

PANEL REVIEW OF A MARITIME POLICY FOR CANADA

[Editors' Note: When the Naval Officers Association of Canada released this publication, it seemed appropriate not only to review it in *The Northern Mariner* but also to assess it from more than one perspective. We therefore invited reviews from Pierre Camu, Senior Consultant at Lavalin, Inc. in Ottawa who provides a business perspective; Vice-Admiral D.N. Mainguy, CMM, CD, Ret., whose vantage point is that of a naval officer, and Trevor D. Heaven, an academic who is Director of the Centre for Transportation Studies at the University of British Columbia]

Naval Officers Association of Canada. *A Maritime Policy for Canada: An Assessment of the Relationship between Maritime Issues and National Interests in the Development of an Integrated Maritime Policy for Canada*. Ottawa: NOAC, 1990. 177 pp., tables, appendices, chapter notes. \$20 + shipping charges, available from The Secretary, Naval Officers Association of Canada (Ottawa Branch), P.O. Box 505, Ottawa, K1P 5P6.

I

"The study only scratches the surface of a very complex subject." (p. 129) I agree; it does only that. This is its principal merit. Based on a series of lectures and discussions held in Ottawa between 1985 and 1987, it could not cover all aspects of a comprehensive (they used the word "integrated") maritime policy for Canada. The commercial aspects of shipping are not discussed as such, except for a few references to the *Report* of the 1985 Task Force on Shipping. Nor does it refer to such topics as a ports' policy for the country; the role of the St. Lawrence Seaway as an artery of commerce, trade and transportation; the role of the Great Lakes fleet; or the rise and fall of a deep-sea fleet. No mention is made of the economics of water transportation, such as tariffs, harbour dues, pilotage fees, seaway tolls and freight rates.

The paper concentrates on the role of those federal departments and agencies (and there are many) which deal with the sea and suggests an integration of these services and departments into a "super ministry" with responsibility for fisheries, oceans, ports, seaway, Coast Guard and shipping. Of course, if all these services were to be integrated it would be easier to develop a cohesive maritime policy for the country. This is only one step towards a unified maritime policy. It would cover only the infrastructure and the services to maintain it, and the regulations covering navigation, safety, pollution and security. The other most important aspects of an integrated and comprehensive maritime policy are the economic, commercial and financial facets of shipping as parts of a transportation network and a major international trade policy. The paper does not make a good case in the first two chapters to convince readers that Canada should have a maritime policy, it neglects to explain why Canada does not have such a policy.

The real question could be re-formulated by asking the following: Is Canada a maritime or a continental power? It is, of course, a continental power dominated since the

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1880s and 1890s by the railway lobby and since the Depression by the automobile lobby. There are several good reasons and explanations for the emergence of Canada as a continental power over recent decades. The importance of shipping gradually diminished after World War I and trade with the USA constantly increased to the point of being more than seventy percent of all our imports and exports. This reduced the need for shipping and increased trade by rail, road and pipeline. We are still a very important international trade partner but we do not carry very much; this task is left to the fleets of other nations. Despite the arguments and the facts listed on pages 63-64 to prove that "Canada is unequivocally a maritime State" (p. 63), I still maintain that though the ingredients for a maritime state are there, we are not a maritime power. How can you develop a maritime policy when your basic transportation policies are oriented towards the maintenance and operation of a continental network? There is not much hope.

This paper tries hard to change the vital and basic continental orientation and power, just as the NOAC has been one among many voices to try to alter this perception in the past. It was done with good intentions. I agree wholeheartedly with the remark in the preface that "the nation's political agenda has long been crowded with policy issues that have been perceived politically to have higher national importance than that granted to maritime affairs." (p. 11) As for the other factor, "that maritime issues are of regional rather than of national concern," this has often been the case in the past. Let me mention a few examples: the construction of the Seaway in the 1950s and the negative reaction of the Halifax and other eastern interests; the container revolution in shipping and the political choice of container ports in the east; the battle between Vancouver and Seattle over the position of leading container port on the west coast; the case of Churchill and the development of the Hudson Bay route; the lack of consistency by the federal government about shipping in the Arctic; and finally, the disastrous policies relative to our shipyards.

Shipping is becoming global and Canadian transportation companies (especially railways) already operate in such an environment. The federal administration, however, is not following at the same pace. In Transport Canada, with the exception of cabotage, the marine policy is one of "*laissez-faire*." To streamline the fourteen interests of the federal government and the numerous provincial interests for their own natural resources into one maritime policy is an enormous task. The first step, it seems to me, is to "ensure that maritime affairs receive the attention they deserve." In the eyes of current politicians, they do not. (p. 91) I tried, without success; perhaps the only way is for a few dedicated persons to be elected to Parliament at the first opportunity and carry the message themselves.

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II

This *Assessment* was commissioned by the Naval Officers Association of Canada, Ottawa Branch, which was concerned at the general lack of public knowledge of the broader maritime issues in which Canada has a vital interest. It was produced in cooperation with the Canadian Institute for International Peace and Security. Mr. B.F. Grebenc was engaged as the researcher and writer for the study. The aim of the *Assessment* is "to help raise the profile of maritime affairs in Canada and provide a stimulus for the development of a cohesive national maritime

policy and managerial structure that will effectively serve the full range of Canada's interests." (p. 13) Its main conclusion is "that Canada's national interests would best be served by developing a national maritime policy which reflects the interdependent nature of maritime affairs and their value the country's long-term growth and development." (p. 133) The *Assessment* is a useful guide to considerations affecting maritime policy in Canada, not the least because it illustrates the complexity and diversity of these considerations, including the enormous difference in size and scope of the issues it identifies. It did not attempt to go into any detail about what an integrated maritime policy might look like, but confined itself to making a case that there be such a policy. However, in the final analysis, I do not believe that the case was made.

This proposal reflects dreams which many Canadians concerned with the sea have had over a great many years. It sounds good to have an integrated maritime policy. It would not be particularly difficult to write something called an "Integrated Maritime Policy," provided one remained on a high enough plane and stuck to qualitative rather than quantitative ideas. But to produce such a policy and make it useful is another question entirely. If rigorous quantification is applied to maritime questions, it is evident that integrating and implementing policy is at best questionable, and might easily make things worse.

There are a couple of important generalities to be kept in mind when talking about policies: responsibility and resources should not be separated, and the purpose of the policy should be clear. The *Assessment* is quite right in asserting that an integrated policy must be accompanied by an integrated management structure, because such a policy without a consolidated agency to administer it, and integrated resources for implementation, would be meaningless. And "policy" in the sense used in the *Assessment* means "government policy." An integrated maritime policy, to be useful, should serve as a guide to the expenditure of political energy and government resources on maritime matters through the integrated management structure. A truly integrated maritime structure should include responsibilities for all aspects of such domains as marine environmental regulation, international law of the sea, resolution of marine boundary disputes, fisheries, oil and gas, mining, marine personnel qualification, marine occupational safety and health, marine structure regulation and inspection, and regulation of seaborne trade, as well as the responsibility for operating all government ships and aircraft engaged in marine work.

There's the rub. I find it impossible to visualize an integrated policy which covers such a range of subjects—the list would in fact be considerably larger than the above. There is a kind of triage in government policy-making. Some questions are so huge and complex that they cannot be directly addressed, while some are so trivial that they are not worth bothering about. In between is a range of issues about which it is possible to do something. "Maritime" is so all-encompassing that it falls into the first category, and therefore the issues it encompasses must be broken down into manageable elements, which inevitably have ragged edges between them. Would an integrated maritime policy really improve the treatment of maritime matters in Canada? Or would it simply shift the ragged edges? Is it really "maritimeness" which is the strongest connection between the issues with maritime implications with which this country has to deal?

Make no mistake: ragged edges are an essence of democracy, and there are plenty of them now, in spite of numerous acts of parliament which assign responsibilities to various agencies. Primary search and rescue responsibilities are split between the Departments of

Transport and National Defence. Where does "air" (DND) leave off and "marine" (DOT) begin? Regulation of offshore equipment and personnel is split between the Department of Transport for marine matters and the Department of Energy Mines and Resources for oil and gas matters. Where does "marine" leave off and "oil and gas" begin? Where does the edge lie between "marine" pollution (DOT) and "environmental" pollution (DOE)? The offshore has another set of ragged regulatory edges between federal, provincial and territorial jurisdictions. There are ragged edges among the maritime communities themselves. Fish do not mix with oil and gas. Shipowners complain that there is too much regulation, while the public clamours for more. Where does "sovereignty" fit in? What is "maritime sovereignty?" There is no consensus on its definition, let alone what government actions are needed for its protection. Are the illegal introduction of drugs and immigrants into the country threats to sovereignty or are they simply crimes? Should the navy confine itself to preparing for war or should it properly be assigned civilian responsibilities? Issues like these are what soak up government energy. The practical process of treating issues separately, probably on differing time lines for resolution, even with impact analysis on each, is bound to lead at least to a perception that there is no overall direction. If great care is not taken, this perception, illustrations of which are given in the *Assessment*, can and does become reality. If an integrated maritime policy with an integrated management structure is impractical, what is the best way to produce greater coherence in maritime policy and perhaps overcome some of the existing ragged edges?

Maybe Canadians are not as dumb as the *Assessment* implies to treat maritime affairs the way they do. Those interested in maritime affairs should be encouraged to make their views known by means of studies such as this one. Conferences, parliamentary committees, royal commissions (hopefully not about disasters), etc., may be quite a good way to sensitize politicians, officials and the public about issues that need resolution. Central agencies such as the Privy Council Office and the Treasury Board have the responsibility to make sure individual departments take all interested parties into consideration when proposing courses of action.

I have confined this review to policy aspects. However, from a practical management point of view, while it would be perfectly possible to integrate the marine resources of the government under one structure, it would be excruciatingly difficult, take a very long time, cause devastating disruption to a great many of the mariners and maritime airmen who so faithfully serve this country, and probably not improve Canada's handling of maritime affairs to a significant degree. In short, while the *Assessment* serves a useful purpose in stimulating and adding to the discussion of maritime issues in the country and is well worth reading, I do not believe it serves as a basis for recommending an integrated maritime policy for Canada.

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III

I should confess that when invited to review *A Maritime Policy for Canada*, sponsored by the Ottawa Branch of the Naval Officers Association of Canada and the Canadian Institute for International Peace and Security, my initial reaction was to decline; I expected a report that would emphasize the need for military-related policies. My expectations have been influenced by documents from our neighbour to the south. A quick perusal of the report suggested this

would not be the case, so I accepted the assignment. Subsequent reading confirms that this is not a lobbying document, which is not to deny that it sees maritime defence capabilities as important.

The purpose of the report is to argue some characteristics of maritime policy issues and to reach conclusions about maritime policy. The characteristics are that:

- maritime issues are large and important;
- maritime issues are of increasing importance;
- maritime issues are multidimensional and interrelated; and
- treatment of maritime issues by government is fragmented.

The policy conclusions are:

- maritime policy needs a higher political priority; and
- maritime issues require "the development of a cohesive national maritime policy and managerial structure." (p. 13)

In support of these objectives the report surveys a wide range of topics. For most readers, the survey provides useful elements of summary information. Chapter II includes a short but clear overview of important aspects of the UN Law of the Sea Conferences. For those unfamiliar with the workings of government, Chapter III provides a good survey of departmental responsibilities. But short surveys are fraught with difficulties and dangers for authors seeking to reach conclusions. In spite of the frequent citation of references, the report does not avoid conclusions insufficiently supported by data or argument. Two instances follow.

The report states that "Canada's dependence on seaborne trade, particularly for the importation of strategically important raw materials would lead to the assumption that the country should maintain a merchant marine and shipping industry, of sufficient size as to be able to ensure Canada's trading interests can be continued after the outbreak of hostilities." (p. 59) Neither the footnote nor appendix related to this statement provide sufficient clarification of the need or actions proposed. It is implied that some subsidized activities are required, but no substance is given. I share the scepticism of this conclusion expressed by the 1985 Task Force on Deep Sea Shipping Policy.¹ Second, the report argues about the absolute importance of maritime topics but concludes on their *relative* significance. As the report focuses on maritime matters alone, comparative statements are unsupported. The report does not have analysis to support the statement that "clearly...maritime affairs ought to be placed higher on the list of national priorities than has hitherto been the case." (p. 65) However, this criticism does not deny the validity of the report's central case on the need for some new and more integrated policy or policies.

Not surprisingly, such a wide-ranging report involves some errors and omissions. The report commits the common error of presenting costs (to the taxpayers especially) as benefits. For example, it states that "the net benefits of programs such as those mentioned above can be measured in employment numbers and the value of the services they provide." (p. 83) Inputs such as labour are costs, which must be deducted from the value of services to calculate net benefits. Some benefits may be monetary, others may be non-monetary.

The report includes surprisingly little information on the actual shipping activities of Canadians. The report describes Canadian trade but has little information on Canadian participation in shipping. No details are provided on the domestic or international fleets owned directly or indirectly by Canadian firms, nor of the substantial involvement of Canadian exporters in the control of shipping. Information on Canadian involvement has been reported by Heaver and the Task Force. The report also contains less information than might be expected on some areas of government activity. The description of maritime transportation focuses on the "Marine/Canadian Coast Guard group." (p. 80) This seems to result in the omission of Ports Canada, and marine policy work in the Department's policy group.

There is a surprising and important omission from the Arctic case study in Chapter IV. I cannot find any reference in the report to the MV *Arctic*. The work of the *Arctic* has represented an important contribution of funds and is an example of a multiple objective program. The design and work of the ship have made contributions to a number of research programs while the ship has performed Arctic supply functions.

Finally, I wish to comment on the contribution of the document to the discussion of maritime policy in Canada. The report points in the desirable direction of pursuing more integration in maritime policy. But there is a need to go further. The report does not make clear what is meant by "national policy." What does a maritime policy mean? If a policy (or related policies) were created, what would be the effect(s) on organizational compartmentalization and on operational integration? Important questions wait to be addressed on the organization of Canadian resources to provide a range of functions involving coastal sovereignty, search and rescue, maintenance of navigational aids, and licensing administration, to name but a few. Perhaps the reader will see a flavour here of going beyond policy to the efficient solution and provision of services. Much remains to be done to improve our performance in maritime affairs. The result is a positive contribution.

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Notes:

1. See Task Force on Deep-Sea Shipping, *A Report to the Minister of Transport* (Ottawa, 1985); Trevor D. Heaver, *National Flag Shipping: An Analysis of Canadian Policy Proposals* (Vancouver, 1982); and Trevor D. Heaver, "The Effects of Fiscal Policies on the Development of International Shipping," *Logistics and Transportation Review*, XXI (1985), 77-91.