

July 29, 2016

The Honourable Marc Garneau, P.C., M.P.
Minister of Transport
House of Commons
Ottawa, ON K1A 0A6

Dear Minister:

Thank you for your letter of July 13th with respect to the Government's new approach to the process for Governor-in-Council (GiC) and Ministerial appointments.

The announcement made by the Prime Minister on February 25th of this year was well received by me and by my PortsToronto board colleagues.

PortsToronto is governed under the Canada Marine Act, and holds itself to a high level of governance, transparency and accountability, conducting its activity in an open, fair and collaborative manner with stakeholders and the community. We are proud of our track record of good governance practices and believe we are a leader among Canada's port authorities.

We are guided by a 9 member Board of Directors composed of individuals appointed by all levels of government – Municipal, Provincial and Federal. The City of Toronto and the Province of Ontario each have a direct governance relationship with PortsToronto via their appointed representatives to the PortsToronto Board of Directors. Of the remaining 7 members, 6 are appointed in consultation with community committees, representing four identified User Groups—commercial, recreation, airport and port operations, and one is made directly by you as Minister of Transport. Our board is both skilled and dedicated in its involvement with our businesses, with a broad base of industry and professional experience, and having participated in over 40 board and committee meetings annually each of the last 4 years- indeed also a reflection of the extraordinary progress we have made in each of our core business units.

This year PortsToronto celebrated its 8th consecutive year of profitability, with all business units demonstrating profitable growth. At the same time we continued to build on our good relations with key stakeholders, chief among them the City of Toronto, with whom we enjoy a highly collaborative relationship, evidenced for example in last year's settlement of our long standing PILTs dispute, and our partnership in the building of the very successful pedestrian tunnel to Billy Bishop Airport.

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PortsToronto owns and operates | PortsToronto possède et exploite :

BILLY BISHOP | AÉROPORT | PORT OF | PORT DE | OUTER | MARINA DE
TORONTO CITY | BILLY BISHOP | TORONTO | TORONTO | HARBOUR | L'AVANT-PORT
AIRPORT | DE TORONTO | MARINA

PortsToronto has taken steps to ensure our governance practices are current and reflect standards and best practices industry wide. In addition to publishing our audited financial statements annually, we report on executive travel and hospitality expenses quarterly. Executive correspondence is posted to our website, and regular Community Liaison Committee meetings are held to ensure the community and elected officials are kept abreast of all of our activities.

This past March executive management at PortsToronto engaged with Transport Canada staff including directly with the Director General, Crown Corporations and Portfolio Governance, to ensure our board practices and recruitment processes were well aligned with your Government's guidelines. Through this engagement we understand Transport Canada's recommendation that current board members and management of PortsToronto actively solicit interested parties to take part in both the User Group and Ministerial nomination processes and we intend to support these processes by doing this. Additionally, we are currently working together to revise and update our User Groups platform along the lines you outline in your letter.

We have also recently undertaken an updating of our full Board Governance Manual, incorporating best practices from other port authorities and industry leaders.

We are highly supportive of the announced policy for federal appointments, and proud of PortsToronto's long standing leadership among port authorities in the area of governance best practices.

Please don't hesitate to contact me should your office wish to discuss further.

Sincerely,

PORTSTORONTO

A handwritten signature in blue ink, appearing to read 'R. Poirier', with a large, stylized initial 'P' at the start.

Robert D. Poirier
Chairman