

SEASpan SHIPYARDS

an Economic Engine for Canada

BY JOETHEY ATTARIWALA

Seaspan recently made an independent study available to CDR. It's a revealing analysis conducted by Deloitte LLP of the socio-economic contribution of Seaspan Shipyards' operations and activities related to its participation in the National Shipbuilding Strategy (NSS). Overall, the numbers tell a strong story of industrial growth and development and illustrate how Seaspan Shipyards, through its NSS work and its investments in infrastructure, innovation and people, is an important economic engine for BC and Canada.

Prepared in February 2020, the study examines the economic impact of Seaspan Shipyards' overall operations (as of December 31, 2018) and of the company's work under the NSS program (as of December 31, 2019).

From 2012 to 2019, Seaspan's NSS-related activities contributed \$1.5 billion to Canada's Gross Domestic Product (GDP) and for every

\$1 spent on Seaspan Shipyards' NSS-related activities, Deloitte concluded there was \$1 in direct and indirect socio-economic benefit to Canada, and that that amount grows to \$1.30 added to Canada's GDP per dollar spent when induced economic impacts are included.

In fact, economic activity related to Seaspan's involvement in the NSS program overall and at all three Seaspan shipyards, has generated significant revenues at all levels of government. From 2012 to 2019, returns to government (federal, provincial and municipal) for NSS-related activities, totaled \$256 million.

In the study timeframe, 2012 to 2019, Seaspan Shipyards paid out \$837 million in direct labour income and invested \$22 million in training and development to help build a talented, diverse and experienced workforce. This investment funded several skills training and education initiatives and supported women in trades and advanced skills development for indigenous communities.

\$1 BILLION IN NSS CONTRACTS

Seaspan Shipyards also committed \$1 billion in contract value to NSS-related suppliers between 2012 and 2019. During the same timeframe, Seaspan awarded \$833.9 million in NSS-related contracts to over 660 Canadian suppliers from coast to coast. Of those, over 360 were small and medium-sized enterprises (SMEs), who account for nearly half of Canada's GDP.

The report also shows how working with Seaspan Shipyards and with other businesses in its supply chain, offers suppliers the opportunity to learn and leverage innovative approaches, tools, and best practices. Suppliers thus gain valuable experience and have the opportunity to advance their reputations and pursue new markets.

A case in point is Genoa Design International. Based in Newfoundland and Labrador, the company began working with Seaspan in 2012 with a team of fewer than 20 employees but today that has grown to a staff of over 200 strong.

CDR talked to CEO Gina Pecore to learn more about the Genoa story, "Since we started working on NSS activities, Genoa has directly contributed more than \$100 million to the Canadian and Newfoundland and Labrador economies, spending not only on our operations, but also on developing our ready and capable workforce, modernizing and expanding our footprint and facilities, upgrading our technologies and tools, and investing in our local communities where they need it."

Pecore explained, "With a shared, long-term, stable NSS vision of rebuilding the industry's workforce, we've invested more than 20,000 hours of technical and professional training through the Genoa Academy, hired more than 120 graduates from Memorial University's Marine Institute and the College of the North Atlantic, and created more than 30 work term positions. The opportunities this collaboration and program have presented have allowed us to develop into the company we are today — ready and able to serve bigger programs that need everything we offer."

As the Deloitte study clearly shows, a key objective of the NSS, namely the development of a robust and sustainable shipbuilding industry in Canada, is being achieved in spades from one coast to the other! ■

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Main Photo: Seaspan suppliers like Genoa Design have the opportunity to advance their reputations and pursue new markets



Genoa Design International has contributed more than \$100m to the Canadian and Newfoundland and Labrador economies said Gina Pecore, CEO of Genoa Design