

A Word from the Chair

In our last issue, we offered readers a greenhouse gas (GHG) calculator as a practical tool for environmental assessment of projects. The reaction has been very encouraging. Clearly there was a need and we are pleased to have been able to help. Shortsea shipping (SSS) will be able to play a greater role in Quebec, and in Canada, if it is able to prove its worth.

In this same vein, have you ever wondered about the savings to society when an SSS project starts up? Recently, several journalists have made a point of the number of trucks being removed from the roads (often Highway 138), with a resulting improvement in what had been poor safety ratings, as well as a reduction in GHG emissions and in road maintenance costs. But how do we quantify the resulting financial and social benefits? Like me, you will no doubt be pleased to learn that evaluations are currently being carried out by various government departments, and as a result we will be able to assign a number to the benefits of SSS projects that have been initiated in recent months. Just think of the promotional value... In the meantime, enjoy this issue of the newsletter.



Nicole Trépanier

More good news for SSS

On December 6, 2005, the MTQ (Quebec department of transport) announced a financial contribution of \$300,000 to Kruger Inc. to improve the private wharf serving their Wayagamac plant in Trois-Rivières. Kruger is planning \$600,000 worth of work so that the new seasonal sea/road service started up in spring 2005 can continue to bring in wood chips from the North Shore. Until now the 440,000 tonnes of wood chips from the Forestville area have been trucked to the plant, which meant 26,000 trips by heavy vehicles over a stretch of Highway 138 that was particularly problematic with regard to safety. The new service, with transport by barge between Forestville and Trois-Rivières by Groupe Océan, has significant benefits for the shipper (savings of \$1 million per year) as well as for the MTQ and for society (lower road maintenance costs, a reduction in heavy vehicle traffic and in the risk of accidents, fewer GHG emissions, etc.).



What's new in SSS?

- ✦ **North American Marine Conference - Toward a Shortsea Shipping Strategy for the North American Continent** - Transport Canada, in partnership with Canada's Marine Industry Alliance, the U.S. Department of Transportation Marine Administration (MARAD) and Mexico's Secretary of Communications and Transport, is organizing the 2006 North American Marine Conference in Vancouver on April 18-20. For more information, visit <http://www.tc.gc.ca/shortsea>.
- ✦ **New study** - Following a recommendation in an economic feasibility study for a shortsea shipping service between Halifax and Hamilton (see next page), Transport Canada is funding a study of possible SSS projects in the Gulf and Estuary of the St Lawrence (with possible tie-ins to the East Coast and the St Lawrence – Great Lakes system). The study, by Innovation Maritime, should give us a good idea of the potential and make some recommendations.
- ✦ **New 2006 toll schedule** - The St Lawrence Seaway Management Corporation is encouraged by the results of the toll incentive program it implemented in March 2005 in the Welland section. The program was designed to bring back lost cargo traffic or attract new traffic, and it resulted in nearly 215,000 additional tonnes on the Welland Canal and over \$600,000 in additional revenues. The new cargoes include aluminum, raw sugar, hydrofluoric acid, and wind turbine parts. A large proportion of these new cargoes was carried on small vessels, and as a result the number of tonnes of merchandise transported on the Seaway remained unchanged from 2004, while transits increased by over 7%. In view of the program's success, a similar new toll schedule will be introduced on the Montreal / Lake Ontario section of the Seaway at the outset of the 2006 shipping season.

Some telling studies

Study of international environmental practices in the shipping industry

In the fall of 2004, the MTQ (Quebec department of transport) asked Professors Claude Comtois (University of Montreal) and Brian Slack (Concordia University) to draw up a review of international environmental practices in the shipping industry in order to assist the industry in positioning itself on the environmental front. Part of their study is devoted to SSS as a solution to the problem of the social costs of transportation, and they provide an overview of the policies of various governments designed to foster the development of SSS. Their report is available (in French) at the MTQ site:

<http://www1.mtq.gouv.qc.ca/en/services/documentation/>.

Study of the economic feasibility of container transport between Halifax and Hamilton

Transport Canada commissioned a study of the economic feasibility of shortsea container service between the East Coast and the Great Lakes, and specifically between Halifax and Hamilton. The objectives were to assess viability, identify key obstacles and propose solutions to overcome these obstacles. The conclusions of the study, by James D. Frost of MariNova Consulting Inc., are of great interest and they raise vital questions about SSS. One point that comes up is that the Halifax – Sept-Îles – Montreal corridor has some potential. The report is available from Transport Canada's Transportation Development Centre at:

<http://www.tc.gc.ca/tdc/projects/marine/a/5563.htm>.

Plans for the 2006 *Highway H₂O* campaign

The *Highway H₂O* brand has made progress and became a binational marketing initiative covering all major ports in the St Lawrence – Great Lakes region. With the assistance of these ports, the initiative has generated considerable interest, because of the benefits it brings to commercial shipping in the region. Throughout 2006, the *Highway H₂O* brand will become ever more visible in target markets because there is a plan to attract a second wave of partners such as stevedoring companies, maritime terminals and other marine associated enterprises. There will also be workshops on cargoes in 2006, as well as a second annual conference in the fall.



News from Yann ☺ River business continues to grow in France

Our European correspondent, Yann Alix, tells us that results for 2005 confirm the growing strength of river-based container transport in France: over 50,000 t.e.u.'s in the Port of Marseille, almost 100,000 in the Port of Le Havre. This success stems from the strategic commitment of marine operators involved in carrier haulage. Improved stevedoring and support from port authorities and governments are also bringing the cost of river-based solutions in line with that of road transportation. This competitiveness is especially striking in that it applies to distances from 150 to 500 kilometres with intermodal synergies. The trend we see here confirms the relevance of major projects such as the river link to the Port 2000 terminals in Le Havre or the Seine-Nord canal being planned for 2015.

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