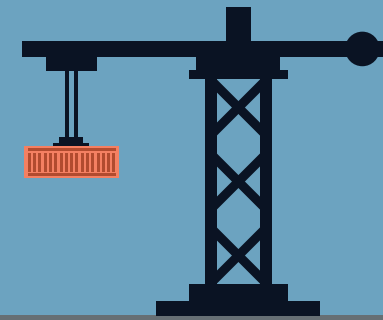




MODERNIZING FEES FOR MARINE CARGO (PORT WARDEN) SERVICES



TC'S MARINE SAFETY INSPECTORS ENSURE HIGHER-RISK MARINE CARGO IS SAFELY LOADED AND STOWED BY:

- Conducting mandatory inspections for regulated cargo (grain, concentrates and timber on deck)
- Inspecting solid bulk dangerous goods and packaged dangerous goods, under international standards and upon request
- Checking marine shippers' procedures, for cargoes which may liquefy, to ensure they comply with international standards

INSPECTION PROCESS



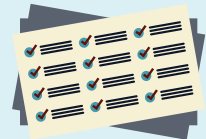
PRIOR TO LOADING

Inspection to ensure vessels are fit to carry the cargo



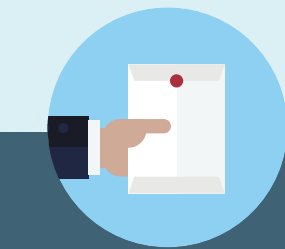
AFTER LOADING

Survey to ensure the vessels are not overloaded and that the cargo is properly stowed and secured



DURING LOADING

Verification that the cargo is loaded as planned



SERVICE STANDARD FOR REGULATED CARGOES

Issue a certificate or transcript, as applicable, within 24 hours of completing requested inspections.

(This inspection cycle typically takes place over a few days and involves the issuance of multiple certificates. These inspections are offered 24 hours a day, seven days a week).



THE PROPOSED FEES WERE ESTABLISHED TAKING THE FOLLOWING FACTORS INTO CONSIDERATION:

- 90% private vs 10 % public benefit associated with Marine Cargo Services
- Comparative analysis done on fees for similar services in Australia and the United States
- This sector has the capacity to pay as our fees represent a minor percentage of their operational costs

CHANGES TO MARINE CARGO SERVICE FEES



CURRENT FEE STRUCTURE

38 different fees

3 separate regulations

Hard for industry to know what they will have to pay

TC is recovering 67% of program costs



PROGRAM COST

\$ 7.6 million annually



PROPOSED FEES

\$750/day when an inspector carries out an inspection, travels, or is made available to do so, and another fee of **\$1,010/day** when a certificate is issued.

\$1,500 for inspections on request relating to bulk and/or packaged dangerous goods.

\$2,500 for Initial or Modification of verifications of shippers' procedures and another fee of **\$1,250** for Intermediate or Renewal of shippers' procedures



RECOVERED COST

\$7.0 million annually

90% Cost Recovery Rate

ENGAGEMENT PROCESS

Preliminary Feedback
Summer 2018

Consultation on Fee
Proposal Winter 2019

Canada Gazette I

Canada Gazette II

New Fees
Spring 2021

