



COMPETITION AND MARINE PILOTAGE

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Good afternoon, distinguished guests and fellow pilots.

I am very pleased to be in Cartagena, participating in the Fifth Forum of Latin American Pilots.

There are many familiar faces here and I especially value this occasion as an opportunity to renew acquaintances and friendships that I have developed over the years with so many of you.

I have attended all four previous Latin American Forums and, in every case, I have been impressed with the quality of the discussions and the spirit of collegiality. It is good for pilots to get together, to discuss important issues and to develop a stronger sense of common understanding and unity.

As important as it is for pilots to meet among themselves, it is equally important that events such as this one become occasions to bring together other people also concerned with the well-being of the marine industry.

We share with many others the belief that a vibrant and safe maritime system – moving goods efficiently and cost-effectively – is essential for prosperity in Latin America and everywhere in the world. It is important that we reach out to these like-minded people, establish common ground with them and identify areas where we can work together.

Through my work with both the International Maritime Pilots' Association and the Canadian Marine Pilots' Association, I have had many occasions to talk to both marine pilots and to other members of the maritime community around the world about the importance that a well-regulated and independent pilotage system has in maintaining safe navigation. It will not be a surprise to you that my topic for today is the same subject. Old habits die hard!

I come by my conviction honestly. I was licensed as a marine pilot over 40 years ago and since then I have helped navigate a good number of ships to and from ports along the St. Lawrence River and eastern Canada.

Everything in my experience as a pilot in Canada, and everything that I have learned about pilotage everywhere else in the world, convinces me that an independent system is the only way to ensure safe pilotage.

When we speak about an independent pilotage system, we mean a system that allows pilots to exercise their professional, independent judgement, without commercial pressure. It is in the public interest for pilots to not commence, or to be able to stop, a high-risk or an unsafe operation without fear of adverse consequences to their careers or their livelihood.

Competition between licensed pilots would do great damage to the independence – and effectiveness – of pilotage. In such circumstances, pilots would inevitably be subject to undue pressure to accommodate commercial needs, even at the expense of safety and the public interest. The experience in jurisdictions where competition has been tried convincingly demonstrates this point.

In an environment where competition rules, it would be very difficult to avoid situations where one pilot is asked to move a vessel after another pilot has refused to do so for reasons of safety.

In point of fact, this competitive pressure which can so easily compromise safety would not even have to be explicit. Competitive pilotage has an insidious character of its own, doing tremendous damage as, over time, one group of pilots is rewarded for taking more risk, while another group loses favour – and money – for not doing so.

Would anybody be comfortable landing at an airport where air traffic controllers competed with each other for assignments and where aircraft operators could, for reasons of operational expediency, favour those controllers who were more tolerant of risk?

Pilots have long argued that the public interest is best served when pilotage services are provided exclusively through independent public authorities; that the absence of commercial pressure leaves pilots free to exercise sound, independent judgment in the course of performing their professional duties.

Not only does this save lives, it protects the environment and improves the cost-effectiveness of shipping operations.

In other words, the independent provision of pilotage protects the public interest.

I don't think there are many people in this audience who will disagree with what I have just said. To most of us, it is almost self-evident that an independent pilotage service, free of competitive and commercial pressure, is the best way to ensure safe operations.

So why is it that, year after year, we return to this question and, in one jurisdiction or another, find ourselves defending the professional independence of pilots and fighting against the introduction of competition?

There is one obvious reason: some shipping interests are blinded by the prospect of cost savings they believe will result from a competitive pilotage system. The fact that these savings have seldom been realized in those instances where competition has been introduced does not seem to dim their hopes.

But while the possibility, however illusory, of lower costs for some ship owners might be appealing to a few people – mainly the ship owners themselves! – it really does not explain why the wider marine community and government policy-makers would ever consider the introduction of competitive pilotage.

I believe the most common reason why competition is given serious consideration is because the existing pilotage system is not performing as well as it should and as well as it can.

In other words, as pilots, we are often our own worst enemies. Even if the professional competence of pilots is not in question, there are two very significant ways pilots can damage their credibility with maritime stakeholders.

The first is to appear unresponsive to industry needs and the business imperative with which ship owners must conduct their operations.

For pilots, it must always be safety first. But that should never mean not taking account of our clients' needs and showing flexibility and sometimes going an extra mile to accommodate their requirements. Too often, pilots have lost sight of the fact that we are part of a collaborative enterprise. We should not fall into the trap of confusing our independence with indifference.

If users are happy with our service, if they feel we understand their needs and, to the extent that we can do so without jeopardizing safety, are ready to help them get their job done, they are unlikely to spend time looking for a different system.

Pilots have a monopoly to provide pilotage service. The best way to maintain this monopoly – which is not only justifiable, it is essential for safety – is to act as if it is not a monopoly.

Providing outstanding, customer-focused service is an excellent way to convince users that a non-competitive pilotage system can be responsive and serve their interests.

This brings me to the second way pilots sometimes damage their own case. It is not unusual for monopoly services to overcharge simply because they can. Again, to succeed, pilots must act as if they did not have a monopoly.

They must be careful to be moderate and reasonable in their financial demands so they cannot be accused of gouging a captive market. Nothing sends a customer looking for a new service-provider faster than the suspicion that they are being taken advantage of and are being overcharged.

Of course, pilots are entitled to fair compensation. Their years of training and experience, and their very special local knowledge are extremely valuable.

But, ultimately, the price charged for pilotage must be perceived as being related to the value of the service provided. If it is otherwise, the system will be vulnerable to challenge and consistently under attack.

I started my remarks today by saying how important it was for pilots to not only meet together, but to also develop strong links with other members of the maritime community.

We need to show a genuine and lively interest in their concerns and preoccupations and we need to explore with them ways in which we can help address their challenges.

Pilots occupy a very important and, in some ways, a privileged position in maritime transportation. With that, comes the responsibility to be responsive and to position ourselves as true partners.

If we succeed in doing this, we will significantly diminish the chances that those calling for competitive pilotage will prevail.

In my experience, if we can keep our own house in good order, it will stand for a very long time.

Thank you!