



CFA • ACT

Canadian Ferry Association • Association canadienne des traversiers



Canadian Ferry Association

Written Submission for the Pre-Budget Consultations in Advance of the
2020 Budget

August 2019

List of Recommendations

- **Recommendation 1:** The Canadian Ferry Association is recommending that the government better support the development and adoption of clean technologies and innovation in marine sector through financial means, collaboration, the development of a more flexible regulatory framework and better consultations.
- **Recommendation 2:** That the government support the industry-created research chair in marine transportation and innovation, allowing the researchers to focus on ways to improve efficiency and lower the carbon output of Canada's marine sector as a whole and review the Canada Research Chair program with the intent to better align it with the country's priorities.
- **Recommendation 3:** That the government take steps to incentivize the adoption of clean technologies by ferry owners and operators across Canada.

About Canadian Ferry Association

The Canadian Ferry Association (CFA) is the national voice of the ferry industry in Canada. Our members adhere to the highest professional and operational standards and promote the safe delivery of ferry services across Canada.

CFA is a member-based organization representing Canadian ferry owners, operators and industry stakeholders across the country and internationally. CFA has more than 115 members, with our owner/operator members accounting for nearly all of the major ferry routes in Canada.

Ferries are an integral part of Canada's transportation system. Collectively, ferries in Canada:

- Run a fleet of more than 250 vessels
- Employ approximately 6,300 people directly
- Generate 22,600 jobs
- Carry more than 53 million passengers and 21 million vehicles annually

Ferries & Clean Technology

Canada's ferries are a crucial component to Canada's transportation network. Vessels of all shapes and sizes can be found throughout our country. Indeed, ferries provide a link to Newfoundland, serve many communities along the Saint-Lawrence in Québec, transport passengers in Lake Huron aboard the iconic Chee-Chi-Maun, reach small communities in Saskatchewan, serve to transport commuters in Vancouver and are the only cost-effective way to bring people and goods to Inuvik in the Northwest Territories.

Canadian ferries have already been transformed to reduce their environmental footprint. Indeed, ferry owners and operators have shown initiative and many have undertaken their own clean technology projects, including:

- **BC Ferries:**
 - First passenger ferry system in North America to convert existing vessels to LNG. This will be expanded to additional vessels in the future.
 - 2 battery hybrid-electric vessels under construction that will serve the inter-island routes.
 - Adopted a comprehensive "Clean Technology Adoption Plan" in mid-2018¹.
- **Seaspan**
 - Operates 2 LNG-battery hybrid vessels between Vancouver Island and the mainland, with additional vessels currently being constructed, slated for delivery in 2021².
- **Société des Traversiers du Québec**
 - Introduced the first hybrid diesel-electric and lithium ion battery power system in North America.
- **Ecolos**
 - Zero-emission ferry operating across the Ottawa River. The battery propulsion system is recharged while unloading and loading passengers.
- **Marine Atlantic:**
 - Newly-constructed North Sydney terminal received a LEED silver certification from the Canada Green Building Council.

However, in order for the positive effects of clean technologies and innovation to be felt on a larger scale, federal leadership is needed to support their development.

One of the goals of the federal government's Transportation 2030 plan is "reducing environmental impacts, including air pollution, and embracing new technologies³." The federal government has been supportive of research and innovation in many ways, including the Superclusters initiative and unprecedented investments in science announced in Budget 2018.

Some of this support has reached historic levels. However, we strongly believe that Canada's marine transportation and innovation sector is one area where such support is lacking. While the Canadian

¹ "Clean Technology Adoption Plan." BC Ferries. <https://www.bcferrries.com/files/AboutBCF/2018-BC-Ferries-Clean-Technology-Adoption-Plan.pdf>

² "Two new LNG-Hybrid vessels to join Seaspan Ferries fleet." Seaspan Press Release. <https://www.seaspan.com/two-new-lng-hybrid-vessels-join-seaspan-ferrries-fleet> 23 May 2019.

³ "Transportation 2030: Green and Innovative Transportation". Transport Canada. <https://www.tc.gc.ca/eng/future-transportation-canada-green-innovative-transportation.html>

government is investing significant resources in its Oceans Protection Plan, there is a lack of resources directed to the industry.

Resources can be financial but also be in the form of collaboration through the government's own research infrastructure (such as collaboration through its research entities), the development of a flexible regulatory framework and better consultations.

The Canadian Ferry Association is recommending that the government better support the development and adoption of clean technologies and innovation in marine sector through financial means, collaboration, the development of a more flexible regulatory framework and better consultations.

Support Industry Research Chair in Marine Passenger Transportation Technologies

The Transportation 2030 initiative lays out a plan for Green and Innovative Transportation. Our sector believes that support for marine transportation innovation is an important component of an effective transportation strategy.

In May 2019, industry representatives donated nearly \$700,000 over 5 years for the creation of an industrial research chair at the School of Maritime Studies (Memorial University). The research focuses on emerging technologies in the areas of efficient propulsion systems, robotics and autonomous systems, and more.

While the industry led the process in the development of this Research Chair, CFA believes that federal support to expand the areas of focus for this research chair will allow for more in-depth analysis to be conducted in order to improve efficiency and lower the carbon output of Canada's marine sector as a whole.

CFA also recommends that the government undertakes a review of the Canada Research Chair program in order to better link it with the country's overall objectives and industry's needs. Ultimately, CFA proceeded with an Industry Research Chair project (where industry is the proponent) due to a lack of clear direction from the government on the Canada Research Chair front. The government should better encourage industry-led projects.

The Canadian Ferry Association is recommending the government support the existing industry research chair in marine transportation and innovation and also undertakes a review of the Canada Research Chair program to better align it with the country's priorities.

Adoption of New Technologies

As with other sectors, being an early adopter of new technologies is always more expensive. This, coupled with the fact that marine vessels can have lifespans of 30+ years, can make it difficult and cost prohibitive to integrate new technologies.

From fuels to underwater radiated noises, new technologies could serve to reduce the ferry sector's environmental footprint.

Government incentives have the potential to change this. Strategic investments made now have the potential to increase the adoption rate of these new technologies in early stages, ensuring their impact is felt sooner.

The Canadian Ferry Association is recommending the government take steps to incentivize the adoption of clean technologies by ferry owners and operators across Canada.