



**ANNOUNCEMENT OF  
REVISED PILOTAGE CHARGES  
2024**

**JANUARY 22, 2024**

## GENERAL

The Great Lakes Pilotage Authority (“Authority”) hereby announces revised service charges, pursuant to Section 33.4 of the *Pilotage Act*, S.C. 1985, c. P-14. This Announcement outlines applicable pilotage charges for the 2024 navigation season. These include the following charges:

- a. basic charges for pilotage services – **Increase of 4.5%**
- b. detention and delay charges – **Increase of 4.5%**
- c. cancellation charges – **Increase of 4.5%**
- d. over carriage charges – **Increase of 4.5%**
- e. pilot transfer charges – **Increase of \$6 for Cornwall District and \$7 for District 2**
- f. pilot boat finance recovery charges – **Increase of 4.5%**
- g. docking, undocking and stoppage charge – **Increase of 4.5%**
- h. request for pilotage services – short notice charge – **Increase of 4.5%**
- i. pilot travel charges – **No Changes**
- j. Churchill pilotage charges – **No Changes**
- k. assignments of more than one pilot – **No Changes**
- l. apprentice-pilot training surcharge of 5%– **No Changes**
- m. *Pilotage Act* administration surcharge – **Increase of \$2**

*The Authority is implementing these charges in accordance with the methodology and principles set out in the Notice and Details and Principles documents, published on December 20, 2023.* These pilotage charges will become effective on March 22, 2024.

Since publishing the Notice and Details and Principles documents on the Authority’s website, the Authority has received written representations from the Shipping Federation of Canada (“The Federation”) - see Annex A. The Authority has reviewed and considered the written representations and has determined that it will move forward with the 2024 charges, as set out in the Notice and Details and Principles documents, published on December 20, 2023. The Authority’s reasons are set out below.

### Service Charge Increases:

The 4.5% increase in service charges is a strategic decision to ensure the Authority's financial sustainability and operational efficiency, especially considering the economic challenges and rising operational costs due to inflation in Canada (6.8% in 2022 and 3.9% in 2023). The increase, while aligned with our mandate for financial self-sufficiency, is also a reasonable measure to maintain high-quality pilotage services under these economic conditions.

We acknowledge the concerns raised by the Federation regarding the \$4.5M one-time charge. This charge was necessary for the Authority to adjust its procedures and ensure compliance with relevant tax regulations. While we understand the industry's reluctance, this step was crucial for maintaining our operational integrity and adhering to fiscal responsibilities. We appreciate your understanding and are committed to managing our finances with transparency and accountability.

### Apprentice Pilot Surcharge:

The surcharge for apprentice pilots is a crucial part of our strategy for pilot recruitment and succession planning, especially given the high number of pilot retirements in recent years. The Authority is committed to hiring enough pilots to replace retirees and to expand our complement, ensuring we have sufficient pilots to manage traffic efficiently. Following a recent review and update of our recruitment process, we have successfully recruited pilots across all districts. The Authority acknowledges the Federation’s feedback on the surcharge's effectiveness and its suggestion for a rebate. The Authority will reevaluate this surcharge in the

future, considering the impact of the new collective agreements designed to incentivize recruitment and retention. Our goal remains to maintain a robust pilot workforce while balancing financial and operational considerations.

### **Service Delivery:**

In response to the Federation's concerns about service delivery and the rate of improvement in service levels, the Authority recognizes that while there have been some improvements in reducing delays, the current level remains a significant concern. Our commitment to enhancing service delivery is steadfast, and this is reflected in the ongoing adjustments to our collective agreements with pilots, aimed at attracting and retaining the optimum number of skilled personnel. Additionally, we are continuously investing in technological and operational improvements to further address these service level concerns and minimize delays. Our goal is to ensure that our services are not only efficient and reliable but also progressively align with the industry's evolving needs and expectations.

### **Consultation Process:**

We acknowledge the Federation's feedback regarding the consultation process. Our goal is to continuously improve communication with all stakeholders. For this year's consultation, the meeting with the Federation occurred on November 28, 2023. Following this meeting, we provided additional materials requested by the Federation. The Details and Principles Regarding Proposed Pilotage Charges 2024 were published on December 20, 2023. Although this follows past practices, we are open to enhancing our consultation process. Going forward, we commit to ensuring more effective communication and providing adequate time for feedback and analysis.

The Authority has reviewed all written submissions and determined that the proposed charges are in alignment with its charging methodology and comply with the Pilotage Act. Therefore, the Authority has decided to implement the revised pilotage charges as previously announced in the Notice and Details and Principles documents. The Authority's financial and statutory objective is to generate a sufficient annual surplus to maintain a reasonable reserve on an ongoing basis. To that end, the planned 4.5% increase is reasonable, especially considering the recent Consumer Price Index (CPI) 12-month increase of 6.8% recorded for 2022 and 3.9% in 2023. Proceeding by way of incremental increases will provide better stability for the industry as a whole.

Pursuant to Section 34(1) of the *Pilotage Act*, S.C. 1985, c. P-14, persons wishing to object to these charges may do so by making an application to the Canadian Transportation Agency. The application must be filed within 90 days after the date of this Announcement.

Pursuant to section 34(3) of the *Pilotage Act*, a notice of objection may be filed only if:

- (a) the pilotage charge was not established or revised in accordance with the charging principles set out in subsection 33.2(1) of the *Pilotage Act*; or
- (b) the Authority did not comply with the requirements set out in section 33.3 or 33.4 of the *Pilotage Act*.

This Announcement consists of two sections:

- (1) 2024 pilotage charges;
- (2) Definitions and Interpretations

## 1. REVISION TO SERVICE CHARGES

The following tables set out the 2024 pilotage charges which will become effective on March 22, 2024. These rate increases are required to generate incremental revenues to recover the anticipated 2024 operating costs and provide a reasonable reserve that will allow the Authority to meet its mandate to be financially self-sufficient.

### Pilotage Charges:

- a. Basic Charges for Pilotage Services, including locks, mileage, periods, movage, minimums

		Billed		2024 VS
		2023	2024	2023
		Tariff	Tariff	Increase
		A	B	A/B
<b>BASIC CHARGE FOR PILOTAGE SERVICES, including Locks, Mileage, Periods, Movage, Minimums</b>				
<b>CORNWALL DISTRICT</b>	Trip between the eastern limit of the Cornwall District and Cornwall or the pilot boarding station near Saint-Régis, Quebec	\$6,883	\$7,193	4.5%
	If a ship does not transit the entire district, the following charges apply:			
	(a) basic charge per statute mile; plus	\$52.60	\$54.97	4.5%
	(b) basic charge for each lock transited; with	\$880	\$920	4.5%
	(c) minimum basic charge	\$1,771	\$1,851	4.5%
	Basic charge for movage	\$2,652	\$2,771	4.5%
<b>INTERNATIONAL DISTRICT #1</b>	Basic charge per statute mile	\$45.05	\$47.08	4.5%
	Basic charge for each lock transited	\$601	\$628	4.5%
	The minimum basic charges for a trip through the district	\$1,315	\$1,374	4.5%
	The maximum basic charges for a trip through the district	\$5,776	\$6,036	4.5%
	Basic charge for movage	\$1,984	\$2,073	4.5%
<b>LAKE ONTARIO DISTRICT</b>	Basic charges for pilotage services in the district and its undesignated waters and contiguous waters apply to the following trips: * being present on board, for a six-hour period or part of a six-hour period, in the undesignated waters and contiguous waters of Lake Ontario	\$1,556	\$1,626	4.5%

	Billed		2024 VS
	2023	2024	2023
	Tariff A	Tariff B	Increase A/B

**BASIC CHARGE FOR PILOTAGE SERVICES, including Locks, Mileage, Periods, Movage, Minimums**

INTERNATIONAL DISTRICT NO. 2	If a ship, during its passage through the Welland Canal, docks or undocks for any reason other than instructions given by the St. Lawrence Seaway Management Corporation, the following charges apply:			
	(a) basic charge per statute mile; plus	\$137.57	\$143.76	4.5%
	(b) basic charge for each lock transited; with	\$511	\$534	4.5%
	(c) minimum charge	\$1,710	\$1,787	4.5%
	Basic charges apply to the following trips:			
	* through the Welland Canal, if the pilot is changed at Lock 7			
	(a) for that portion of the passage between the northern limit of the Canal and Lock 7	\$3,155	\$3,297	4.5%
	(b) for that portion of the passage between Lock 7 and the southern limit of the Canal	\$3,155	\$3,297	4.5%

INTERNATIONAL DISTRICT NO. 2	* between Southeast Shoal and Toledo or any point on Lake Erie west of Southeast Shoal	\$3,373	\$3,525	4.5%
	* between points on Lake Erie west of Southeast Shoal	\$1,992	\$2,082	4.5%
	* between Southeast Shoal and the Port Huron Change Point or any point on the St. Clair River, if the pilot is not changed at the Detroit pilot boat	\$5,867	\$6,131	4.5%
	* between Southeast Shoal and Detroit, Windsor or any point on the Detroit River	\$3,373	\$3,525	4.5%
	* between Southeast Shoal and the Detroit pilot boat	\$2,442	\$2,552	4.5%
	* between Toledo or any point on Lake Erie west of Southeast Shoal and the Port Huron Change Point, if the pilot is not changed at the Detroit pilot boat	\$6,801	\$7,107	4.5%
	* between Toledo or any point on Lake Erie west of Southeast Shoal and Detroit, Windsor or any point on the Detroit River	\$4,380	\$4,577	4.5%
	* between Toledo or any point on Lake Erie west of Southeast Shoal and the Detroit pilot boat	\$3,373	\$3,525	4.5%
	* between Detroit, Windsor or any point on the Detroit River and any point on the Detroit River	\$1,992	\$2,082	4.5%
	* between Detroit, Windsor or any point on the Detroit River and the Port Huron Change Point or any point on the St. Clair River	\$4,415	\$4,614	4.5%
	* between the Detroit pilot boat and any point on the St. Clair River	\$4,415	\$4,614	4.5%
	* between the Detroit pilot boat and the Port Huron Change Point	\$3,427	\$3,581	4.5%
	* between points on the St. Clair River	\$1,992	\$2,082	4.5%
	* between the Port Huron Change Point and any point on the St. Clair River	\$2,442	\$2,552	4.5%
	Basic charges for pilotage services in the district and its undesignated waters and contiguous waters apply to the following trips:			
	* being present on board, for a six-hour period or part of a six-hour period, in the undesignated waters and contiguous waters of Lake Erie	\$1,298	\$1,356	4.5%
	* pilotage services consisting of a lockage and a movage between Buffalo and any point on the Niagara River below the Black Rock Lock	\$2,551	\$2,666	4.5%

		Billed		2024 VS
		2023	2024	2023
		Tariff	Tariff	Increase
		A	B	A/B
<b>BASIC CHARGE FOR PILOTAGE SERVICES, including Locks, Mileage, Periods, Movage, Minimums</b>				
<b>INTERNATIONAL DISTRICT NO. 3</b>	Basic charges for pilotage services in the district and its designated waters and contiguous waters apply to the following trips:			
	(a) other than a movage, between the southern limit of the District and the northern limit of the District or the Algoma Steel Corporation Wharf at Sault Ste. Marie, Ontario	\$4,657	\$4,867	4.5%
	(b) other than a movage, between the southern limit of the District and Sault Ste. Marie, Michigan, or any point in Sault Ste. Marie, Ontario, other than the Algoma Steel Corporation Wharf at Sault Ste. Marie, Ontario	\$3,900	\$4,076	4.5%
	(c) other than a movage, between the northern limit of the District and Sault Ste. Marie, Ontario, including the Algoma Steel Corporation Wharf at Sault Ste. Marie, Ontario, or Sault Ste. Marie, Michigan	\$1,754	\$1,833	4.5%
	(d) basic charge for movage	\$1,754	\$1,833	4.5%
	Basic charges for pilotage services in the district and its undesignated waters and contiguous waters apply to the following trips: * being present on board, for a six-hour period or part of a six-hour period, in the undesignated waters and contiguous waters of Lake Huron, Lake Michigan, or Lake Superior.	\$936	\$978	4.5%

**b. detention and delay charges – increase of 4.5%**

- Detention and delay hourly rates at \$216
- The maximum basic charge payable for detention and delay for any 24-hour period - \$5,184

**c. cancellation charges – increase of 4.5%**

- Cancellation hourly rates at \$216
- Basic charge payable each time there is a cancelled order in any of the districts - \$ 2,466

**d. over carriage charges – increase of 4.5%**

- Basic charge of \$ 670

**e. pilot transfer charges – increase of \$6 for Cornwall and \$7 for District #2**

- Basic charge of \$148 for Cornwall district
- Basic charge of \$172 for District 2

**f. pilot boat finance recovery charges – increase of 4.5%**

- Basic charge of \$340 for District 1, 2 and Lake Ontario
- Basic charge of \$105 for District 3

**g. docking, undocking and stoppage charge – increase of 4.5%**

- Basic charge of \$1,324 for all district

**h. request for pilotage services – short notice charge – increase of 4.5%**

- Basic charge of \$4,215

**i. pilot travel charges – no changes**

- If a pilot must travel to embark on a ship at a location other than one of the designated boarding points at the extremities of a compulsory pilotage area in order to provide pilotage services
  - during the period beginning on January 1 and ending on March 21 of the same year, a basic charge is payable in an amount equal to the sum of the reasonable travel and other expenses incurred by the pilot in travelling from their residence to the embarking location; or
  - at other times of the year, a basic charge is payable in an amount equal to the sum of the reasonable travel and other expenses incurred by the pilot in travelling from their home base to the embarking location

**j. Churchill pilotage charges – no changes**

- The basic charges for any pilotage service provided in a year are the following:
  - the salary and benefits of the pilot, as contracted, beginning on the day on which the pilot departs from their home base in order to provide the pilotage services set out in the initial request and ending on the day on which the pilot returns to that home base
  - the travel expenses of the pilot, starting from and ending at the pilot's home base, including transportation, meals and lodging
  - (the cost of the pilot's use of a pilot boat, helicopter or other means of transportation); and
  - an additional charge of 15% on the total to cover administrative and assignment costs.

**k. assignments of more than one pilot – no changes**

- If more than one pilot is assigned to a ship, the above noted pilotage charges must be multiplied by the number of pilots assigned.

**l. apprentice-pilot training surcharge – no changes**

- Surcharge of 5%

**m. Pilotage Act administration surcharge – increase of \$2**

- Basic charge of \$34

## DEFINITIONS AND CALCULATIONS

Pilotage charges are applied to a pilotage assignment based on the type of movement, status of pilotage requirements for the area, and the interpretation and definitions below:

### Definitions

**Authority** means the Great Lakes Pilotage Authority;

**Breadth** has the same meaning as in Division 3 of the *General Pilotage Regulations*;

**Cancelled order** is when a request for pilotage services is cancelled by the owner, master or agent of the ship after the request was accepted;

**Cancelled sail** is when, after a pilot reports for duty at a designated boarding point, the ship is overdue to sail by at least three (3) hours;

**Cornwall District** has the same meaning as in Division 3 of the *General Pilotage Regulations*;

**Depth** has the same meaning as in the *General Pilotage Regulations*;

**Designated waters** means the waters in International Districts Nos. 1, 2 and 3;

**International District No. 1** has the meaning assigned in Division 3 of the *General Pilotage Regulations*;

**International District No. 2** has the meaning assigned in Division 3 of the *General Pilotage Regulations*;

**International District No. 3** has the meaning assigned in Division 3 of the *General Pilotage Regulations*;

**Length** has the same meaning as in the *General Pilotage Regulations*;

**Movage** means the shifting of a ship from one place to another within the confines of a port but does not include shifting carried out solely by means of a ship's lines for the purpose of loading or unloading cargo or clearing berthing space for use by another ship;

**Port of Churchill** is the reference to "all the navigable waters, including any foreshore, commencing at the northern extremity of Arviat (formerly called Eskimo Point) and running on a course due north to a point distant five nautical miles from the northernmost extremity of Arviat; thence, on the circumference of a circle with the said northernmost extremity as a centre, easterly and southerly to the shore of Hudson Bay at the high-water mark; thence, following the said high-water mark westerly to Cape Merry; thence, following the high-water mark on the eastern shore of the Churchill River upstream as far as the tide ebbs and flows; thence, across the Churchill River to its western shore; thence, northerly and following the high-water mark downstream to the point at Old Fort Prince of Wales and across to Arviat and to the place of beginning";

**Undesignated waters** means the Canadian waters of Lake Ontario, Lake Erie, Lake Huron and Lake Superior that are not designated waters.



### Weighting Factor of Pilotage Charges

The following pilotage charges are based on a flat rate with no weighting factor:

- pilot transfer charges;
- pilot boat finance recovery;
- docking, undocking, and stoppage;
- short notice;
- Pilot travel expenses and pilot boat recoveries; and
- Port of Churchill charges.

The following pilotage charges are subject to a weighting factor based on the pilotage unit, as calculated below:

- basic charges, including locks, mileage, periods, movage, minimums and maximums;
- delays and detentions;
- cancellations; and
- overcarriage.

The weighting factor of a ship for the various locations is set out in column 1 and whose pilotage unit is set out in column 2 of the following table is set out in column 3:

Item	Column 1 Locations	Column 2 Pilotage Unit	Column 3 Weighting Factor
1	Anywhere other than the Port of Churchill	Not more than 49	1.00
2	Anywhere other than the Port of Churchill	More than 49 but not more than 159	1.15
3	Anywhere other than the Port of Churchill	More than 159 but not more than 189	1.30
4	Anywhere other than the Port of Churchill	More than 189 but not more than 219	1.45

### Pilotage Units

The pilotage unit of a ship is based on the following calculation:

$$\text{Length of the ship} * \text{Breadth of the ship} * \text{Depth of the ship}$$

283.17

**Annex A:** Letter of representation received from the Shipping Federation of Canada.



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January 19, 2024

Antony Sebastiampillai  
Chief Financial Officer  
Great Lakes Pilotage  
Authority 202 Pitt Street, 2nd  
Floor Cornwall ON K6H 5R9

Via email: [apillai@glpa-apgl.com](mailto:apillai@glpa-apgl.com)

**Re: Notice of Proposed Pilotage Charges 2024, December 20, 2023**

Dear Mr. Sebastiampillai,

The Shipping Federation of Canada, which represents the owners, operators and agents of ocean ships trading between Canadian and overseas ports, submits the following comments in response to the Great Lakes Pilotage Authority's (GLPA) *Notice of Proposed Pilotage Charges*, dated December 20, 2023.

**Service Charge Increases**

The Federation is strongly opposed to the GLPA's planned 4.5% increase. Based on the information presented to the Federation, this level of increase is necessary in order to meet current and future financial commitments. However, it should be noted that the GLPA has been in healthy financial positions in the past, but on a consistent basis these strong positions become eroded for one reason or another.

Such is the case again in 2023, when the GLPA would have ended the year in an exceptionally strong financial position if it had not been faced with a \$4.5M one-time payment anomaly. It should be noted that this "one-time charge" was not a result of factors beyond the GLPA's control, but a factor that resulted due to a management error. Industry should not be expected to absorb such costs.

The Federation would once again strongly urge the GLPA to re-consider the proposed 4.5% increase in favour of a lower amount, that would still allow the GLPA to meet its financial obligations, but with a lower end of year surplus for 2024, and not pass the full impact of the one-time payment along to industry.

It is noted that the 5% surcharge for apprentice pilots remains in place for 2024. In light of the fact that the intent of this surcharge has not produced any meaningful results (ie recruiting more pilots) and in consideration of the new collective agreement that has been designed to incent recruitment and retention of pilots, that this surcharge should be removed immediately. The Federation would further assert that all funds collected to date under this surcharge should be quantified to industry, with the view to providing a full rebate to industry due to its lack of effectiveness.

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**SHIPPING FEDERATION OF CANADA**

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## **Service Delivery**

While service charges continue to increase, the industry does not see an appropriate rate of improvement to service levels. Although the data presented by the GLPA shows some improvement with respect to delays, it must be noted that the level of delays remain at an unacceptable level and continue to cost industry millions of dollars annually.

## **Consultation**

The Federation would like to go on record in response to certain representations that were made in section 9 of the GLPA § Details and Principles Regarding Proposed Pilotage Charges 2024 December 20, 2023. In particular, the formal consultation that took place on November 28, 2023 was at the sole insistence and behest of the Federation. There had been no communication from the GLPA with respect to very important financial matters related to a specific collective agreement that the Federation had been altered to by a third party (a Federation member company with no business activity with the GLPA whatsoever). Furthermore, the date on which this meeting took place did not allow adequate time for follow-up questions and analysis, prior to the GLPA issuing it § notice on Dec 20.

Therefore, it is the position of the Federation that the consultation process was severely lacking on the part of the GLPA and did not meet the intent as set out in legislation.

Sincerely,



Chris Hall  
President &  
CEO