



# ***The St. Lawrence Seaway: A Vital National Economic Asset***

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# *Did You Know That...*

## **The Great Lakes St. Lawrence Seaway System...**

- Is governed by international treaty between the world's two largest trading partners?
- Is connected to the North Atlantic via 16 locks and numerous channels?
- Has over 8000 miles of coastline with some of the most environmentally sensitive estuaries in the world?
- Connects the largest agricultural and industrial markets to the world economy?
- Is situated among some of the largest cities in the Northern Hemisphere?
- Has one of the most integrated and efficient intermodal transportation systems on the face of the globe?, and
- **Supports over 227,000 jobs, and annually generates \$33.5 billion in business revenue, \$14.1 billion in wages & salaries, and \$4.6 billion in taxes paid?**



# ***A Vital Link to the Heart of North America***



# ***The Great Lakes St. Lawrence Seaway***



***A vessel transiting the Seaway crosses the international border 27 times between Montreal and Lake Erie.***

# ***A Unique Binational Trade Corridor***

- Integrated Vessel Traffic Control System
- Joint Seaway Vessel Inspections in Montreal
- Combined Ballast Tank Inspections
- Jointly issued Seaway Rules and Regulations
- Coordinated Infrastructure Reinvestment Programs
- Promote the GLSLS as a Single System/Market



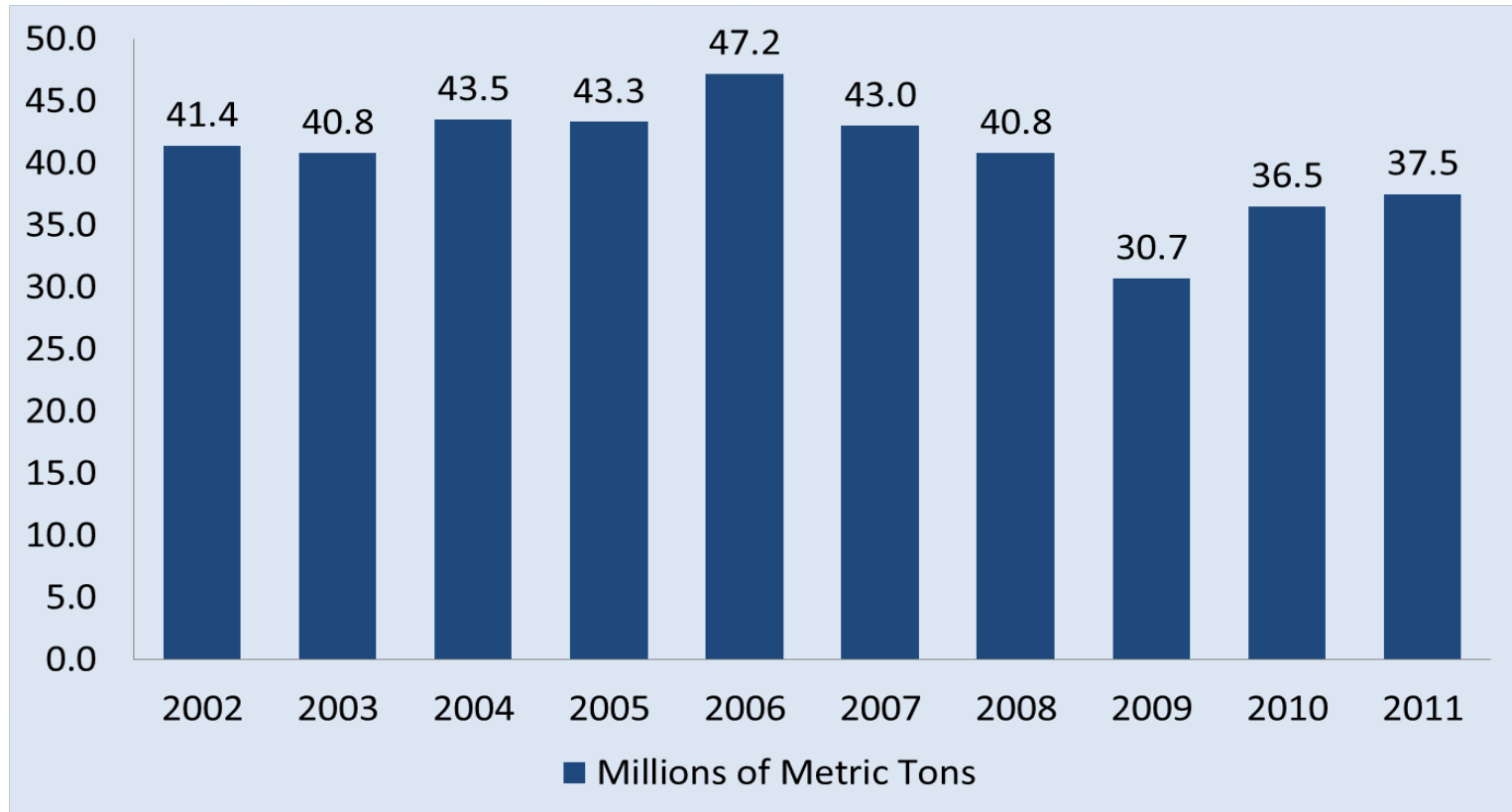
**Primary Goal:**  
**A “Seamless” Transit Experience for Seaway Users**

# *Seaway Snapshot*

- Opened in 1959 – 52 Years of Operation
- 423m/681km long (Montreal – Lake Erie)
- Annual Transits: 4,200 vessel transits from over 50 countries (2011)
- Bulk-Commodity System (Grain, Iron Ore, Steel)
- 2011: \$4.2 billion = value of cargo shipped through the Seaway
- 15 Locks (2 U.S. & 13 Canadian)
- Season: March to January
- Annual Tonnage: 38m tons (2011)
- Major Overseas Markets: N. Europe, N. Africa, S. America
- 1959-2011: 2.6 billion metric tons of cargo, valued at \$375 billion has moved through the St. Lawrence Seaway



# ***2002-2011 Seaway Traffic: A Harbinger of the Overall Economy***



# *Major Cargo Categories*

- Bulk cargoes (94%)
  - Iron Ore
  - Coal, coke
  - Limestone
  - Grain (wheat, corn, soybeans)
  - Cement, salt, stone, petroleum
- General (6%)
  - Steel Products
  - Forestry products
  - Project cargoes
  - Wind Energy Components



# *Leverage the Seaway's Strengths*

- **Strategic Location**
- **Cost Effectiveness**
- **Reliability**



# ***Strategic Location***

- **The Great Lakes St. Lawrence Seaway System is the largest inland waterway in the world and links the world's two largest trading partners.**
- **This maritime trade corridor stretches 3,700km/2,300m from Duluth to the Gulf of St. Lawrence.**
- **Over 150 million people reside within 8 hours of the GLSLS System.**
- **The region represents the commercial, industrial, and agricultural heartland of Canada and the United States.**
- **80 percent of the North American steel production.**
- **25 percent of the Canadian and 7 percent of U.S. agricultural output based in the region.**
- **The waterway lies at the heart of the most concentrated road and rail network in the world.**



# ***Strategic Location***

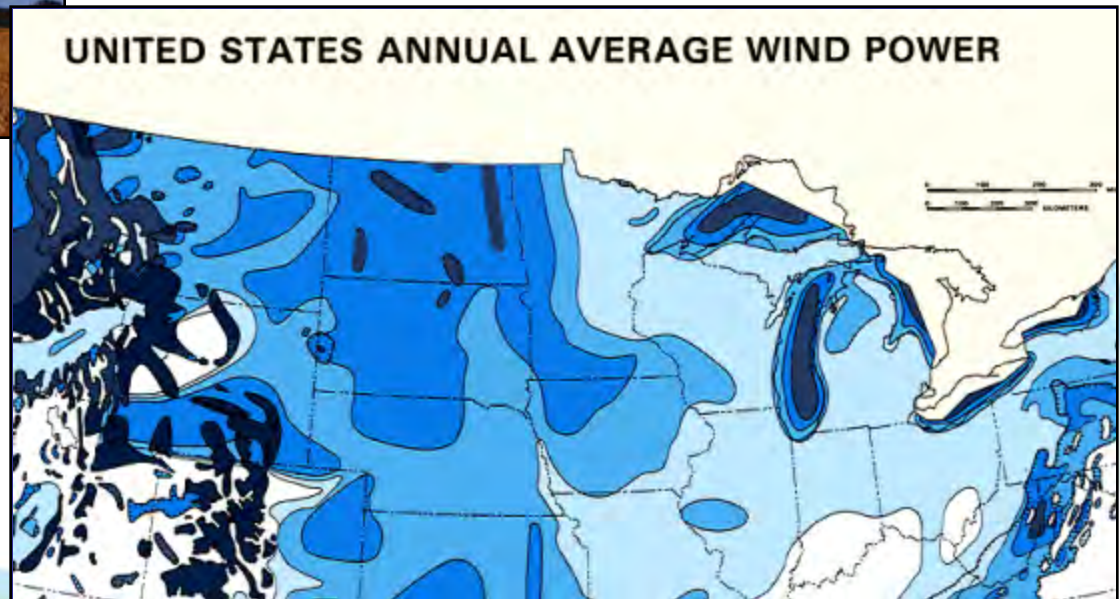
- Iron ore, coal, grain, steel and stone aggregate are still the **primary Seaway cargoes**.
- However, increasingly high-value **project cargoes** are transiting the Seaway due to the energy and mining industries.
  - Wind components (turbines, towers, blades, nacelles)
  - Hydrocrackers, pressure vessels, generators
  - Pipe (oil and gas)
  - Mining and construction machinery
  - Train locomotives
- **Import-export cargoes** are changing routes to reflect global resource needs:
  - Minnesota/Michigan iron ore to Quebec for transshipment to China
  - Coal exports to Europe reflecting Ontario move to green energy
  - Steel exports to Macedonia
  - Seaway grain exports surge when Mississippi River high water/barge rates peak



# ***Fastest Growing Cargo Sector - Energy***

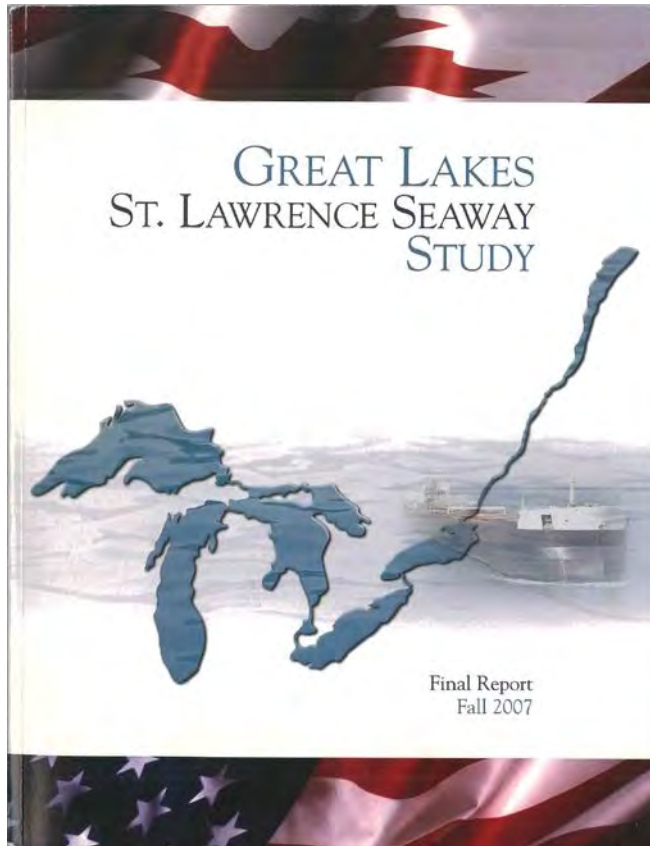


North Dakota



The "Saudi Arabia" of Wind

# Cost Effectiveness



Final Report 2007

Overall, the GLSLS offers shippers an average savings of \$14.80/ton in transportation and handling charges compared to the next-best, all-land transportation alternative. For the [annual] period reviewed, the GLSLS System **saved shippers a total of \$3.6 billion [U.S.] in transportation and handling charges** that they would otherwise have incurred had they used other modes of transportation. (updated in 2009)

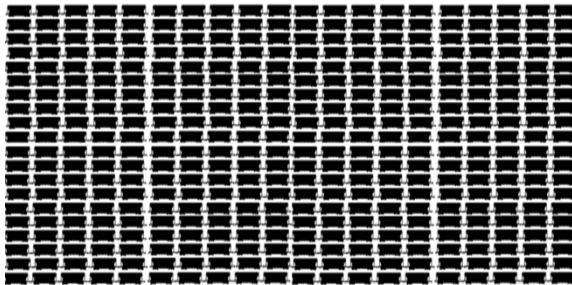


# Cost Effectiveness

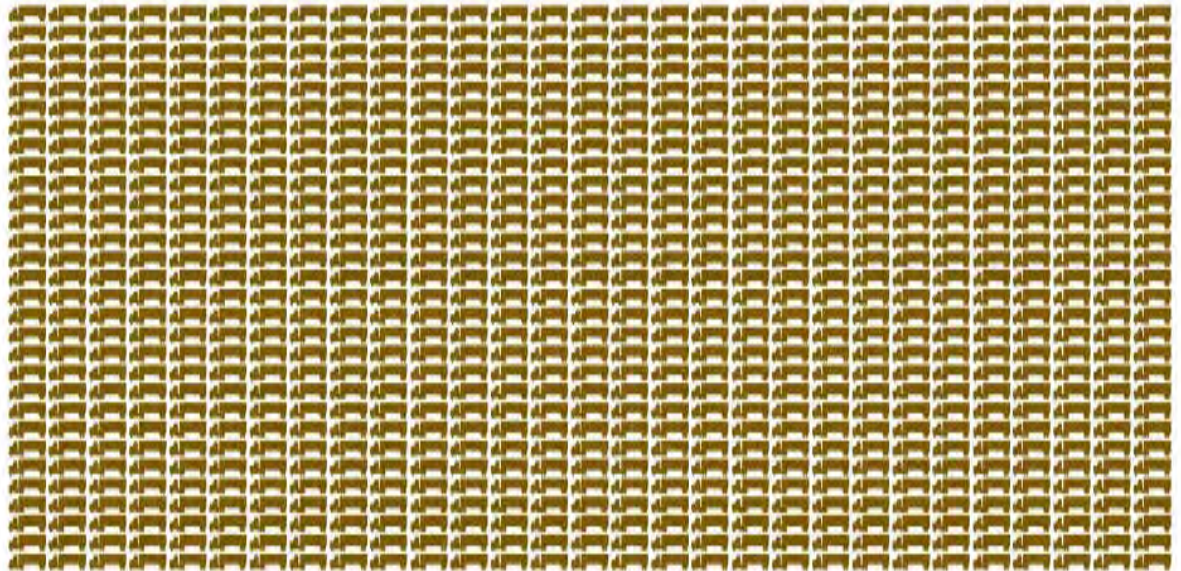


ONE  
ST. LAWRENCE SEAWAY VESSEL

30,000 TONS  
267 TRAIN CARS



0.14 MILE  
1,153 LARGE SEMIS



# *Reliability*

- Despite a harsh climate, the Seaway has an unparalleled reputation for reliability.
- 99.5 percent availability rate in 2011.
- 99.6 percent availability rate in 2012 (through Sept.).
- Due to a rigorous maintenance program, vessel incidents and infrastructure malfunctions are extremely rare.



# ***The Asset Renewal Program***

**A Serious Commitment to Reinvesting in the Seaway's Infrastructure**

**52 Projects -- \$172,000,000**

**2009-2018**

Seaway Locks (34 projects)  
Corporation Equipment (2 projects)  
Seaway International Bridge (2 projects)  
Navigation Channel Dredging (1 project)  
Corporation Facilities (8 projects)  
Seaway Operations (5 projects)  
Contractor Support

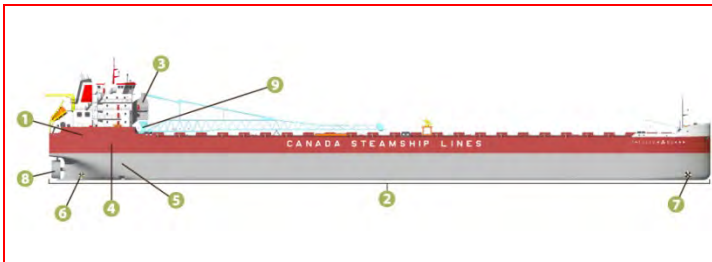


# ***Reliability – Carrier Fleet Renewal***

## **Canadian Laker Fleet Renewal**

## **International Fleet Renewal**

### **Canada Steamship Lines (Trillium Class Vessels)**



### **Fednav Ltd.**



### **Canfornav, Inc.**



### **Algoma Central Corporation (Equinox Class Vessels)**



# ***A Formula for Success***

**Strategic Location +**

**Cost Effectiveness +**

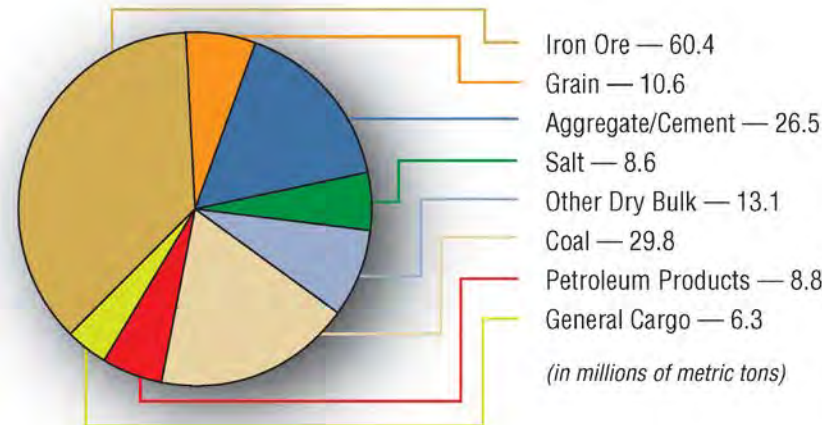
**Reliability =**

***A Solid Foundation for Economic Growth!***



# The Economic Impacts of the Great Lakes – St. Lawrence Seaway System

**SHIPPING**  
=  
**227,000  
JOBS**



**SHIPPING**  
=  
**\$33.5 BILLION  
IN ECONOMIC  
ACTIVITY**

*Transporting over 164 million metric tons & saving shippers \$3.6 billion in transportation costs every year*

## Great Lakes-Seaway Navigation System Economic Impacts — 2010 (USD)

	In the United States	In Canada	Combined Economic Impact
<b>Employment</b> (Direct, Induced and Indirect)	129,000 jobs	98,000 jobs	227,000 jobs
<b>Economic Contribution</b> (Business Revenue)	\$18.1 billion	\$15.4 billion	\$33.5 billion
<b>Personal Income</b> (Wages & Salaries)	\$9.7 billion	\$4.4 billion	\$14.1 billion
Federal Taxes	\$1.7 billion	\$1.3 billion	\$3.0 billion
State/Provincial and Local Taxes	\$1.0 billion	\$0.6 billion	\$1.6 billion
<b>Total Taxes Paid</b>	\$2.7 billion	\$1.9 billion	\$4.6 billion

# ***Economic Benefits of the GLSLS:***

## **ILLINOIS**

Economic Contribution	\$439 million
Total Employment	7,000 Jobs
Personal Income	\$594 million
Local Purchases	\$153 million
Total Taxes Paid	\$166 million

In USD (2010)

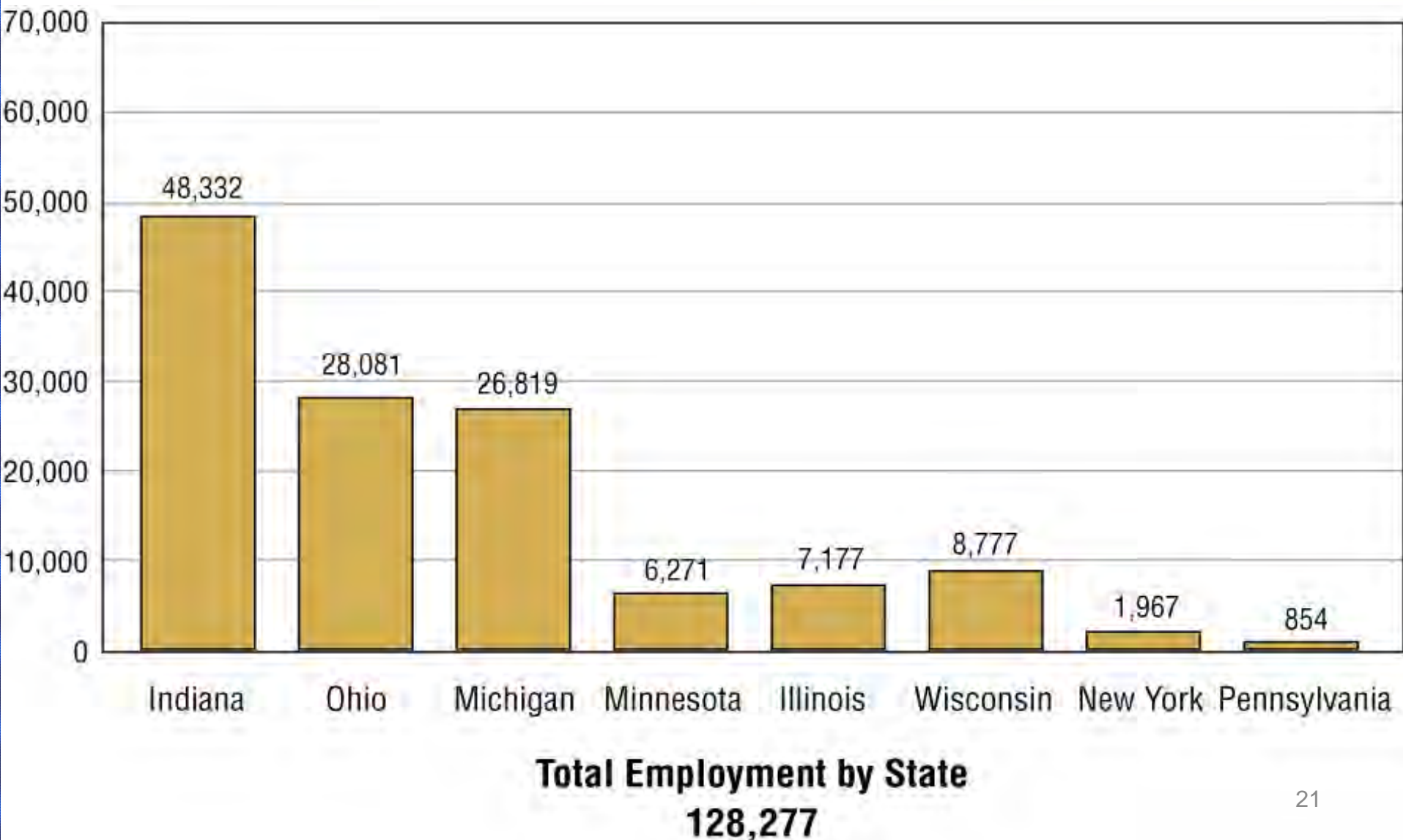
## **INDIANA**

Economic Contribution	\$7.9 billion
Total Employment	48,000 Jobs
Personal Income	\$3.8 billion
Local Purchases	\$1.1 billion
Total Taxes Paid	\$1 billion



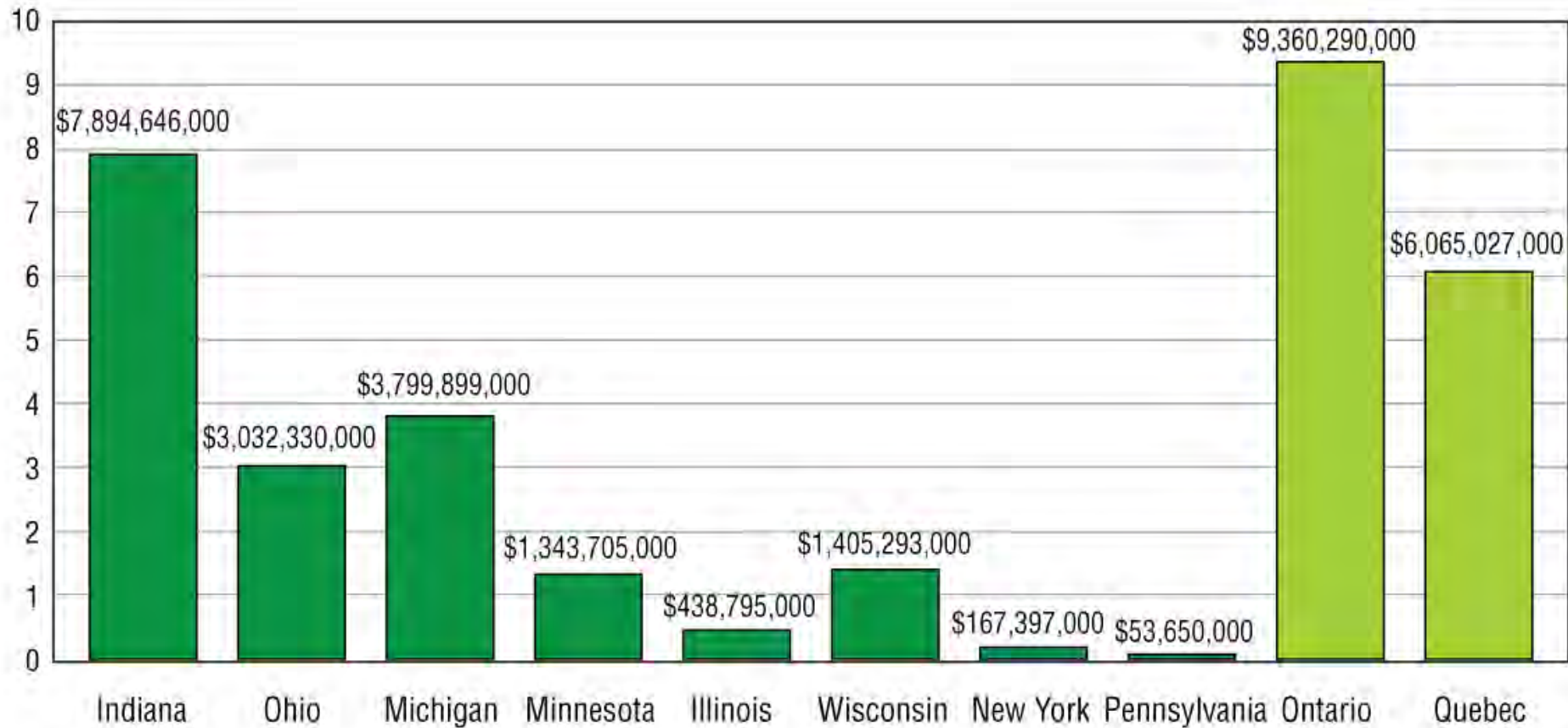
Source: The Economic Impacts of the Great Lakes-  
St. Lawrence Seaway Navigation System  
Martin Associates (October, 2011)

# *Economic Impact Study*



# *Economic Impact Study*

(billions)



**Total Revenue by State/Province**  
**\$33,561,032,000 USD**

# ***The Great Lakes St. Lawrence Seaway System: A Vital National Economic Asset***

- **Strategic Location**
- **Cost Effectiveness**
- **Reliability**



# Thank You !

Many of the reports and other data sources mentioned in this presentation can be found on the Seaway's website:

**[www.greatlakes-seaway.com](http://www.greatlakes-seaway.com)**



AND NOW  
ON  
FACEBOOK!



**Craig H. Middlebrook**  
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**U.S. Department of Transportation**