



# BEAR FACTS

ALGOMA CENTRAL CORPORATION NEWSLETTER • WINTER 2009

## President's Message



In a year when the only news seems to be bad news, I am going to start off with a great news story.

### Import Duty Removal

On October 24<sup>th</sup>, the Department of Finance reported that it was inviting comments on its proposal to eliminate the 25% custom duty on importations of certain types of vessels of a length of 129 metres or more effective January 1<sup>st</sup>, 2010.

This announcement by the Department of Finance is the single most important event for the Canadian Shipping Industry since the opening of the Seaway. As we plan for a significant domestic fleet renewal program, the removal of this 25% duty on vessels constructed outside of Canada moves this process significantly closer to reality.

I would like to personally thank all individuals, both within the company and outside, who have persevered in their efforts to achieve this significant outcome.

### 2009 3<sup>rd</sup> Quarter Results

On November 4<sup>th</sup>, we announced that our 2009 nine month results were reduced by \$8.8 million from the comparable nine month period in 2008.

All business units have been impacted by the depressed economic conditions in North America. Commodity segments such as iron and steel, power generating, agriculture, aggregates and petroleum products are all feeling the impact of the world-wide recession. Accordingly, vessel operating days have been reduced as a result of our customers' lower tonnage requirements.

While there are limited indications to this effect, we continue to be hopeful that 2010 will see improvements in our customer demand.

### Fleet additions in 2009

In December 2008, we took delivery of the *AlgoCanada*, the second of the two petroleum product tankers being constructed in Turkey. The vessel arrived in Canada in January 2009 to join the Algoma Tanker fleet.

In July 2009, we took delivery in Halifax of the *Algoma Dartmouth*, a 3,500 dwt petroleum product tanker. This vessel is chartered from a Turkish owner under a three year bareboat charter arrangement. During this three year period the *Algoma Dartmouth* will operate in the Halifax/Dartmouth harbour as a refuelling vessel.

With these two additions, the Algoma Tanker fleet complement is now comprised of seven double hull vessels.



# Toronto Brigantine

Toronto Brigantine Inc. (TBI) is a non profit organization that delivers youth sail training programs for teenagers 13 to 18 years old, aboard two Tall Ships (Brigantines), STV Pathfinder and TS Playfair. For the past 47 years, TBI has offered an unparalleled platform for adventure based youth programming and has been recognized as an internationally acclaimed pioneer and innovator in the field of youth sail training.

TBI's mission is to:

- Teach good seamanship, personal responsibility, teamwork and self esteem, while building skills in leadership and good citizenship.
- Uphold the concept of a youth-to-youth chain of command based on experience and competence.
- Maintain the heritage of sail on the Great Lakes.



During the summer months, TBI's Brigantines can be found visiting ports around the Great Lakes and occasionally cruising the East Coast. The vessels are commanded by Transport Canada Licensed Captains but they are crewed entirely by seasoned teenagers who have had two to five years of experience sailing with TBI.

Trainees join the ships in transit for seven to eleven day cruises. Trainees learn the basics of sail handling, seamanship and teamwork from the youth crew, while experiencing the thrills

and challenges of living and working aboard a Tall Ship at sea.

***"TBI truly creates character through adventure." Captain David Jones, Algowood.***

From October to June, the ships are moored in Toronto's inner harbour. Over the winter, returning trainees and seasoned officers perform the necessary tasks to winterize and maintain the vessels and prepare them for the upcoming sailing season. In addition to working on the vessels, teenagers in the winter program receive training in seamanship, first aid, navigation, safety and food handling.

From the knowledge and experience that the senior youth officers acquire in the summer and winter programs, they are able to attain Transport Canada licenses in their final year of the program. The trainees and junior officers are required to volunteer 180 hours during the winter program, the senior officers frequently volunteer even more time.

It is a big commitment but for some, the program becomes a gateway to careers in the marine industry. *"We developed leadership skills and learned to work as a team. Being part of the Brigantine helped me decide that I was interested in a career at sea."* 2<sup>nd</sup> Engineer, Eric Wilson, *Tim S. Dool*.

Next year is going to be an exciting year on the Great Lakes. The American Sail Training Association (ASTA) is hosting the Great Lakes United

Tall Ship Challenge 2010. Tall Ships from around the world will be visiting the Great Lakes to compete in this event. TBI is planning to participate in Toronto, Bay City, and Chicago. In addition to this commitment, the vessels will be exploring Georgian Bay and the North Channel, two popular cruising destinations.

For some, including several Algoma employees, this early experience was an important factor in their decision to pursue a career within the marine industry. *"I enjoyed it as a youth and still have fond memories of the ships and the sailing. I joined TBI starting at the age 16 and participated for four years. It spurred my interest in ships and the sea and steered me toward a marine career."* Captain Seann O'Donoghue, *Algoisle*.

In recognition of the good work done by TBI, Algoma has agreed to provide an annual grant of \$2,000 to support their training requirements. In addition, Algoma will provide a \$500 scholarship to the most promising TBI Cadet who chooses to pursue post-secondary marine training at a recognized marine institution.



For more information on Toronto Brigantine Inc., please visit their website at [www.torontobrigantine.org](http://www.torontobrigantine.org) or contact their office by email at [office@torontobrigantine.org](mailto:office@torontobrigantine.org) or call 416-596-7117.