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December 3, 2018

The Honourable Marc Garneau, P.C., M.P.  
Minister of Transport  
House of Commons  
Ottawa, ON  
K1A 0A6

**FCM comments on Ports Modernization**

Monsieur le Ministre,

Au nom de la Fédération canadienne des municipalités (FCM), je tiens à vous remercier pour votre contribution au succès du partenariat entre le gouvernement fédéral et les gouvernements municipaux en matière de transport au pays. J'espère pouvoir continuer à travailler étroitement avec vous et votre équipe pour résoudre des problèmes de transport touchant nos villes et nos collectivités.

La FCM se réjouit de l'engagement que votre gouvernement a pris lors du budget 2017 en vue la création d'un fonds de 10,1 milliards de dollars, d'une durée de 11 ans, consacré aux infrastructures de commerce et de transport. En particulier, l'Initiative des corridors de commerce et de transport du Canada, qui vise cible la congestion et les goulots d'étranglement dans les corridors essentiels et aux environs des plaques tournantes de transport et des ports, dans le but de favoriser l'accès aux marchés mondiaux, fournit une occasion de financer des projets qui auront une incidence directe sur les municipalités. De plus, la FCM accueille favorablement l'engagement du gouvernement d'accélérer le rythme des dépenses d'infrastructure dans le cadre du Fonds national des corridors commerciaux, comme cela a été annoncé dans l'Énoncé économique de l'automne 2018.

Les ports constituent des pôles économiques pour les collectivités locales et des éléments clés du fonctionnement des corridors commerciaux. Les administrations portuaires canadiennes jouent un rôle important dans le développement économique des municipalités. La FCM reconnaît la nécessité de cet examen, qui s'aligne sur les grands objectifs du plan Transports 2030, et y voit une possibilité de développer encore davantage la relation constructive établie entre les gouvernements municipaux et les autorités portuaires. Pour la suite des choses, le gouvernement fédéral doit s'assurer que les priorités municipales sont prises en considération et que l'on consulte adéquatement les gouvernements municipaux avant de mettre en œuvre tout changement de politique résultant de cet examen.

The five objectives of the ports modernization review touch on a number of transportation priorities for FCM, particularly on strengthening relationships between CPAs and local communities, promoting environmentally sustainable infrastructure and operations, and optimizing governance and accountability of port authorities.

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### ***Establish a Formal Mechanism for CPA-Municipal Consultation and Dispute Resolution***

Although port authorities are mandated by the Canada Marine Act to manage services and infrastructure while taking into account input from the community in which the port is located, they also have the ability to acquire and lease federally-owned land for the purposes of operating and supporting port operations. This effectively exempts them from many municipal land use provisions, regardless of the mandate to consider input from users and the communities where the port is located.

Meaningful municipal consultation by federal entities in cases where federal and municipal interests overlap is fundamental to strengthening the important relationship between our two orders of government. FCM believes that the federal government should ensure that all CPAs consult municipalities on land use and service changes at port facilities. **Accordingly, FCM urges the federal government to establish formalized municipal consultation and dispute resolution processes in order to address issues arising from port authority activities that may impact local interests.**

### ***Maintain and Update Payments-in Lieu-of-Taxes (PILTs)***

CPAs have considerable impacts on the municipalities in which they are located. Activities related to ports can influence the quality of life of residents, reduce the lifespan of municipal transportation infrastructure such as roads, cause traffic congestion, and affect road safety. The rapid growth of ports can also require significant municipal investments in transportation infrastructure and the provision of additional or specialized policing and firefighting services.

Given these municipal responsibilities, PILTs remain vital payments for services received and reflect the cost burden of port activities on municipal infrastructure and services. These payments are particularly appropriate given the importance of ports for international trade and the economic benefits of port operation for surrounding regions. In addition to maintaining the provision of PILTs to municipalities, **FCM urges the federal government to develop more consistent methods for assessing the value of leasable harbour beds, or land covered by navigable waters – for which CPAs are required to pay PILTs – to ensure that local governments are fairly compensated for permitting use of these assets.**

### ***Conduct Local Environmental Assessments for Port Expansions***

Expanding port infrastructure and operations can have significant impacts on local communities, including their public health and environmental integrity. When considering port expansion, federal environmental assessments need to be conducted to assess for impacts on local communities. **Federal environmental assessments for port expansions should protect and strengthen local economies, quality of life and the health and integrity of the local environments. They should also ensure that municipal first responders are properly equipped and resourced to respond to emergencies related to port expansion, and prevent downloading of project-related safety, emergency response and other costs to municipal taxpayers.**

### ***Increase Municipal Representation on CPA Boards of Governance***

Currently, CPA Boards of Governance only require one appointee from municipal government. This does not adequately ensure the needs of municipalities are represented during the decision making process related to ports. Owing to the significant impact that CPAs have on local communities and to ensure that municipal perspectives are properly considered, **FCM urges the federal government to increase the number of municipal representatives required on the boards of directors of CPAs.**

### ***Define Essential Ferry Services***

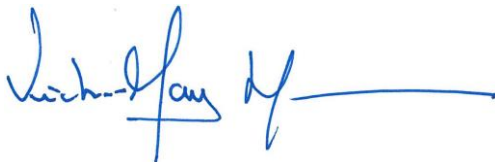
Municipal infrastructure provides the foundations on which our economy rests. Businesses need fast, efficient transportation networks to deliver goods and services, as well as good roads and safe bridges. FCM was encouraged by the government's *Transportation 2030* announcement that committed to investing in infrastructure and trade corridors to ensure that goods and resources can move efficiently within Canada and on to global markets.

For coastal municipalities, ferry services play an integral role in linking these communities to larger transportation networks. Canadians know that a good quality of life relies on local infrastructure, and expect a partnership between all orders of government to improve their communities. Canada's national transportation strategy must recognize that ferry service is an essential mode of transportation for many Canadians. **In locations where ferry service is the primary transportation mode, the federal government should define essential ferry service as a component of the National Highway System.**

Afin de mettre en place et d'entretenir un système de transport multimodal innovateur et adaptable qui répondra aux besoins actuels et futurs des Canadiens, les ordres de gouvernement doivent collaborer pour déterminer un juste équilibre entre les responsabilités du secteur privé et le soutien du secteur public. La FCM souhaite continuer à travailler avec le gouvernement fédéral sur des questions de transport liées aux ports et touchant les villes et les collectivités.

Si vous-même ou votre personnel avez des questions ou souhaitez plus d'information, n'hésitez pas à vous adresser à Hardave Birk, conseiller en relations gouvernementales, à [hbirk@fcm.ca](mailto:hbirk@fcm.ca) ou au 613-907-6376.

Je vous prie d'agréer, Monsieur le Ministre, l'expression de ma considération respectueuse.



Vicki-May Hamm  
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Présidente de la FCM