



Opinion

Empowering Canada's world-class, innovative ports to help spur a strong, sustainable economic recovery

As forward-looking and sustainable generators of prosperity, ports are in an ideal position to help ignite Canada's post-pandemic recovery, all while helping Canada meet its sustainability goals.



Wendy Zatylny

Opinion

If you started your day with a coffee, turned on your computer to check your emails before joining your first Zoom meeting, or made a call on your mobile phone today, you can thank a Canada Port Authority for helping to make your day a little easier. And lately, Canada's Port Authorities have

also played a vital role moving personal protective equipment and other supplies essential to fighting COVID-19.

The importance of this lifeline is not surprising, since 80 per cent of all goods Canadians consume and use in their daily lives are delivered via the marine shipping industry.

Today, Canada's ports are about so much more than simply managing ships and loading and unloading cargo. For years, innovation has been at the heart of Canada's port operations. From coast to coast, port authorities have been reinventing themselves into state-of-the-art, world-class logistical hubs. So when the pandemic hit, Canada's 17 port authorities already had in place the operational procedures, technologies, training, and infrastructure to pivot quickly and meet the unprecedented challenges presented by this crisis.

A key driver of local and economic regional development, CPAs directly and indirectly create higher-than-average paying jobs for more than 213,000 people across the country. Canada's port authorities are responsible for handling more than \$200-billion worth of goods a year—with a direct economic impact of \$36-billion annually. And while they are part of a sector that dates back millennia, Canada's port authorities recognize that future economic strength requires cutting-edge innovation and updated operations essential to staying competitive globally.



The Port of Vancouver is pictured in 2007. To ensure ports can maximize their contribution to Canada's economic recovery, the federal government must—as part of its recovery strategy—provide additional funding to the National Trade Corridors Fund, writes Association of Canadian Port Authorities head Wendy Zatylny. Photograph courtesy of Wikimedia Commons/Bobanny

Managers of data as much as they are movers of cargo, our ports are part of a global logistics chain using new technologies such as blockchain, artificial intelligence, and the internet of things to move cargo and people in a greener, safer, and much more efficient manner. For instance, using AI-enabled applications, ports can identify and track essential goods aboard containers, which has been particularly helpful during the pandemic to track PPE and other important cargo quickly. There is great potential to leverage the innovative work CPAs are doing to help drive Canada's innovation agenda and grow into our potential as IT leaders globally. But federal government support is needed.

As managers of trade-enabling infrastructure, ports are significant generators of jobs and economic growth, no matter what country they are in. One OECD study demonstrated that, for every one million tonnes of new cargo moved through a port, 300 new jobs are created. But to ensure ports can maximize their contribution to Canada's economic recovery, the federal government must—as part of its recovery strategy—provide additional funding to the National Trade Corridors Fund (NTCF).

During a recent speech, Transport Minister Marc Garneau said the government is looking at options to stimulate the economy through the NTCF and "use infrastructure funding in an innovative way perhaps to get those projects jump-started as quickly as possible." Port authorities have numerous such projects ready to go, but these have been deferred to maintain liquidity in the face of

declining revenues as a result of the pandemic.

To enable sustainable port projects and infrastructure to be built in a timely and appropriate manner for the economic recovery, the government must ensure NTCF funding is adequately replenished. To further empower port authorities to leverage their infrastructure capabilities, the government should address the need to increase port authorities' borrowing limits and waive the 2020 gross revenue charge levied on Canada's ports to allow them to preserve liquidity for investment in economic recovery. These steps would be very beneficial as port authorities gear up for much-needed infrastructure development.

Canada's port authorities know that economic prosperity and robust environmental stewardship go hand in hand. Marine shipping is the lowest emitter of GHGs per tonne/kilometre. We have long championed Green Marine initiatives and related actions that have made our operations world-class examples of how technology is fuelling environmental protection and sustainability. And of course, ports continue to play a vital role in supporting Canada's important export economy. This too will be a key aspect of Canada's post-pandemic recovery. The government should empower ports—as part of their core mandate—to engage in trade-facilitation activities which may include logistics facilities, inland ports, and supply-chain related uses.

Wendy Zatylny is president of the Association of Canadian Port Authorities.

The Hill Times