



**PortsToronto Annual General Meeting**

**Chair's Remarks**

**Robert Poirier**

**May 30, 2017**

Good morning

Welcome to PortsToronto's Annual General Meeting. On behalf of my fellow board members – many of whom are here with us today – and the senior management team – who are in full attendance – thank you for joining us here today.

PortsToronto CEO Geoffrey Wilson will take to the lectern in a few minutes to review operational performance in 2016 and go through a few key priorities for 2017. But before he does that I wanted to take a few moments to highlight some of the important initiatives that were undertaken in 2016 in the areas of governance and business planning.

I would like to take this opportunity to officially welcome Darin Deschamps, our newest board member, who was appointed to the PortsToronto board in March of this year. As many of you know, our board is comprised of representation from all three levels of government. We have an appointee from the City of Toronto – Amanda Walton – an appointee from the provincial government – Jan Innes – and the Federal Transport Minister's appointee – Darin Deschamps. The remaining seats on our board consist of individuals nominated by the Minister of Transport in consultation with committees representing four identified industry user groups in our Letters Patent, namely – commercial, recreational, airport and port operations.

We are very proud to report that in 2016 we designed a new user group director nomination process that harmonizes the nomination framework established in our Letters Patent with the Federal government's recently announced open, transparent and merit based process for public appointments. Our new User Group Director Nomination process was endorsed by Transport Canada and has been suggested as a best practice for other Canadian Port Authorities to emulate for their user group Director Nomination processes.

In 2016 we also revised our Corporate Governance Manual, consisting of our Board Mandate and Committee Charters, to reflect best practices from other port authorities and industry leaders. A copy of our Governance Manual can be referenced on our website.

A theme you will hear often in our presentations, because it is at the heart of everything we do and how we conduct our operations, is the fact that PortsToronto is mandated to be entirely financially self-sufficient and self-sustaining and does not receive funding from any level of government. There are no taxpayer dollars supporting any part of our business. As such, our operational activities, infrastructure development projects, environmental initiatives and community investment program are entirely self-funded and dependent on our ability to maintain profitability. To be clear – our strong financial position is important to our operations given that our revenues from operations fund our business, fund new infrastructure, fund renewal and maintenance of existing infrastructure, enable our ability to invest in the community and make relevant contributions to government revenues.

In fact, PortsToronto contributed approximately \$3.2 million in Payments in Lieu of Taxes – or PILTs – to the City of Toronto in 2016. PortsToronto also paid \$3.5 million towards realty taxes and more than \$3.3 million to the federal government for the gross revenue charge – a financial dividend payable annually to our shareholder. When combined with PILTs, this resulted in a

total contribution of more than \$10 million paid into the public purse in 2016. So, not only do we not receive government funding but we actually pay into the government at the local and federal level to the benefit of taxpayers.

That is why it is important that we invest in our business and leverage our assets to ensure we have a strong balance sheet that will enable us to fulfil our federal mandate, as set out by the Canada Marine Act, to manage operations on a self-sustaining basis in order to reinvest funds into marine safety, environmental protection, community programming, and transportation infrastructure.

We were therefore very pleased to have closed the sale of our property at 30 Bay/60 Harbour Streets earlier this month, a deal that was first announced in March 2012 and that will ensure the strong and continued operations of our business. The property at 30 Bay/60 Harbour Streets is private land owned by PortsToronto, and is not federal government property. As such, the proceeds of the sale will be reinvested back into the PortsToronto business, specifically to pay down debt and make infrastructure investments such as repairing aging dock walls and warehouse terminals, building “last mile” road and rail access in the Port area, improving navigation in areas of the harbour, and supporting our corporate social responsibility program.

As important, the historic Toronto Harbour Commission building will be restored and maintained as part of any future development for the site. When the building was constructed in 1918 it sat on the water’s edge as was fitting for an organization with domain over the harbour and its commercial activities. Since then landfill has extended the waterfront south and situated this building off of the waterfront and on the edge of an expanding financial district. Selling this property has obvious financial benefits to our organization but it also has the benefit of better utilizing the property and ensuring that the building will be restored and incorporated into a new development for the enjoyment of future generations.

With this sale now complete we will set our sights to other priorities to ensure a strong future for our organization. One of the key priorities for Ports Toronto is the sustainable and long term position of Billy Bishop Airport within the Southern Ontario Airport Network. As Canada’s ninth busiest airport and a key hub in Toronto and southern Ontario’s transportation and business infrastructure, it is important that we engage all Tripartite partners to ensure the airport achieves its appropriate potential and continues to serve as a vital asset to the City of Toronto and the larger Canadian transportation network.

With that I will turn the stage over to Geoff Wilson. But I would first like to take this opportunity to thank the management and staff at PortsToronto for an extraordinary year of performance. I would like to recognize the professional and talented board members with whom I serve and who have steered PortsToronto to achieve great things last year. I would like to thank our stakeholders and government partners, especially the City of Toronto, Transport Canada and Minister Garneau’s office. And finally, I would like to thank the members of the community who we work with every day to ensure balance and success along the waterfront.

With that I will turn things over to Mr. Geoffrey Wilson, CEO of PortsToronto. Thank you.