



Marine Industry Advisory Committee

Marine Industry Advisory Committee Summary Report



Virtual Zoom Meeting – February 17&19, 2021

Prepared by

Public Services and Procurement Canada
Marine Commodity Management Office



Marine Industry Advisory Committee

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Acronyms

ABCMI	Association of British Columbia Marine Industries
ACADA	Atlantic Canada Aerospace and Defence Association (ACADA)
BC	British Columbia
CADSI	Canadian Association of Defence and Security Industries
CCG	Canadian Coast Guard
CEO	Chief Executive Officer
CERB	Canada Emergency Response Benefit
CFA	Canadian Ferries Association
CIMarE	Canadian Institute of Marine Engineering
CME	Canada Maritime Engineering Ltd.
CMIF	Canadian Marine Industry Foundation
DG	Director General
DND	Department of National Defence
EI	Employment Insurance
GoC	Government of Canada
HR	Human Resources
IMC	Interdepartmental Marine Committee
ISED	Industry, Science and Economic Development
MIAC	Marine Industry Advisory Committee
MLB	Motorized Life Boat
NSBA	Nova Scotia Boatbuilders Association
NSRP	National Shipbuilding Research Program
NSS	National Shipbuilding Strategy
OSME	Office of Small and Medium Enterprise
PSPC	Public Services and Procurement Canada
RCMP	Royal Canadian Mounted Police
RFSA	Request for Supply Arrangement
SME	Subject Matter Expert
SVC	Small Vessel Construction
SWOT	Strengths, Weaknesses, Opportunities and Threats
TC	Transport Canada
TOR	Terms of Reference
VLE	Vessel Life Extension
WAHV	Wrecked, Abandoned and Hazardous Vessels
WG	Working Group



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Executive Summary

This report covers the deliberations and outcomes of the fourth MIAC meeting held virtually between Government of Canada and marine industry officials on February 17th & 19th, 2021 via Zoom with takeaways in the following areas of discussion:

Objectives:

The following objectives were proposed for the meeting:

- Review Challenges, Opportunities, Initiatives for MIAC
- Provide an Update on Initiatives
 - Canadian Ferries Association
 - HR Capacity
 - WAHV
 - Bundling

The fourth MIAC meeting was successful due to the participation of Industry and partner departments. The resulting action register is located at the end of this report.

Overview

The Marine Industry Advisory Committee (MIAC) is the external forum that the government Interdepartmental Marine Committee (IMC) can leverage to discuss Small Vessel Construction (SVC) and Sustainment recommendations as well as opportunities and challenges collectively facing the Canadian marine industry and government. In addition to providing advice and recommendations to the IMC on plans and actions moving forward, the MIAC may also establish tiered subject matter expert panels to solicit more detailed feedback and advice on specific segment relevant topics. This summary, while not exhaustive, embodies the feedback from industry and government representatives to the topics constituting this third meeting.

Day 1 – February 17th

Challenges, Opportunities and Enablers

A. Challenges

- COVID-19
 - The committee recognizes that while there has been a paradigm shift to adjust to the effects of the pandemic there are still some level of unpredictability and continual adjustment to align with provincial health guidelines.
- Promoting Canadian Marine Industry
 - The numerous government/industry stakeholders' groupings that seem to have similar objectives.
 - The group discussed the potential for a single forum in an effort to streamline information and for industry to easily engage with the Government in regards to schedule



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and upcoming requirements. The group noted that the synergy between these various group could create the framework to address market expansion.

- The discussion also centered on how to incorporate Provincial governments in future engagements in particular the Marine Procurement Outlook Sessions.

B. Opportunities

- The committee had the chance to review the TORs.
 - This led to a collective decision to extend the current membership for an additional 12 months. The group was hopeful that a face to face meeting that respected social distancing could be held in the near future.
 - It was also proposed and adopted that there would be three MIAC meetings per year with hopefully one in person.

C. Enablers

- The group recognized that ISCED participation is key in ensuring a complete Government of Canada perspective while providing Industry the forum to engage on how Value Proposition can be achieved under varying circumstances.
- In reviewing the Agenda, the group considered whether establishing subcommittee could assist in furthering the dialogue. The creation of these sub-working group would have flexibility to meet more frequently with the ability to create joint action plans on areas of mutual interest such as HR Capacity. Additionally, the committee thought other subject areas such as Human Resources, Marine Infrastructure, Innovation/Greening, and Market Expansion could also benefit from this type of approach. It was agreed that working groups would be set up for the aforementioned topics.
- It was suggested that MIAC link to other supplier groups to ensure consistency – DIAG meetings etc.

By and large, the committee discussions emphasized the need for these engagement to allow for reflection and to foster ongoing dialogue.

Day 2 – February 19th

Update on Initiatives

Canadian Ferries Association (Serge Buy, CEO)

- Provided an overview of the rationale, challenges and opportunities concerning the construction of ferries and the need to have a coordinated approach in relation to promotion of the Canadian marine industry
- Echoed the overall sentiment of the group that HR capacity is a significant challenge
- There was discussion on the “cost of not building in Canada”. The observation from the group was that there could be consequential impact such as decrease in innovation, higher total life cycle cost, deficiency of expertise, lack of manufacturing capacity. There was some thought that in an



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effort to bolster industry, suppliers should take advantage of the various innovation program being championed by the Government.

- Conversely, the “cost of building in Canada” was also explored. While it was recognized that it is possible to build ships overseas at a cheaper cost, there were considerations offered about the role of the government in confronting this reality and its approach in fostering new technologies. It was also discussed that CFA has conducted some research on the issue.
- Overall both positions need to evaluate additional factors such as the impact of ship yard capacity, availability of a skilled labor force, and new technologies (i.e. electric propulsion).

HR Capacity – (Sylvie Girard, PSPC, Director General, Defence Marine Strategic Program Management & Elise Cote, PSPC, Manager, Strategic Policy Planning, Management, and Interpretation)

- Provided an updated perspective of the NSS HR Strategy aims at developing a national approach for addressing systemic skills and human resources challenges faced by the NSS shipyards and focuses on the below pillars:
 - Attraction and retention
 - Workforce development
 - Community building
- The follow-on discussion emphasized the need to attract and retain millennials. There were insight shared by various members on the differences between the traditional marine industry and the values (i.e. work/life balance) held by this demographic cohort.
- Following up from the Day 1 discussion, it was agreed that a working group be established to further explore some of these challenges and advise the committee of potential way forward.

HR Capacity – Seafarers (David Fuss, Transport Canada, Director, Connected Vehicle/Automated vehicle Regulatory Policy)

- Challenges to recruiting and retention due to existing cultural and gender barriers, and the perspective that transportation sector jobs are “dirty”
- One approach that has been implemented to mitigate the above risk, is a signed agreement with France and Norway to access the international labor market and also working with Canadian Marine Industry Foundation on education and promotion
- There is recognition that more needs to be done to recruit and attract millennials.

Wrecked, Abandoned, or Hazardous Vessel (WAHV) Strategy (Erin Fox, PSPC, Manager, Marine Navigation and Remediation)

- There are approximately 1800 WAHV in Canada
- A brief overview was provided on the procurement tools being developed for this project; a Request For Supply Arrangement (RFSA) will be posted on buyandsell towards the end of April
- Discussion emphasized that the WAHV strategy is taking into consideration the Minister PSPC mandate for 5% target of federal contracts being awarded to Indigenous Suppliers, as such there has been work with PSPC - Office of Small Medium Enterprises (OSME) to engage and provide opportunities for Indigenous community feedback.

Bundling update (Cindy Soyland, PSPC, Director, Refit, Logistic and Small Vessel Construction)

- Bundling is being considered for the following:



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- Multi-vessel (VLE)
 - End-to-end package
 - Regional bundles for MLBs
- Briefed that the approach could result in, more efficient use of HR, improved preparation and planning, and economies of scale for both yard and Canada.
- The committee discussed how the associations could play a more active part in creating awareness among association members.

Overall, the group thought that closer collaboration is essential in areas of mutual interest such as HR capacity. Members are looking forward to the ongoing dialogue to find synergies on some of the common issues facing the industry.

MIAC February 2021

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	<u>Action Item Name</u>	<u>Action Item Description</u>	<u>Action Item Status</u>
1	ISED participation	<ul style="list-style-type: none"> MIAC Chair to contact ISED at the DG level to request participation at MIAC 	Completed
2	Industry MIAC member extension	<ul style="list-style-type: none"> MCMO to post on Buy and Sell to announce industry membership extension by an additional 12 months (April 2022) 	Completed
3	Revise TOR to add ACADA as member	<ul style="list-style-type: none"> Add ACADA to TOR, latest version does not have ACADA listed as a member 	Completed
4	Secretariat to Develop ToRs for working groups	<ul style="list-style-type: none"> Secretariat to initiate setting up Human Resources, Marine Infrastructure, Innovation/Greening, Market Expansion working groups 	In progress
5	Provincial procurement requirements	<ul style="list-style-type: none"> Incorporate Provincial governments in future engagements in particular the Marine Procurement Outlook Sessions 	In progress
6	MIAC summary report	<ul style="list-style-type: none"> MCMO to provide the MIAC summary report in a timelier manner 	In progress
7	TOR update	<ul style="list-style-type: none"> Update TOR to reflect requested changes as discussed, send out for approval by members 	Completed
8	HR Capacity WG	<ul style="list-style-type: none"> NSS HR Strategy team to engage group for membership of HR WG 	Completed
9	CCG DG Personnel – TC link	<ul style="list-style-type: none"> CCG DG Personnel to link up with David Fuss 	In progress
10	HR Capacity WG	<ul style="list-style-type: none"> Add David Fuss as part of HR Capacity WG 	Completed
11	TC – ABCMI link	<ul style="list-style-type: none"> MCMO to share David Fuss contact info with Alex Rueben, ABCMI 	Completed



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Annex A

MIAC Attendees Day 1 – February 17, 2021

Industry Associations:

- Association of British Columbia Marine Industries (ABCMI) - **Alex Rueben** - Executive Director
- Association of British Columbia Marine Industries (ABCMI) - **Leann Collins** – Director of Projects and Stakeholder Relations
- Atlantic Canada Aerospace and Defence Association (ACADA) - **Lisa Clory** - interim CEO
- Canadian Association of Defence and Security Industries (CADSI) - **Nicolas Todd** - VP Government Relations and Communications
- Canadian Institute of Marine Engineering (CIMarE) - **Bud Streeter**, Honorary President
- Nova Scotia Boatbuilders Association (NSBA) - **Jan Fullerton** - Executive Director

Marine industry market segment representatives:

- In-service support (2);
 - ✓ Secunda Canada - **Darrell Sheppard** - President and CEO
 - ✓ SNC-Lavalin Operations and Maintenance Inc. - **Mike Pratt** - Vice-President and General Manager
- Repair, refit and maintenance (2);
 - ✓ NEWDOCK, St. John's Dockyard Limited - **Richard Eddy** - Operations Manager
 - ✓ Canada Maritime Engineering Ltd. (CME Ltd.) – **Gordon Steeves**, Proposal Coordinator
- Small vessel construction (2);
 - ✓ Chantier Naval Forillon Inc - **Jean-David Samuel** - Président-directeur général
 - ✓ Rosborough Boats Ltd - **Robert Gascoigne** - Director Business Development
- Naval architecture/engineering (1); and
 - ✓ Genoa Design International Ltd. - **Leonard Pecore** - Founder & Chair of the Board
- Supply chain (1)
 - ✓ Wartsila Canada - **Pieter Groot** - Contract Manager
 - ✓ Wartsila Canada - **Yasemin Mensah** - Managing Director

Government department representatives:

- Public Services and Procurement Canada (PSPC) - **Charles McColgan**, Director General Marine Services and Small Vessels Sector
- Department of National Defence (DND) - **Commodore Luciano Carosielli**, Director General Maritime Equipment Program Management
- Department of National Defence (DND) - **Kevin Fitzpatrick**, Director Major Marine Construction Sector
- Canadian Coast Guard (CCG) - **Sam Ryan**, Director General Integrated Technical Services
- Royal Canadian Mounted Police (RCMP) - **Darren Mierau**, National Manager Marine Fleet
- Transport Canada (TC) – **Mike Freeman**, Regional Manager Technical Services

Also in attendance (non-members):

- Department of National Defence (DND) - Commander **Frédéric Pierre**, Class Program Manager Minor War Vessels and Auxiliary Vessels
- Department of National Defence (DND) - **Memphis Don**, Sustainment Initiative – Maritime Team Technical Lead
- Canadian Coast Guard (CCG) - **Julia Murphy**, Director General Marine Engineering
- Public Services and Procurement Canada (PSPC) - **Marc Baril**, Director Marine Chartering and Strategic Initiatives
- Public Services and Procurement Canada (PSPC) - **Suzanne Wilkinson**, Manager Marine Commodity Management Office
- Public Services and Procurement Canada (PSPC) - **Cindy Soyland**, Director Refit, Logistic and Small Vessel Construction



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- Public Services and Procurement Canada (PSPC) - **Nicolas Nabaa**, Senior Director Marine Sustainment
- Public Services and Procurement Canada (PSPC) - **Erin Dufour**, Administrative Coordinator Marine Chartering and Strategic Initiatives
- Public Services and Procurement Canada (PSPC) - **Summer Skinner**, Administrative Assistant Marine Chartering and Strategic Initiatives
- Public Services and Procurement Canada (PSPC) - **Julia McDonald**, Project Officer Marine Commodity Management Office

MIAC Attendees Day 2 – February 19, 2021

Industry Associations:

- Association of British Columbia Marine Industries (ABCMI) - **Alex Rueben** - Executive Director
- Association of British Columbia Marine Industries (ABCMI) - **Leann Collins** – Director of Projects and Stakeholder Relations
- Atlantic Canada Aerospace and Defence Association (ACADA) - **Lisa Clory** - interim CEO
- Canadian Association of Defence and Security Industries (CADSI) – **Mindy Pearce** - ...
- Canadian Ferries Association – **Serge Buy** - CEO
- Canadian Institute of Marine Engineering (CIMarE) - **Bud Streeter**, Honorary President
- Nova Scotia Boatbuilders Association (NSBA) - **Jan Fullerton** - Executive Director

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 - ✓ Canada Maritime Engineering Ltd. (CME Ltd.) – **Gordon Steeves**, Proposal Coordinator
- Small vessel construction (1);
 - ✓ Rosborough Boats Ltd - **Robert Gascoigne** - Director Business Development
- Naval architecture/engineering (1); and
 - ✓ Genoa Design International Ltd. - **Leonard Pecore** - Founder & Chair of the Board
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- Public Services and Procurement Canada (PSPC) - **Nicolas Nabaa**, Senior Director Marine Sustainment
- Public Services and Procurement Canada (PSPC) - **Erin Fox**, Supply Manager Marine Navigation and Remediation
- Public Services and Procurement Canada (PSPC) - **Dan Byron**, Supply Team Leader Ship Refits
- Public Services and Procurement Canada (PSPC) - **Sylvie Girard**, Director General Defence and Marine Strategic Program Management
- Public Services and Procurement Canada (PSPC) - **Christine Beeraj**, Director Strategic Policy Planning, Management and Interpretation
- Public Services and Procurement Canada (PSPC) - **Élise Côté**, Manager Strategic Policy Planning, Management and Interpretation
- Public Services and Procurement Canada (PSPC) - **Madeleine Ngo Yon**, Policy Analyst Strategic Policy Planning, Management and Interpretation
- Public Services and Procurement Canada (PSPC) - **Erin Dufour**, Administrative Coordinator Marine Chartering and Strategic Initiatives
- Public Services and Procurement Canada (PSPC) - **Summer Skinner**, Administrative Assistant Marine Chartering and Strategic Initiatives
- Public Services and Procurement Canada (PSPC) - **Julia McDonald**, Project Officer Marine Commodity Management Office