Standing Committee on Finance (FINA)

Pre-budget consultations 2012

Port Metro Vancouver

Responses

1. Economic Recovery and Growth

Given the current climate of federal and global fiscal restraint, what specific federal measures do you feel are needed for a sustained economic recovery and enhanced economic growth in Canada?

During this time of fiscal restraint, Port Metro Vancouver believes the federal government should focus on long-term planning of strategic infrastructure and make regulatory reforms that do not impact net revenues. As Canada's busiest port, Port Metro Vancouver (PMV) is well positioned to see both the need and benefits to such an approach. Every year, \$75 billion in goods is traded through the Port connecting B.C. and Canada to 160 world economies. Port businesses support more than 80,000 jobs in the Lower Mainland and more than 129,000 across the country. One in 12 working people in the Lower Mainland earns a living because of Port- related business. PMV manages land, water and community and commercial assets along more than 600 kilometers of shoreline, bordering on 16 municipalities and intersecting the traditional territories of several First Nations. And last year, PMV consulted with and sought input at over 200 multi-stakeholder meetings, community open houses, and municipal discussions. Central to much of this work has been the Asia-Pacific Gateway and Corridor Initiative (APGCI). This initiative coordinated the work of three levels of government to activate and leverage hundreds of millions of dollars of private sector investments which in turn create thousands of jobs. APGCI has significantly improved Canada's overall global competitiveness. In order to continue building upon this great initiative while operating in the current fiscal context, focus should be placed on detailed planning and consultation on what the APGCI II initiative would look like. In particular, infrastructure projects of international and domestic trade significance that improve efficiencies, improve the quality of life in communities we operate in, and streamline safe cross boarder movement of goods should be given priority. This includes projects such as the New Westminster Rail Bridge replacement, the George Massey Tunnel replacement and the Deltaport Container Examination Facility. To be truly successful, these infrastructure investments should be complemented by relevant improvements of regulatory frameworks which affect trade. This includes the Species at Risk Act (SARA) improvements to address concerns with respect to the potentially damaging impact on the cornerstone development of additional terminal facilities. Further, a review of the Marine Spill Response regime should lead to increased regulated capacity requirements to ensure that liquid bulk and energy exports trade can be conducted safely and in environmentally responsible manner. PMV is proud to be working towards a future where a strong economy goes hand in hand with a clean environment, healthy communities, and the quality of life we cherish. PMV continues to be a cornerstone of the BC economy and a very important part of the national economy. Its operations would be improved with the adoption of the recommendations made in this submission as PMV continues in its important role.

2. Job Creation

As Canadian companies face pressures resulting from such factors as uncertainty about the U.S. economic recovery, a sovereign debt crisis in Europe, and competition from a number of developed and developing countries, what specific federal actions do you believe should be taken to promote job creation in Canada, including that which occurs as a result of enhanced internal and international trade?

Port Metro Vancouver plays an important role in job creation. Port businesses support more than 80,000 jobs in the Lower Mainland and more than 129,000 across the country. One in 12 working people in the Lower Mainland earns a living because of Port- related business. We recognize that in volatile economic times, providing stable investment opportunities is a key driver of job creation. As such, the federal government should continue to enhance and improve the regulatory frameworks that provide safe and predictable environments for investment. The Asia-Pacific Gateway and Corridors Initiative (APGCI) is a great example of how the federal government can help create an environment for investment, thus creating jobs. The APGCI was a coordinated effort involving all three levels of government that activated and leveraged hundreds of millions of dollars of private sector investments; this in turn created thousands of jobs and improved Canada's overall global competitiveness. Port Metro Vancouver believes that the federal government should continue to build on the progress made under APGCI. Investments need to continue in areas that fall within the normal role of government and should not be subsidizing the private sector or interfering in market competition. Projects that are integral to the functioning of supply chains, such as the New Westminster Rail Bridge replacement, George Massey Tunnel replacement and Deltaport Container Examination Facility should be the priority for government investments. Furthermore, as a nation whose jobs are reliant on trade, the federal government should examine in closer detail legislative and regulatory schemes that may impede job growth and Canada's overall productivity. PMV is a strong supporter of enhanced foreign trade zone legislation and is supportive of the government's efforts to improve rail service reliability.

3. Demographic Change

What specific federal measures do you think should be implemented to help the country address the consequences of, and challenges associated with, the aging of the Canadian population and of skills shortages?

Port Metro Vancouver (PMV) is well aware of the current and forth coming skills shortages Canada faces. The gateway requires the building of critical infrastructure which in turn requires skilled labour, particularly in particular in construction, engineering sectors. As an initial step, PMV proposes that the federal government give the provinces increased flexibility to manage the supply of temporary foreign workers. The government should also look to partnering aboard to develop accreditation mechanisms for those looking to come to work in Canada. This will allow workers to meet Canadian training requirements before they arrive. Taking these steps will mitigate risk when they investment time and money in bringing temporary foreign workers to Canada. It will also provide for a more effective and safe working environment for those temporary foreign workers who chose to come here. As part of the longer term solution to the skills shortages Canada will be facing, PMV recommends the federal government continue to invest in education and training opportunities for Canada's Aboriginal peoples. Canada's Aboriginal population is significantly younger than the population as a whole and over the next 10 years a large number of Aboriginal youth will be looking to enter the labour market. By working with First Nations communities, the private sector and other Aboriginal organizations the federal government can help empower this generation to take advantage of the opportunities the skill shortages present.

4. Productivity

With labour market challenges arising in part as a result of the aging of Canada's population and an ongoing focus on the actions needed for competitiveness, what specific federal initiatives are needed in order to increase productivity in Canada?

Businesses are attracted to predictability and growth, and this is particularly true when they are looking for a stable gateway for trade. Without these factors in place, businesses are much more reluctant to make both the capital and human resources investments that ultimately lead to increased productivity. The federal government can help provide this sustainability and growth by beginning a conversation on improving and modernizing trade and supply chain related labour arrangements. For instance, there is a critical need for improved labour/management relations in the Asia-Pacific Gateway. Vancouver stakeholders have identified 46 labour contracts or contract situations that could impact Gateway operations; these operations see \$75 billion in goods is traded through the Port every year. Even the threat of labour disruption can be as damaging as an actual labour disruption. The federal government should encourage collaborative bargaining between labour and employers and this could be helped by a long term legislative approach.

5. Other Challenges

With some Canadian individuals, businesses and communities facing particular challenges at this time, in your view, who is facing the most challenges, what are the challenges that are being faced and what specific federal actions are needed to address these challenges?

Port Metro Vancouver recognizes that single industry dependent communities and First Nations communities face a particularly challenging set of circumstances under the current economic conditions. For both these sets of communities, increased opportunities for trade and strengthened supply chains would help improve their circumstances. Many single industry communities are not only vulnerable to changes in market demand, but also must have a reliable supply of labour and reliable access to markets. At present a number of single industry communities are limited in what markets they can sell to; this often means they have to sell their goods at below market rates. Opening new trade opportunities for single industry communities will not only help them command a higher price for their goods, but will send important labour market signals that rewarding work opportunities exist in these communities. Increased trade also represents new and important opportunities for many First Nations communities. The sustainable development of natural resources on or near First Nations' lands will create more meaningful job opportunities closer to home than many of these communities have seen in generations. Government and the private sector working in consultative partnerships with First Nations communities can bring about transformational change to many of these communities with new resource development agreements and providing new opportunities for education and training.