportation of dangerous goods. That is duly noted, Mr. McGuinty.

Thank you, of course, to our witnesses for appearing here today. We appreciate your testimony.

I have a few questions, first of all, to clarify some of the testimony I think I heard today. I think it may have been Ms. Girard talking about the Transportation of Dangerous Goods Act, 1992. I believe you said that doesn't apply to a tanker when the tanker itself is the container, if you will, of the dangerous good. Is that a proper articulation of what you said?

Ms. Nicole Girard: Yes, that's correct.

Mr. Jeff Watson: It only applies to goods that would be otherwise contained or packaged on board a ship. Is that correct?

Ms. Nicole Girard: Exactly.

Mr. Jeff Watson: What regime applies when the tanker itself is the package, if you will, or the container for a dangerous good?

Mr. Sylvain Lachance: This is under the Canada Shipping Act, 2001, and all the pursuant regulations and international conventions that regulate the construction, operation, manning, and certification of ships of that nature.

Mr. Jeff Watson: For clarity for the public then, an emergency response assistance plan is required in the case of anything that applies under the Transportation of Dangerous Goods Act.

You testified that ERAPs were for loading on or off the vessel, not required when in transit. In transit, what is required in terms of emergency response, to be clear for the public who are listening?

Mr. Sylvain Lachance: Do you mean for oil, sir?

Mr. Jeff Watson: Yes. Under the Canada Shipping Act, 2001, or any other relevant legislation, what's required for emergency response when in transit?

Mr. Sylvain Lachance: When in transit or even when alongside, in the loading and off-loading of oil, they're required to have arrangements with a response organization in Canada, which are contractual arrangements with private entities to clean up any spill that could occur while in transit or while conducting operations.

Mr. Jeff Watson: And they're not allowed to enter Canadian waters if they don't have that particular arrangement in place, correct?

Mr. Sylvain Lachance: That's correct.

Mr. Jeff Watson: Mr. Hutchinson, I think you said that, in the event of a spill, the Canadian Coast Guard would then be dispatched to monitor whether or not they are carrying out their proper duties. I presume that would mean whether or not the certified response organization is in fact doing its job in addressing the spill. Is that correct?

Mr. Jeffery Hutchinson: That's correct.

Mr. Jeff Watson: You are dispatched by CANUTEC. The ship is required to call CANUTEC if it has a spill. Is that how that works, and then you're notified?

Mr. Jeffery Hutchinson: In fact, incidents at sea can be reported in different ways. It might be that we get that information through our MCTS centre, our marine communications centre. In some cases, something happening on the water evolves over time, so it comes in as search and rescue first and turns into an environment response after. The information comes in and we share the information across the partners, as needed. It might come from Transport to coast guard, or it might go the other way.

● (1155)

Mr. Jeff Watson: I think I heard in the testimony that you manage three pollution incidents. Is that annually?

Mr. Jeffery Hutchinson: No, that's every day.

Mr. Jeff Watson: Is it prevalent in one particular jurisdiction as opposed to any other? Is it more prevalent on the east coast? Are we talking about in the north or on the west coast, or are we talking about the Great Lakes? Where are these incidents of pollution most prevalent?

Mr. Jeffery Hutchinson: I don't have with me the regional breakdown of those incidents. I can tell you that the vast majority of these incidents are very small, such as a yacht that has run aground and that kind of thing. We're not talking about three tanker-sized incidents a day. We're generally talking about very small incidents, and they can be from very small craft up to more sizable ships.

Mr. Jeff Watson: Mr. Obermeyer, with respect to pilotage associations, if a major change is proposed in terms of operations, be that geographic coverage, for example, or whether you want to make changes to what region you have authority over or operate in, a risk assessment is required. Is that correct?

Capt Kevin Obermeyer: That's correct.

Mr. Jeff Watson: For what types of operational changes and at what scale are risk assessments required?

Capt Kevin Obermeyer: For any change that's going to affect the Pacific pilotage regulations and, in addition, for anything that we believe could pose a risk to the environment or to the pilotage operations.

Mr. Jeff Watson: Transport Canada then looks at your risk assessment? Is it submitted to Transport Canada?

Capt Kevin Obermeyer: The end result is. Yes. It's called a PRMM, a pilotage risk management methodology. It's a formalized process and is passed on to Transport Canada at the end result.

Mr. Jeff Watson: How does Transport Canada handle that risk assessment? How do they evaluate it? Do they rubber-stamp it? Do they require changes to it? What is the interaction once Transport Canada has it?

I may direct that to Mr. Lachance.

Mr. Sylvain Lachance: Thank you.

In most parts as well, we will be observers in the PRMM, and when it's passed on to us, we will examine it. If it's not adequately conducted, we will certainly request changes if they're needed.

Mr. Jeff Watson: Is there any public consultation with respect to potential operational changes that are undertaken either by the pilotage authority or by the regulator?

Capt Kevin Obermeyer: There is full public consultation. For each one we do, we notify first nations communities in the area so that it's across the entire board.

Mr. Jeff Watson: Okay.

You note in your testimony, Mr. Obermeyer, a particular change related to the guidelines for crude oil tankers over 40,000 dead-weight tonnes. Are there particular national standards related to what types of changes are applied? Or is there local flexibility, depending on a particular pilotage authority, to make these changes? What factors are they dependent upon?

I guess what I'm driving at is whether or not there are certain matters that could be based on a national floor for a standard, or whether or not flexibility based on local conditions is most desirable for pilotage authorities.

Capt Kevin Obermeyer: The west coast has always had quite a robust joint review process. Many of the guidelines, practices, and procedures that we have in place are of long standing. Most predate my time.

What we do on a constant basis is revisit those practices and procedures, look at what we are presently doing today, and re-evaluate. That's what occurred with the Haro Strait-Boundary Pass change. That had been a practice since 1989, I believe, but with the implementation of the additional tanker traffic that we expect, there was a decision made jointly—by "jointly", I mean ourselves, the pilots, and the industry—to relook at it. We did some fast-time simulations and made our decisions based on that, with industry's full support.

The Chair: Thank you very much.

Your time has expired, Mr. Watson.

We'll now move to Mr. Komarnicki for seven minutes.

Mr. Ed Komarnicki (Souris—Moose Mountain, CPC): Thank you, Chair.

I will direct some of my thoughts and questions to Mr. Obermeyer.

I find that the pilotage program makes such infinite sense and is probably one of the single most important aspects in terms of safety. The pilots obviously are aware of the waters and the peculiar issues related to the transport and the coastline and so on.

You mentioned that there are seniors and juniors. Seniors, I would expect, are those who have been around for some time and are familiar with this, and then there are those who are just coming on. What is the proportion of seniors to juniors and how do you get people to understand and know the waters, the coastline, and so on?

● (1200)

Capt Kevin Obermeyer: It's a long process, sir. Before you can come in as a pilot, you have to have the knowledge and expertise on the coast, and that's usually about 10 years, as a tug or ship's captain on the west coast of Canada. You then go through the whole exam process. If you pass all the exam processes and get through the oral section, you go through a minimum of nine and a half months of training as an apprentice, up to a maximum of two years. That gets you your first class II licence, and you are limited in size for vessels. Then there's a seven-year process before you are able to do the biggest cruise ships and the largest tankers.

Overall, what we refer to as a senior pilot is an unrestricted pilot. They no longer have a size limitation or a class limitation on their licence.

Mr. Ed Komarnicki: How are we doing in the progression from junior to senior? Is that flowing well?

Capt Kevin Obermeyer: If you had asked me that question a year ago, I would have said maybe not too great, but this year we hired 12 more apprentices and we're looking at an additional 12 next year. The way we're looking now is about 60-40.

Mr. Ed Komarnicki: When a vessel comes in, at what point is there a change? What does pilotage involve if you're a senior pilot?

Capt Kevin Obermeyer: We have quite a unique system on the west coast of Canada. The vast majority of the coastline is covered by compulsory pilotage. When the vessel arrives about 48 hours outside of Victoria, as an example, inbound to Vancouver, our dispatch will be notified. We will look at the size and particulars of that vessel and dispatch a pilot accordingly, making sure that the pilot who joins that ship is licence-appropriate.

Mr. Ed Komarnicki: Now, what about when you're docking? Once the vessel is docked, is that the end of the responsibility of whoever's in charge, or is there someone else taking over at that point?

Capt Kevin Obermeyer: Once the vessel is alongside and has two and one on each end—two bowlines, two stern lines, and one spring on each end—the pilot will sign off. He only signs off once he believes the vessel is safely alongside and there will be no further danger to it.

Mr. Ed Komarnicki: Are there any different regulations in place, or safety management systems, to the point of docking and post-docking?

Capt Kevin Obermeyer: For post-docking, it would all fall under the port authority's jurisdiction, where their regulations would hold sway.

Mr. Ed Komarnicki: I note that you talk about having eight employees—full-time operational, I would take it—and then 100 contract pilots.

What's the difference between the two; why some employees and why some contract? Are there differences there that are significant or important with respect to safety or not?

Capt Kevin Obermeyer: There are differences. The employee pilots are what we call fast-water pilots. Their primary job is to operate on the Fraser River, which is a little system on its own. If you don't do it every day of your life, you will lose the ability to know where the sandbar is moving or where the dangers are. The 100 pilots are the BC Coast Pilots, and they look after the rest of the coastline.

We have five areas. In area 1, the Fraser River, are the eight employee pilots. In areas 2, 3, 4, and 5, the rest of the coast, are the BC Coast Pilots contracted to us.

Mr. Ed Komarnicki: Obviously you can be in charge in training of your employees and their general improvement along the way. How do you achieve that with the contract pilots?

Capt Kevin Obermeyer: Under our mandate, we have to operate a safe and efficient pilotage system. The Pilotage Act gives us certain responsibilities and authorities, and that's one of them.

Mr. Ed Komarnicki: It's certainly comforting to know that your record is as good as it is. Most of that, I think, would be attributable to the way the pilotage system works.

You mentioned that you are in transition, so to speak, in terms of safety management systems relative to international standards and international safety. Do you have safety management systems in place now and you're transitioning? Is that what's happening?

● (1205)

Capt Kevin Obermeyer: We've always had very clear safety protocols and procedures. The problem for us was that it wasn't based on any international system. The TSB pointed this out to us a while back. We've been working on it and it will be in place, because it was an identified gap.

Mr. Ed Komarnicki: Are you saying that you're improving on your safety management protocol by raising a standard yet higher than what it was?

Capt Kevin Obermeyer: That is correct.

Mr. Ed Komarnicki: At what point do you expect that transition to be completed?

Capt Kevin Obermeyer: We expect at the end of 2015. Internally in the pilotage authority, our expectation is that we will be finished in December of this year. For the two pilotage groups who have been working on it for the last year or two years, we expect them to be complete by the end of 2015. That's our expectation.

Mr. Ed Komarnicki: I notice that you have said your jurisdiction applies to vessels 50 metres to 150 metres or larger. I heard the Transport officials say that they're hoping to get the safety management systems to vessels as small as 24 metres. Is there a significant difference between 24 metres and 50 metres? Is there a reason, that you can see, why safety management systems haven't been implemented for the smaller vessels?

Maybe Mr. Lachance can comment, too.

Capt Kevin Obermeyer: I don't think I can answer that one.

Mr. Ed Komarnicki: Mr. Lachance or Ms. Girard, go ahead, please.

Mr. Sylvain Lachance: There are two aspects to this. The first is that we want to bring the SMS down to 24 metres because in most cases it's a logical cut-off point in most conventions internationally. That's for the operation itself, for the vessel and so on.

The pilotage is another system that my colleague, Captain Obermeyer, has for its own operation, so it's complementary. With ours, the systems regulation we want to put in place has to do with the routine operation without a pilot or any time the vessel has an operation.

Mr. Ed Komarnicki: We heard some testimony—

The Chair: Sorry, I have to cut you off there, Mr. Komarnicki.

We'll now move to Mr. Sullivan for five minutes.

Mr. Mike Sullivan (York South—Weston, NDP): Thank you, Mr. Chair.

And thank you to the witnesses.

I want to follow up a bit on Mr. Mai's questions about risk assessments. As the transportation of dangerous goods across the country and in our waterways increases, whose responsibility is it to analyze the increase in risk and, therefore, analyze what additional resources will be necessary from both Transport Canada and the transporters of these dangerous goods, to make sure safety can be maintained?

The example given was the potential increase in tanker traffic in the St. Lawrence, but I'm also aware that the Minister has specifically asked the railways to do risk assessments for the transportation of dangerous goods through built-up urban areas. Could the department supply those risk assessments that have now, I assume, been given to the transportation department by the railways? Can it supply them to this committee?

Ms. Nicole Girard: We'd have to take that back under consideration. Rail safety personnel are not here today, unfortunately. I can take it back as a question for us to get back to you on.

Mr. Mike Sullivan: Thank you.

In terms of marine safety, I still want to know whose responsibility it is to conduct a risk assessment when there is a significant increase in the transportation of dangerous goods, for example on the St. Lawrence, but also along the coast of British Columbia.

Mr. Sylvain Lachance: You're probably aware that we commissioned the tanker safety expert panel to conduct such a study. It did table its report last year for the first phase, which had to do with transportation of oil south of 60. The second phase of the report was completed not too long ago, and it looked at the transportation of HNS, hazardous and noxious substances, in Canada, and also transportation of oil north of 60. This report was completed not long ago and is under consideration within the department right now.

● (1210)

Mr. Mike Sullivan: You're saying it was the responsibility of that commission to analyze the risk?

Mr. Sylvain Lachance: The responsibility was to examine the regime and so on, and it has tabled the report. It's being analyzed as we speak to see what recommendations it has and what can be implemented.

Mr. Mike Sullivan: With regard to transportation of dangerous goods in tankers, did I correctly hear you say that the TDG regime does not apply to tankers?

Ms. Nicole Girard: There is a combined responsibility with marine safety security. The TDG regulations work on the surface. Looking at the implementation, that means, if we're dealing with high-risk dangerous goods, for example, the requirement of ERAPs on the ground—bringing the containers from the ground to the vessel or if they're going to be brought back onto a dock. The TDG regulations will also apply when we're transporting from point *a* to point *b* within Canadian waters, and there is a mixture of authorities with the international marine code. When a vessel is coming in from outside the country or going through Canada and leaving the country, then there'll be a combined authority between the domestic regulations and the international, including reporting requirements when we're dealing with accidental releases.

Mr. Mike Sullivan: So somebody knows, then. You're saying that if the transportation of dangerous goods regime does not apply, something else does that is equivalent.

Ms. Nicole Girard: Yes, between our two directorates we have a memorandum of agreement to clarify where each other's authority kicks in, so that our inspectors and our oversight program are well complemented.

Mr. Mike Sullivan: My next question is for Mr. Hutchinson. In the *Simushir* event, as I understand it, the good winds prevented a disaster, not the actions of the coast guard, because the coast guard vessel, the *Gordon Reid*, though it valiantly tried to tow that ship, snapped or parted—the nautical term—all of its tow lines. What is the coast guard doing to make sure that this kind of thing doesn't happen in the future?

Mr. Jeffery Hutchinson: I'm going to ask my colleague Mr. Pelletier to also weigh in on this because of this operational background. The *Simushir* event put into motion a lot of different response activities, and I think that's important to note.

First, that event actually started as a search and rescue event because the lives onboard the vessel were at risk, and we executed a search and rescue operation. We were on standby, ready to execute as needed in that circumstance, and as you may know, the master was eventually extracted from the vessel.

In terms of the environmental side, the repairs on the ship couldn't be effected in the original timeframe—we had originally been told that it would take three and a half hours to effect the repairs on the ship and get it under way. Even before that, actually, we had started to look at what would be required from an environmental side. We started to execute the joint plan that we have with the U.S. When it comes to marine incidents, as you are likely aware, there's a lot of international cooperation, and Canada has partnerships with other countries. Given the location of the event, the U.S. was on standby both on the SAR side, the search and rescue side, and on the environmental side. For example, we started to work with the province, the first nation, and the industry to make sure that the right resources were being brought to bear on the situation.

On the tow situation itself, it should be noted that the Canadian Coast Guard might be thought of as a tow of last resort. It's not one of our principal activities. In this case we started to work immediately with industry to identify what capacity was available and to deploy that capacity. Nevertheless, we also dispatched our own vessels, and the *Gordon Reid* arrived first and then the *Sir Wilfrid Laurier* after that. It's not an uncommon event for a tow line to part. I realize that in other circumstances that's just not part of our thinking, but in vessel circumstances, particularly given the sea state at the time, that in and of itself didn't cause us undue concern. We redoubled our efforts to re-engage the vessel by towing and eventually, as you know, we were able to create enough stability in the situation that the *Barbara Foss* arrived and executed the principal tow.

The parting of the lines didn't cause us undue concern. We undertake an after-action review in every circumstance of that nature. Certainly we'll be looking at that to ask ourselves if there was anything unusual. In fact, we think it was the good work of the *Gordon Reid* that created stability in that situation. The *Gordon Reid* and the *Sir Wilfrid Laurier* actually stood by for a period of hours because there was enough stability and the direction and movement of the wind and waves weren't pushing the ship to shore, as you alluded to.

There was a combination of factors, there's no question. Actions were taken immediately, and eventually those actions addressed the situation.

● (1215)

The Chair: Okay, we're way out of time but if Mr. Pelletier wants to add a comment, I'll allow it.

Mr. Mario Pelletier: I think the answer was very comprehensive. The *Reid* actually brought the vessel far enough from shore, and as Jeff said, they stood by so if we had needed to put another line on the ship to take her away from shore, we'd have been able to do that as well.

The Chair: Thank you very much.

Now we move to Mr. Braid for five minutes.

Mr. Peter Braid (Kitchener—Waterloo, CPC): Thank you very much, Mr. Chair.

Thank you to all of our representatives for being here today.

Mr. Obermeyer, I'll start with you. I'll pick up where my colleague Mr. Komarnicki left off.

As you've explained, marine pilots, I believe, are compulsory when a ship is over 350 gross tonnes. Where is that requirement set out?

Capt Kevin Obermeyer: It's in the Pacific pilotage regulations.

Mr. Peter Braid: Are those federal or provincial?

Capt Kevin Obermeyer: They're federal and they're pursuant to the Pilotage Act, which gives the authorities the right to make regulations. We have to determine what size and what area our compulsory pilotage will be.

Mr. Peter Braid: So you've made that determination of the 350 gross tonnes, have you?

Capt Kevin Obermeyer: I haven't personally, but since 1972—

Mr. Peter Braid: Well, I mean your organization.

Capt Kevin Obermeyer: Yes.

Mr. Peter Braid: So that's done on what basis, and are you confident that now that we're in 2014 that's still the right threshold?

Capt Kevin Obermeyer: Yes. To be frank, if anything it's a bit low compared to the thresholds set by other authorities and other jurisdictions in the world. They usually start at about 1,500 so I think we're pretty good.

Mr. Peter Braid: So we have a better threshold.

Now, where else in the country are there pilotage authorities like yours? If we look at a map of Canada, I'm just trying to understand what other jurisdictions have the same type of authority and same type of protections.

Capt Kevin Obermeyer: There are four of us. Obviously we are on the Pacific. Then we have counterparts on the Atlantic, in the Laurentians, and on the Great Lakes. Those are the three other pilotage authorities.

Mr. Peter Braid: Wonderful.

The requirements regarding the 350 gross tonnes, for example, vary depending on the pilotage and the conditions and situations.

Capt Kevin Obermeyer: They do.

Mr. Peter Braid: Very good.

Capt Kevin Obermeyer: Our area is a little bit unique, as I stated, because of the vast area we have. Every ship that comes into the west coast of Canada has to pass through quite a difficult passage, whereas the Atlantic side is pretty much port-based. I would say that's what the differences are.

Mr. Peter Braid: When a pilot is placed on a ship, when that requirement needs to be met, I'm just trying to understand where lines of authority begin and end with the pilot, with the ship's captain, with the ship company, and with the owner. Explain how all of that works.

Capt Kevin Obermeyer: Under the Pilotage Act, the pilot has the conduct of the vessel. He has sole responsibility for the safe navigation of that vessel. The master is still in command. Only if the master believes that the pilot is putting his ship into danger or his crew into danger is he able to step in and take over.

● (1220)

Mr. Peter Braid: Thank you. That's very helpful.

Mr. Lachance from Transport Canada, in your presentation I heard a couple of references to helping the industry adapt to evolving technologies and to encouraging and supporting the use of state-of-the-art technology.

Could you please elaborate on how Transport Canada is helping to achieve those goals and provide me with some examples of state-of-the-art technology?

Mr. Sylvain Lachance: State-of-the-art technology would be, for example, communications systems and tracking devices such as AIS, which is basically akin to transponders on board an airplane and electronic navigation technology as well. We're doing so by making sure that our regulation is flexible enough for companies to adopt the technologies and also align them with international conventions.

Mr. Peter Braid: Very good.

Are there any gaps we're trying to fill there or are you comfortable that this is evolving at a natural pace?

Mr. Sylvain Lachance: It's evolving at a natural pace—as fast as we can keep up with technology, that is—but it's evolving at a good pace.

Mr. Peter Braid: Thank you.

Mr. Hutchinson, you mentioned the Canadian Coast Guard Auxiliary. Could you just briefly describe what that is and where they operate?

Mr. Jeffery Hutchinson: Yes, certainly. We have partner organizations that we refer to generally as the Coast Guard Auxiliary. There's one national umbrella organization, and you have regional organizations that operate within that.

Essentially, what we're talking about are volunteers who aid in the search and rescue system. The Pacific auxiliary, the Royal Coast Guard Auxiliary, has their own zodiacs, highly trained personnel, and their own equipment. When there's an incident on the water and search and rescue resources are needed, it may be auxiliary members, depending on the geographic location, who are helping to ensure that lives are saved and people are taken out of the water.

Mr. Peter Braid: Thank you.

Is it the equivalent of the Rangers, if you will, in the north, in the Arctic? Is it similar?

Mr. Jeffery Hutchinson: There's a parallel that could be drawn there, and there's a parallel that might be drawn with a volunteer fire department.

Mr. Peter Braid: Speaking of the north, as the Northwest Passage becomes more navigable, how is the Canadian Coast Guard contributing to environmental protection and security generally in the Northwest Passage?

Mr. Jeffery Hutchinson: We're watching the situation very carefully, as you can imagine. There's a lot of talk about traffic in the north, but in fact the amount of traffic through the Northwest Passage is still minimal. To my knowledge, there was one cargo vessel that transited the Northwest Passage this year. It was a very ice-capable ship. They were in communication with us. We certainly worked side by side with them, although they navigated that route without direct assistance from the coast guard in any way.

Being in communication with mariners and knowing where vessels are moving, that's one way we're involved in protection in the Arctic. There's also a different awareness system—you might think of it that way—in the Arctic. It's called NORDREG. Ships at sea in the Arctic have to report to us in more comprehensive detail than we would require south of 60, because of the the unique operating environment.

As I referred to in my opening remarks, we do have environmental equipment deployed across the north. It's rapidly deployable and we can get it on site quickly if needed. We've implemented a system that we refer to as "cascading resources", which means that we get the resources to the event that are closest to the event, and then we bring in other resources as needed to build the right response as quickly as possible.

Mario, is there anything you want to add to that, given your responsibilities?

Mr. Mario Pelletier: It's interesting to say that the Northwest Passage is becoming more open, because in the last couple of seasons there's actually more ice there and more dangerous ice than ever—in the past 10 years, anyway. So yes, the ice is melting a little bit, but it also means that the multi-year ice, a very hard ice, is moving down, too, and it ends up in the Northwest Passage in the fall and freezes there. By springtime, it doesn't melt as quickly as first-year ice. It is not as open as one might think.

● (1225)

The Chair: Thank you. Your time has expired.

Ms. Morin, you have five minutes.

[*Translation*]

Ms. Isabelle Morin (Notre-Dame-de-Grâce—Lachine, NDP): Thank you, Mr. Chair.

I want to thank the witnesses for participating in today's meeting.

Earlier, my colleague Hoang Mai asked questions about traffic in the St. Lawrence. This whole discussion indicates that prevention is much more important than intervention. We agree with that. Good preventive measures need to be implemented.

My Conservative colleague asked you how you are protecting the environment in the north. I would like to know how exactly the environment is being protected in the St. Lawrence and Lake Saint-Louis.

Mr. Mario Pelletier: You did say Lake Saint-Louis, right?

Ms. Isabelle Morin: Yes, I did.

Mr. Mario Pelletier: As my colleague briefly mentioned, most large vessels that pass through the lake have to come to an agreement with response organizations. When pollution occurs, the polluter is always responsible for making arrangements with the relevant organization.

Ms. Isabelle Morin: Okay.

I will now talk about *Kathryn Spirit*. You probably know where I am going with this.

What needs to be done for the federal government to assume its responsibilities and for *Kathryn Spirit* to be removed from this location? That vessel has been anchored in Lake Saint-Louis for three years. It is beginning its fourth winter there. It contains two million litres of water contaminated by petroleum waste, as well as fuel oil. The vessel will rust this year. Yet it's located in the reservoir from which the entire Montreal Metropolitan Community draws its water, and which flows into the St. Lawrence.

You said earlier that you do not really have any studies that indicate what proportion of oil spills you could recover. You talked about prevention, so I would like to know what measures will have to be taken to remove *Kathryn Spirit* from Lake Saint-Louis this winter.

What needs to be done or said? How will Transport Canada and Fisheries and Oceans Canada work with the community to make sure this vessel is removed from the lake?

Mr. Mario Pelletier: The Canadian Coast Guard has, of course, assessed the risks.

Ms. Isabelle Morin: And you needed four years to assess the risks!

Mr. Mario Pelletier: We have been doing that on an ongoing basis with the owner or his representative. We asked what his intentions were. Over the years, the owner has always had the intention to move on, but he has unfortunately not always kept his word.

Over the past few months....

Ms. Isabelle Morin: What kind of power do you have over the owner? When you ask him what he is doing, he says he is making progress. What can you do if that is not the case?

Mr. Mario Pelletier: We have the power to assess the real risk. Last summer, many pollutants were removed from the vessel. There was no imminent risk regarding the vessel's stability. There was no indication that pollution could potentially occur.

That said, over the past few days, the owner told us that he had the permission of the St. Lawrence Seaway Management Corporation and the Montreal Port Authority to have his ship towed toward the Port of Montreal, so that a full underwater inspection could be carried out and he could continue on to another port.

Ms. Isabelle Morin: Why did that take four years? What should be done the next time a situation poses a pollution risk for the St. Lawrence? How can the regulations be changed so that, next time, this process would not take four years?

Mr. Mario Pelletier: I don't know whether my colleague from the Department of Transport would like to add anything.

We were always abreast of the situation. There was never an imminent risk of pollution during that time.

Ms. Isabelle Morin: How could you assess whether the situation posed pollution risks?

Mr. Mario Pelletier: We had to look at what was on board and see what the state of the hull was.

Ms. Isabelle Morin: But there was some rust on the hull.

Mr. Mario Pelletier: Steel does rust, but there was nothing wrong with the structure. That is also the reason it will be towed to another location. It is currently impossible to carry out a comprehensive and safe underwater inspection. That is why we agreed with the vessel being moved.

Ms. Isabelle Morin: So you're saying that you could not carry out a safe marine assessment in four years, but you can still say that there was no danger to the environment

Mr. Mario Pelletier: I said that we carried out an assessment. The ship poses no risk where it is currently docked. However, if it needs to be towed to the gulf or elsewhere, other elements have to be considered. It posed no risk while it was docked.

● (1230)

Ms. Isabelle Morin: Why did it take four years to obtain a permit for the vessel to be towed to the Port of Montreal?

Mr. Mario Pelletier: Once again, we were in constant communication with the owner. He has always maintained that he meant to leave, but that was not happening. When he was ready to go last year, it was too late, and the St. Lawrence Seaway Management Corporation did not allow him to transit the seaway.

Ms. Isabelle Morin: I will repeat my question. What needs to be changed? What powers need to be granted so that this process would take less than four years next time? Your department told me that you had discussions with the owner, but that he has been dithering, which is why this took four years. I personally find that insufficient, and so do my constituents.

Representatives of a school from my riding came to see me and decided to sign petitions because people were worried about water quality in Lake Saint-Louis, close to Lachine. Those people were worried. I don't understand why you haven't done anything in four years.

I find it shocking that you are saying you had discussions with the owner, but that since he was not making any progress, you weren't making any progress, either. That is what you are telling me. It took four years to deal with a vessel located in a lake that flows into the St. Lawrence and is a water source for 80% of Quebeckers.

Mr. Mario Pelletier: I said that there have been discussions with the owner. I also said that risk assessments had been done and no risk of a spill was identified.

In terms of the vessel docking there or somewhere else, that is not our jurisdiction.

Ms. Isabelle Morin: Whose jurisdiction is it exactly?

[*English*]

The Chair: Your time is up.

Just finish your response, Mr. Pelletier or Mr. Lachance.

[*Translation*]

Mr. Sylvain Lachance: As my colleague Mr. Pelletier mentioned, the vessel did not pose a risk. It was docked in a safe place.

Ms. Isabelle Morin: Who exactly is responsible for having it dock there?

Mr. Sylvain Lachance: A private company brought it there. If there had been a risk, something would have been done.

Ms. Isabelle Morin: The company did not have the City's permission. Who is responsible for that?

[*English*]

The Chair: Ms. Morin, just let him answer. You've asked a number—

Ms. Isabelle Morin: But I didn't receive an answer to my question.

The Chair: Well, I did hear Mr. Pelletier say that it was assessed that there was no risk involved. So if that isn't answering your question—

Ms. Isabelle Morin: My last question was this. Maybe I will translate it myself. How can they get the licence to go there? Who is responsible for giving them the licence to let the boat be there?

The Chair: Can anybody answer that briefly?

Mr. Sylvain Lachance: I'm not sure. If you're meeting all the regulatory requirements and there's no risk, you don't require a licence to go to a wharf somewhere.

Ms. Isabelle Morin: Thank you.

The Chair: Thank you.

Mr. Pelletier, you obviously have had some experience on ships. I don't know the details of the ship Ms. Morin is referring to, but almost every ship I've ever seen, unless it's brand new or has just been freshly painted, has rust on it. Is it fair to say that when they dock, if they rub the dock or whatever and scar the paint, it's going to rust? Ocean-going ships are even worse for rust. Some of them don't look very good when you first see them but, from a safety standpoint, there's nothing wrong with them. Is that a fair statement?

Mr. Mario Pelletier: It is a fair statement, yes. If it's not maintained, rust will appear. Quite often it's surface rust, so it's not that worrying if it doesn't look good. But there's a huge safety margin in ship steel as well. They don't allow more than a certain wastage, and on this side I would have to turn to Transport.

Mr. Sylvain Lachance: You made a fair statement. To go through a half-inch plate will take quite some time. If the ship doesn't move, of course there's less risk.

The Chair: Thank you for clarifying that.

Mr. Yurdiga, you have five minutes.

Mr. David Yurdiga (Fort McMurray—Athabasca, CPC): Thank you, Mr. Chair.

I'd like to take this opportunity to thank the Department of Transport, the Pacific Pilotage Authority, and the Department of Fisheries and Oceans for presenting and taking our questions today.

Mr. Lachance, the TSB added marine SMS to its watch list, which identifies transportation safety issues that posed the greatest risk to Canadians in 2012. The TSB recommends that Transport Canada require all commercial vessels to have SMS and that all SMS be certified and audited.

I understand Transport Canada has delegated part of its statutory inspection and certification functions for domestic marine vessel operators to four classification societies. What are the respective roles of Transport Canada if a marine vessel is not compliant, and what measures can be taken to ensure they become compliant?

● (1235)

Mr. Sylvain Lachance: We have a number of measures. One that administration would use is fining a company. We normally call them administrative monetary penalties, or there's suspension of certificates. There's quite an array of measures we can take for enforcement purposes.

Mr. David Yurdiga: Who's responsible for enforcement? Obviously we have the classification societies do the inspections, and it goes back to Transport Canada. Once that's been done, who carries out the orders to get the systems fixed or adjusted?

Mr. Sylvain Lachance: The classification societies are delegated by the minister to conduct inspections, and so on. They will deliver certificates to ships on behalf of the Minister of Transport. In conducting their inspection and work, if they determine they cannot deliver a certificate, then the certificate will not be delivered. The ship cannot sail without a certificate. That could be a very costly undertaking for a shipping company.

Having said that, we will also conduct risk-based inspections with Transport inspectors, and if we find deficiencies, we can deliver administrative monetary penalties to the companies.

Mr. David Yurdiga: Our committee has found that the large organizations are capable of implementing and are willing to implement the safety management system. But we see a hesitation from the smaller vessels. They say it's very costly and they don't have the ability to create their own.

Mr. Sylvain Lachance: We're proposing a three-tier approach. Tier one is with ships or companies that are pursuant to the SOLAS Convention. They are currently subject to the safety management regulations. Those are ships that will conduct international voyages.

Tier two is with vessels that are not subject to SOLAS, have more than 500 gross tonnes, and/or are certified to carry more than 50 passengers. The companies that operate them will be required to implement SMS and to have it audited and certified.

Tier three is with vessels that are more than 24 metres in length and less than 500 gross tonnes. Those companies will be required to implement SMS but will not be required to have it audited and certified. The philosophy behind this is that we want to improve safety while not causing undue harshness on companies, because those things could be very costly to undertake—if you're talking about certifying and auditing, that could also be very costly—and to make sure that we do not also put undue administrative burdens on the companies that will be subject to that.

By putting in place those measures, we strongly feel that we're meeting the intent of the Transportation Safety Board and moving the yardstick a little farther in terms of improving safety in Canada.

Mr. David Yurdiga: Thank you.

I realize that any ship that's more than 24 metres and less that 500 gross tonnes doesn't have to be certified. I understand that. But do they have to file their SMS with Transport Canada? Are there any sort of guidelines that say, “This is what your SMS must look like, and yes, you meet the requirements”?

Mr. Sylvain Lachance: We have created templates, checklists, and manuals for companies to help them implement SMS. Part of the scheme would be that when we inspect vessels, our inspectors could go on board and ask to see their SMS.

● (1240)

Mr. David Yurdiga: Thank you.

I hear a lot about double-hulled tankers and single-hulled tankers. What percentage of tankers are double-hulled and what percentage are not? Is there a requirement for the future that all tankers coming into our waters will have to be double-hulled?

Mr. Sylvain Lachance: That requirement exists as we speak today, sir.

Mr. David Yurdiga: Are there still single-hulled ships?

Mr. Sylvain Lachance: No; not coming into Canada.

Mr. David Yurdiga: Okay.

Thank you.

The Chair: Thank you very much.

Ms. Young, you have five minutes.

Ms. Wai Young (Vancouver South, CPC): Thank you.

Thank you so much for the excellent information.

I'm from Vancouver, so of course west coast tanker safety is extremely important to us. I'd like to ask Jeffery Hutchinson or his team what operational risks are exclusive to each shipping region, particularly the Pacific coast.

Mr. Jeffery Hutchinson: The risks on the B.C. coast are different, there's no doubt. I'll start by talking about one that doesn't exist. For example, you don't have ice in Port Metro to deal with, which changes the scenario significantly. I think the two factors for Vancouver that are most significant are the volume of traffic—there is a very large number of ships in and out of Port Metro and the Fraser River, as has already been alluded to—and then simply the geography itself.

I had occasion recently to stand in our marine communication centre and watch our experts helping to navigate the B.C. ferries, helping to navigate the larger ships in and out of Second Narrows and places like that. That geography is challenging, there's no question about it. The pilots are critical to the success of navigation in that area.

Those are the two that I think really stand out for the Lower Mainland. As you go up the coast, there's a volume issue for sure. The number of ships that move from Alaska to the U.S. mainland, for example, certainly creates a volume issue up the coast as well.

Mario, are there any other risks I'm missing that are specific to that region?

Mr. Mario Pelletier: No, I think you've covered them.

Ms. Wai Young: Just to follow up, since you're emphasizing volume, how does that volume compare with other passageways of the same size—areas like Rotterdam, etc.—where there are narrower or smaller areas?

Mr. Jeffery Hutchinson: Pardon me, but I just want to make sure I heard you correctly. Did you say comparing to Rotterdam?

Ms. Wai Young: Yes.

Mr. Jeffery Hutchinson: I would be a little bit—

Ms. Wai Young: Because you are raising volume as an issue, right?

Mr. Jeffery Hutchinson: Yes.

Ms. Wai Young: You are saying that is our biggest risk. You also alluded to the fact that obviously we have pilotage and clearly that's all working very well. So the question is, regarding the volume of traffic, given the natural passageways that are there, which are quite extensive, I believe, how does that compare to other similar places in the world?

Mr. Jeffery Hutchinson: I don't have precise figures in front of me. I don't want to guess at this. I would rather provide you information that is more specific.

Certainly there are busier ports in the world. Shanghai comes to mind as perhaps the world's busiest port and one of the more complex because of the river system there as well. But unless Transport Canada wants to speak to—

Mr. Sylvain Lachance: Well, I could certainly answer, not with the precise numbers, but if we compare the traffic of tankers, for example, on the west coast and what's going on in the St. Lawrence River today in Canada, they're quite different. If we compare it with that in the rest of the world, in places such as Bosporus, the Strait of Malacca, or Rotterdam, the tanker traffic on the west coast is really small.

Ms. Wai Young: It's really small. What does that mean? That's not really a quantifiable amount.

Mr. Sylvain Lachance: If you are talking about the Strait of Malacca having 17,000 tankers going through, that's a lot. At Bosporus you are talking about, if my memory serves me right, maybe 1,200 tankers a month.

Ms. Wai Young: So where is Vancouver at roughly or the Pacific coast?

Mr. Sylvain Lachance: Port Metro Vancouver right now is at 60 a year.

Ms. Wai Young: So that's 60 a year compared to 12,000, or 1,000 a month, etc.

Mr. Sylvain Lachance: Yes.

Ms. Wai Young: Very quickly, how would you characterize the trend in dangerous goods then or dangerous good spills on Canadian waters since 2002? Has there been a spill?

● (1245)

Ms. Nicole Girard: What I can tell you if we are looking under our TDG regulations in terms of accidental releases of dangerous goods is that over the last 26-year period, from 1988 to 2013, 1% of dangerous goods have been involved in accidental releases. So that's equivalent to 100 reportable accidental releases.

Ms. Wai Young: Okay.

Would you say then, given what you've presented to us today, that the response capacity in Canada is sufficient and that we do in fact have a world-class tanker safety system in place?

Mr. Sylvain Lachance: The system we've had in place since the early 1990s has served Canada quite well. That was following the Brander-Smith report that was published back in the late 1980s, and the regime was implemented in the early 1990s.

The capacity that was identified at the time was 10,000 tonnes. It's worked very well but, like anything else, it could be improved. That's why we've had the tanker safety panel examine the regime, and they have made some recommendations. They found that the regime served very well and it was a good regime, a robust regime. We are moving towards improving that regime further.

Ms. Wai Young: Mr. Hutchinson, as you know, we've had some changes to our coast guard on the west coast. Some of them have been contentious. Would you say these changes have in fact increased safety on the west coast?

Mr. Jeffery Hutchinson: I can say that the coast guard continues to meet its service standards across the west coast, those changes notwithstanding

Ms. Wai Young: Did those changes match the rest of the service standards across Canada? Did we meet a higher standard by doing that? Or did we lower our standards accordingly?

Mr. Jeffery Hutchinson: No, we didn't lower standards. We are meeting the same standards we were meeting before any of those changes were implemented. Those standards are based on the assessment of the geography, the volume of water-borne traffic, and what it takes to respond in different locations.

There are changes, as you have noted. We have also added air-cushioned vehicle capacity on the west coast, which increases our response time in certain incidents. We continue to meet our service standards, which have not been the matter of any of the controversy you referred to.

The Chair: Sorry, I didn't mean to cut you off, Mr. Hutchinson.

Your time has run out, Ms. Young.

We have time for another round of two minutes each, which includes the question and the answer. I'm going to be cutting everybody off at two minutes, just so you have advance notice.

Mr. Mai.

[*Translation*]

Mr. Hoang Mai: Thank you, Mr. Chair.

Mr. Pelletier, do you work directly or indirectly with the Quebec City marine rescue sub-centre?

Mr. Mario Pelletier: I am sorry, could you repeat the question?

Mr. Hoang Mai: Do you work directly or indirectly with the Quebec City marine rescue sub-centre?

Mr. Mario Pelletier: I am responsible for the Quebec City marine rescue sub-centre.

Mr. Hoang Mai: So you must be pleased that the NDP has fought to keep the centre open when the government announced that it was going to shut it down.

Mr. Mario Pelletier: Actually, the position has always been that the centre would not close if we did not have a guarantee that the same services would continue to be provided.

Mr. Hoang Mai: We are glad that it has not been shut down.

I am not sure whether to direct my question to you or to Mr. Hutchinson.

[*English*]

Regarding the fall 2014 report of the Commissioner of the Environment and Sustainable Development, chapter 3, "Marine Navigation in the Canadian Arctic", I quote:

> Overall, we found that the Canadian Coast Guard's icebreaking presence in the Arctic is decreasing while vessel traffic is increasing.

Can you tell us why the coast guard is not as present as it should be?

Mr. Mario Pelletier: What I can offer there is that we try to maintain as much presence...if anything we're extending our presence in the Arctic. There are two ways to look at it. It's the number of ship-days in the Arctic or the window that our ships are available. As a matter of fact, the last ship that left the Arctic was earlier this week—or on the weekend—which is later than it has been in recent years.

Vessels need maintenance, as well. That's one of the reasons why sometimes we don't have as many vessels as we would like to have, because we need to conduct maintenance on the vessels. But it's always done after an assessment of the program requirement, the expected traffic, and so on. I can say that this summer we had seven icebreakers operating up in the Arctic, which is our maximum that we've had in recent years.

● (1250)

The Chair: Thank you.

Mr. McGuinty, you have two minutes

Mr. David McGuinty: Thank you. Mr. Chair.

If I could go back to my last round of questions, I just wanted to know this, Madam Girard. You are the director general for transportation of dangerous goods, right?

Ms. Nicole Girard: That is correct.

Mr. David McGuinty: What is your budget?

Ms. Nicole Girard: My budget, currently, is a little over $20 million.

Mr. David McGuinty: It is a little over $20 million. What has it been the last several years?

Ms. Nicole Girard: I'd have to go back precisely and get that information for you.

Mr. David McGuinty: The report we have is that transportation of dangerous goods spent $12.7 million in 2012-2013. It averaged about $13.9 million in the three previous years to that. Where does the $20 million come from?

Ms. Nicole Girard: What we've done over the course of the last year, in order to increase our oversight resources, has been reallocation within the department to be able to strengthen the TDG program.

Mr. David McGuinty: Will this be reflected in next year's public accounts?

Ms. Nicole Girard: I would expect so, but I can get back to you and confirm.

Mr. David McGuinty: Canadians follow the expenditures of the government. I've had people write to me and ask about this discrepancy, this difference, between $13.9 million roughly in three or four years and $16.5 to $17 million last year alone on advertising to help facilitate National Energy Board applications for pipelines, for example.

I'm having a hard time reconciling this. But that's something you may not be in a position to answer in detail.

It's unfortunate, Mr. Chair, because I know that my colleagues don't like the idea of asking financial questions, but we did miss meetings on November 6, 18, 20, and 25. We've started late this fall, as well. We suspended the committee. I guess the question is whether we are actually going to have an estimates process now, as we hurtle toward the last supply day in the House, which conceivably could be next week, Mr. Chair.

The Chair: Your time is expired, and I think you know the reasons committees were—

Mr. David McGuinty: Actually, I don't.

The Chair: Well, I think you do, but regardless....

Mr. Watson, you have two minutes.

Mr. Jeff Watson: Thank you.

Ms. Girard, thank you for pointing out the significant increase in the transportation of dangerous goods funding, a lot of that out of the 80% in efficiencies in the DRAP process that helps ensure that we have the robust regime we need, where safety actually matters.

I have a question related to the certification societies. Do they have the freedom or flexibility within their charters to determine which classes of ship they will in fact inspect, or must they inspect all ships within classes that you've determined they are supposed to be certifying?

Mr. Sylvain Lachance: In our current system, every ship above 24 metres must enrol with the classification society and be inspected by them. There are certain provisions. If a ship is too old, let's say, and was not built according to their rules, the ships can opt out or apply to us and ask not to enrol with the classification society.

Mr. Jeff Watson: Who inspects the ships shorter than 24 metres?

Mr. Sylvain Lachance: We do.

Mr. Jeff Watson: You do directly? Okay.

You said earlier that you believe the system you've proposed satisfies the intent of the Transportation Safety Board's recommendations. Why doesn't it satisfy the full substance of the Transportation Safety Board? Is it not possible? Are there limitations on how you can do that? This will become an issue, no doubt, and—

Mr. Sylvain Lachance: Yes, I fully agree—

Mr. Jeff Watson: —your response.... I'd want more than intent.

The Chair: Very briefly.

Mr. Sylvain Lachance: Very briefly, a system that's fully audited and certified for every ship in Canada is difficult to implement at best, for the industry and for Transport as well, in terms of the resources that would be required to do that, without necessarily attaining the objectives so that they are met. We feel that what we are proposing will meet the objectives.

● (1255)

The Chair: Thank you—

Mr. Mike Sullivan: I have a point of order, Mr. Chair, unless you.... I thought we were done there. Sorry.

The Chair: On Mr. Watson?

Mr. Mike Sullivan: Yes. His two minutes are up, are they not?

The Chair: Yes. His two minutes are up.

Mr. Mike Sullivan: Okay. Then I have a point of order.

The Chair: Okay. We have one more questioner for two minutes.

Mr. Mike Sullivan: I'm sorry. I didn't know we had one more questioner. We can make sure that we have time for the point of order.

The Chair: We'll go to your point of order.

Mr. Mike Sullivan: The point of order, Mr. Chair, is this. The directive from the minister, which launched this study, required us to have a report by December of 2014. It's becoming clear to us, those of us on this side of the table anyway, that it's very unlikely that we're going to have a report done by the end of 2014. Are we seeking a new mandate from the minister in order to do that? Or are we going to continue to meet outside of the times that are scheduled in order to finish this project by the end of December?

On this side of the table, we are quite willing to continue to meet in whatever timeframes we need in order to finish it, but Mr. Watson is quick to point out the directive from the minister every time one of us strays from that directive. We do have the directive, and I think we deserve to meet that directive.

The Chair: That's fair enough.

If the committee wants to ask for a new directive, of course I'll take their direction. That's not my decision; it's yours, all of you combined. What I'm working towards is having all the witnesses who are appearing on this study appear before the committee prior to us breaking for Christmas. It would give the analysts time to write the report over the break. In my mind, clause-by-clause with the report would be the first order of business when we come back.

Does that answer your question?

Mr. Mike Sullivan: That means January, not December, I guess.

The Chair: Well, yes. Do you really want to get into the details on the committee stuff? We're almost out of here.

Mr. McGuinty, you had your hand up.

Mr. David McGuinty: Just on that note, in terms of timing, are we going to examine the estimates in committee?

The Chair: That's up to the committee.

Mr. David McGuinty: Is there a reason why we haven't moved...? I thought the NDP brought a motion to this effect.

The Chair: I spoke to him during the meeting, but I'll let Mr. Mai speak to that.

Mr. Jeff Watson: I want to speak to Mr. Sullivan's point of order. I don't know where—

The Chair: You have the right to respond to that.

Mr. Jeff Watson: In terms of the timing and whether or not to seek a new mandate, I have a question. It's probably a question for the clerk. Is the December deadline, if you will, a hard deadline in that it has to be in? Or if the report is finalized in January or the beginning of February, let's say, is that acceptable? From a procedural sense, do we have to seek a new mandate letter to fulfill the directive? That would direct our actions at that point.

The Chair: In the clerk's words, it's a self-imposed deadline. Like I said, I'm open. I'm not making that decision. That direction has to come from the committee collectively. We'll take it from there.

With the way it stands now it's obvious that we're not going to have the report tabled first prior to breaking.

Mr. Jeff Watson: Do we then need a motion to the effect of completing the study when it does? Or do we continue to execute the work plan that was agreed on and move in that sense and when it times out it times out?

The Chair: It's an option. You can do it either way.

Ms. Morin.

[*Translation*]

Ms. Isabelle Morin: In her letter, the minister asked that the study be done before December 2014. In my riding, we have CN, CP, the seaway, an airport and highways. My constituents ask me about this often because they are concerned.

We all remember what brought on this study. As my colleague said, we would agree to have more than two committee meetings a week if we had to. In my view, the study must be completed by the end of 2014. That is our minister's request.

● (1300)

[*English*]

The Chair: Ms. Morin, all I can say is that if you are so willing to sit now I'm not sure why the NDP were playing games with committee stuff a little earlier.

[*Translation*]

Ms. Isabelle Morin: We had the right to hold committee meetings.

Mr. Chair, you could have called meetings of the committee whenever you wanted.

[*English*]

The Chair: I'd like to thank our witnesses for being here today.

Thank you very much.

It's adjournment time. I know all of us have meetings. If you have something that you want to bring up at the next meeting—

Mr. David McGuinty: Mr. Chair, we need to follow up with the officials before they leave to make sure that our clerk is in a good position to retrieve the analysis and the information that's forthcoming from the department.

The Chair: I think you've asked for that.

Mr. David McGuinty: Can you follow up with that?

The Chair: Of course.

Mr. David McGuinty: Great.

Thank you very much.

The Chair: The meeting is adjourned.

Thank you.