

St. Lawrence Seaway

Issue

Transport Canada and the U.S. Transportation Department signed a Memorandum of Cooperation on May 1, 2003 to promote the concept and benefits of short sea shipping and by extension ensure the ongoing success of the Great Lakes and St. Lawrence Seaway transportation system. Specifically, the document further enhanced bi-national collaboration on a comprehensive transportation study of the Great Lakes St. Lawrence Seaway waterway.

With increased awareness among the general population, and policy initiatives adopted to facilitate development of the Seaway's potential, the stated objective of alleviating congestion and improving the efficiency of Canada's transportation network is within our grasp.

Background

The Great Lakes St. Lawrence Seaway System represents the world's largest inland waterway stretching some 3,700 km inland. Over 150 million people live within an eight hour drive of a major port within the system, representing 45 per cent of the combined U.S. - Canadian population.

Cargo volumes on the Seaway remain almost 20 per cent ahead of the pace set in 2009. In 2010, total cargo shipments on the Seaway for the period of March 25 to May 31 amounted to 6,888,000 tons as compared to 5,840,000 tons for the same period the preceding year.

With trade as a share of GDP growing in prominence to account for nearly 30 per cent of overall economic activity today, the Great Lakes states and provinces together account for nearly 39 per cent of U.S.-Canadian trade with the world. The Seaway is responsible for approximately 75,000 direct and indirect jobs in Canada and 150,000 in the U.S. and annually generates more than \$4.3 billion in personal income, \$3.4 billion in transportation-related business revenue, and \$1.3 billion in federal, state and local taxes, according to the latest Seaway research.

Within the Seaway's existing locks and channels, the potential exists to accommodate a further increase of much larger cargo volumes. The future points to a Great Lakes / Seaway System - 'Hwy H2O' - playing a key role as a complement to heavily congested road and rail links within the intermodal cargo network.

An opportunity also exists to promote the study and pursue the benefits of increased trade as a result of the marine mode viability becoming further enhanced by the potential introduction of year round operation. At the outset the St. Lawrence Seaway Management Corporation (and its US counterpart the St Lawrence Seaway Development Corporation) should achieve coordination with the U.S. Corps of Army Engineers (USACE) regarding the Sault Ste Marie locks.

The Seaway, an engineering marvel at its inception in 1959, is today yet again on the vanguard of technology. Improvements underway include the testing of a hands-free vessel mooring system, a vessel self-spotting system to enable crewmembers on the bridge to precisely judge their approach into a lock, and a sophisticated 3D charting system that provides an accurate model of the channel bottom, with the potential to enhance navigation and available vessel draft.

With a navigation season that coincides with seasonal peaks in North American freight volumes, the St. Lawrence Seaway via short sea shipping holds the potential to greatly alleviate congestion and increase the efficiency of Canada's intermodal transportation network.

Recommendations

That the federal government:

1. Develop policies to ensure the Seaway/Great Lakes System is utilized to the maximum economic benefit for coastal and inland ports by supporting and encouraging the transport of all appropriate cargo inland through links to the multi-modal system.

2. Propose a fair and equitable cost sharing formula to work with U.S. administrators and the Canadian government providing contribution by Ontario toward the \$20M US Army Corps of Engineers Feasibility Study phase ensuring Canadian interests are considered in the next step in the Great Lakes St. Lawrence Seaway waterway review.
3. Provide appropriate funding to promote and develop this vital transportation resource and to establish its viability year round.