

MEMORANDUM OF ARRANGEMENTS, GREAT LAKES PILOTAGE, BETWEEN THE SECRETARY OF TRANSPORTATION OF THE UNITED STATES OF AMERICA AND THE MINISTER OF TRANSPORTATION OF CANADA

On June 29, 1966, the Secretary of Commerce of the United States and the Minister of Transport of Canada entered into a Memorandum of Arrangements concerning Great Lakes Pilotage, superseding the Memorandum of May 1, 1961, on the same subject. The 1966 Memorandum was subsequently amended on October 6, 1967, and on April 25, 1968.

The preamble to the amendment of April 25, 1968, stated that the pilotage system would be placed under continuing review and study with the objective of improving its efficiency and effectiveness. On the basis of this continuing review, the Minister of Transport and the Secretary of Transportation have concluded that certain additional changes in the Memorandum are required.

Section 5(a) of the Memorandum requires that each dispatching office perform billing, collecting and accounting functions. This requirement should be changed to allow the Secretary and the Minister to establish consolidated and more efficient billing, collecting and accounting services.

The Minister and Secretary have also concluded that certain rate changes should be adopted at this time. The rates recommended herein are designed to assure adequate pilot compensation for the 1969 shipping season, while keeping the costs to the shipowner as low as practicable. The Minister and Secretary contemplate that these rates will be effective only for the remainder of the 1969 shipping season. The present rate structure does not take into consideration the size of a vessel or, in some cases the length of the voyage, and should be replaced with a new structure that more effectively measures pilot workload. The Minister and Secretary have agreed that the new rate structure is to be developed and made effective prior to the 1970 shipping season.

The Minister and the Secretary have agreed that a number of other minor changes to the Memorandum should also be adopted. The functions of the Secretary of Commerce with respect to Great Lakes Pilotage are now exercised by the Secretary of Transportation, and the limits of the designated waters have been changed since the Memorandum was last amended. Section 6 should be clarified to show that the mileage charges for pilotage services are computed on the basis of statute miles.

In view of the foregoing, the Minister of Transport and the Secretary of Transportation recommend to their respective governments that the Memorandum of Arrangements of June 29, 1966, as amended, be superseded by a new Memorandum of Arrangements reading as follows:

**MEMORANDUM OF ARRANGEMENTS
GREAT LAKES PILOTAGE**

DEFINITIONS

1. For the purposes of this Memorandum the following definitions apply:
 - (a) "Designated waters" means the waters of Districts 1, 2, and 3.
 - (b) "District 1" means all the waters of the St. Lawrence River from the International Boundary at St. Regis, Quebec, to a line running from