



PORT METRO  
**vancouver**

**Federal Pre-Budget Submission**  
**House of Commons Standing Committee on Finance**

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## Executive Summary

- Port Metro Vancouver (PMV) is the most diversified port facility and the number one export tonnage port in all of North America with 28 deep-sea marine cargo terminals, two international cruise terminals and several domestic intermodal short sea shipping terminals, in addition to three Class I railroads.
- PMV, Canada's largest and busiest port, provides a full range of facilities and services to the international shipping community and operates across five business sectors: automobiles, breakbulk, bulk, container and cruise.
- PMV is a non-shareholder, financially self-sufficient corporation, established by the federal government in January 2008, pursuant to the *Canada Marine Act*, and accountable to the federal Minister of Transport.
- PMV borders 16 municipalities and one treaty First Nation while intersecting the traditional territories of several First Nations. PMV works with elected officials, city staff, residents and businesses to balance the needs of the shipping and tourism industries, and local communities.
- PMV facilitates trade with more than 160 world economies, and handles nearly \$500 million worth of cargo daily, fully one-fifth of Canada's international goods trade.
- PMV contributes \$9.7 billion to the annual Canadian GDP and generates a total economic output of approximately \$20.3 billion annually.
- Ensuring the sustainability of Canada's major trade corridors through strategic infrastructure and supporting capital investments is vital to enhancing the competitiveness of the Pacific Gateway and the Canadian economy while maintaining quality of life in the supply chain communities.
- A Centre of Excellence for Marine Transportation of Oil and LNG Commodities in British Columbia would help to ensure the balance between responsible resource development and the health of our environment and communities.

## Recommendations

Port Metro Vancouver and other elements of Canada's Asia-Pacific Gateway and Corridor are essential to supporting and securing Canada's long-term economic prosperity. Given the magnitude and growth in Asia-Pacific trade and overall focus on trade as an economic driver by the government, and the necessity of maintaining and increasing relationships with others in the international export and import community:

- **Port Metro Vancouver recommends that the federal government continue supporting and funding strategic infrastructure developments including projects at the Roberts Bank, the George Massey Tunnel replacement, additional Fraser River rail crossing capacity, and other gateway fluidity supporting capital investments such as road and rail grade separations. Renewed focus will ensure a safe, efficient and prosperous gateway as a key strategic priority that benefits all Canadians.**
- **Port Metro Vancouver recommends that the federal government support the establishment of the Centre of Excellence for Marine Transportation of Oil and LNG Commodities in British Columbia. The centre would help to identify and deliver the highest standards and global best practices for the safe and sustainable handling of oil and LNG commodities.**

## **SUBMISSION**

### **About Port Metro Vancouver**

Port Metro Vancouver (PMV) is Canada's largest and most diversified port, a dynamic gateway for domestic and international trade and tourism, and a major economic force that strengthens the Canadian economy.

PMV, is a non-shareholder, financially self-sufficient corporation established by the federal government, pursuant to the *Canada Marine Act*, and is accountable to the elected federal Minister of Transport. Port Metro Vancouver is Canada's largest port and a leader in environmental stewardship.

### **Canada's Largest and Busiest Port**

Port Metro Vancouver extends along 640 kilometres of shoreline in a region with a population of 2.3 million. It borders 16 municipalities and one treaty First Nation while intersecting the traditional territories of several other First Nations communities. PMV works closely with elected officials, city staff, residents and businesses to balance the needs of the shipping and tourism industries with needs of local communities.

PMV is the most diversified port facility and the number one export tonnage port in all of North America with 28 deep-sea marine cargo terminals, two international cruise terminals and several domestic intermodal short sea shipping terminals. The port is serviced by three intercontinental Class I railways — Canadian National, Canadian Pacific, and Burlington Northern Santa Fe — as well as the short-haul Southern Railway of BC. The port offers easy access to the Trans-Canada and U.S. Interstate highway systems with interconnecting service provided by major trucking lines.

PMV offers a full range of facilities and services to the international shipping community and operates across five business sectors: automobiles, breakbulk, bulk, container and cruise. The port exports Canadian grains, coal, sulphur, potash, oil and gas and other resources and goods from Western Canada and imports consumer products and other goods from the Asia-Pacific region for distribution to hundreds of cities in North America.

The port connects Canada to the world and the world to Canada. About \$184 billion in goods is traded annually with more than 160 trading economies, generating across Canada an estimated 100,000 jobs, \$6.1 billion in wages, and \$9.7 billion in GDP. PMV's annual financial and sustainability reports provide an overview of its social, environmental and economic performance, and is independently assured by a third party. The reports are available online at [portmetrovancover.com/accountability](http://portmetrovancover.com/accountability).

All of PMV's decisions and operations are driven by its mission to lead the growth of Canada's Pacific Gateway in a manner that enhances the well-being of Canadians and inspires national pride.

### **Strong Leadership from Government**

*"This federal funding demonstrates this government's ongoing commitment to maintain long-term stability at Port Metro Vancouver. This project, and all the measures we've taken under the Joint Action Plan, is helping to ensure the reliability of Canada's Asia-Pacific Gateway and the economic well-being of Canada as a whole."* --The Honourable Lisa Raitt, Minister of Transport, June 2014, federal government contributes \$3 million to improve trucking efficiency at PMV.

Port Metro Vancouver recognizes and applauds the support of successive federal governments in the creation and expansion of the Asia-Pacific Gateway and Corridor Initiative and other significant strategic infrastructure projects in recent years. The federal government's priorities, as set out in the 2013 and 2014 Economic Action Plans, further demonstrate the government's commitment to important strategic infrastructure investments. The investments and policy initiatives implemented by the federal government continue to dramatically improve Canada's west coast trade infrastructure and logistics flow.

Federal government funding of the gateway is a sound investment that produces an immediate and measureable return to government in the form of increasing the number and types of jobs for Canadians, and ensuring fiscal sustainability and economic growth in the form of taxes.

Each year, port activities generate more than \$1.3 billion in taxes to all levels of government. Every dollar the government invests in trade infrastructure helps PMV move more Canadian resources abroad and bring consumer goods in, which benefits all Canadians.

## **Strategic Infrastructure Development**

The federal government has made critical investments in the Pacific Gateway, which have generated significant dividends for the Canadian economy. Renewed focus on strategic investments including at the Roberts Bank, the George Massey Tunnel replacement, additional Fraser River rail crossing capacity, and other gateway-supporting capital investments, will ensure a safe, efficient and prosperous gateway as a key strategic priority that benefits all Canadians.

Building on the success of past projects, Port Metro Vancouver is also pleased to participate in the **Gateway Transportation Collaboration Forum**. Its purpose is to collaboratively evaluate needs and pursue solutions and funding opportunities under the New Building Canada Plan with a goal to develop and deliver transportation and related infrastructure necessary for continued gateway growth that provides overall net benefits to host communities.

### *Roberts Bank*

Forecasts show that container traffic is expected to double within the next 10 to 15 years. Although Port Metro Vancouver has been continually updating, improving and expanding its terminals, more container capacity will be needed to remain a competitive and dynamic global port. PMV's Container Capacity Improvement Program (CCIP) is delivering the projects and port infrastructure necessary to meet the needs of the forecasted growth. The most significant project under CCIP is development of Roberts Bank Terminal 2 (RBT2). The proposed three-berth container terminal at Roberts Bank in Delta, B.C. would provide an additional capacity of 2.4 million TEUs (twenty-foot equivalent unit containers) per year, nearly doubling port's current container handling capacity. The Roberts Bank Terminal 2 Project could be operational by mid-2020s.

During the six-year construction period, the proposed RBT2 project would generate a total economic output of approximately \$4.1 billion and 2,500 direct jobs worth \$690 million in wages. Operating at full capacity, RBT2 would result in an estimated \$1.66 billion contribution to the annual Canadian GDP, and provide 18,200 total jobs each year. Investment in the proposed project guarantees the maximization of the number and types of jobs, and ensures fiscal sustainability and economic growth for all Canadians.

### *George Massey Tunnel replacement and Fraser River rail crossing capacity*

The replacement of the George Massey Tunnel and building of additional Fraser River rail crossing capacity are projects that will significantly contribute to the success of Canada's international trade initiatives by improving supply chains through British Columbia and the Pacific Gateway. This would be of particular benefit to the transportation logistics sector and the supply chain communities in which they operate. The Asia-Pacific Gateway and Corridors Initiative is an example of how the federal government can help create an environment for investment and job creation.

### **Centre of Excellence for Marine Transportation of Oil and LNG Commodities in British Columbia**

As there is a growing demand to ship oil and LNG commodities through B.C. waters, it is increasingly essential to have current and readily available information regarding best practices for safe and sustainable marine transport of these commodities.

Combining and coordinating resources to facilitate research and development in this area would help to improve overall knowledge of best practices and identify gaps for further research into the shipment of oil and LNG commodities. The centre would also provide Canada and the shipping community with information and resources related to spill prevention and response, and serve to further position Canada as a global leader in the safe and sustainable marine transport of bulk liquids.

The federal government's support of the establishment of this centre of excellence would ensure the balance between responsible resource development and the health of our environment and communities.

### **Recommendations**

Given the economic importance of the area, the magnitude and growth in Asia-Pacific trade, and the necessity of maintaining and increasing relationships with others in the international export and import community:

**Port Metro Vancouver recommends that the federal government continue supporting and funding strategic infrastructure developments including projects at the Roberts Bank, the George Massey Tunnel replacement, additional Fraser River rail crossing capacity, and other gateway fluidity supporting capital investments such as road and rail grade separations . Renewed focus will ensure a safe, efficient and prosperous gateway as a key strategic priority that benefits all Canadians.**

**Port Metro Vancouver recommends that the federal government support the establishment of the Centre of Excellence for Marine Transportation of Oil and LNG Commodities in British Columbia. The centre would help to identify and deliver the highest standards and global best practices for the safe and sustainable handling of oil and LNG commodities.**

## **Conclusion**

Port Metro Vancouver strives to continue to be recognized as a world class gateway by efficiently and sustainably connecting Canada with the global economy, inspiring support from our customers and from communities locally and across the nation. The continued economic success of the Asia-Pacific Gateway requires a high degree of collaboration and government leadership. Ensuring the sustainability of Canada's major trade corridors through strategic infrastructure and supporting capital investments is vital to enhancing the competitiveness of the Pacific Gateway and the Canadian economy while maintaining quality of life in supply chain communities.

We encourage the government to move forward on investing in strategic gateway infrastructure programs through the New Building Canada Plan and to establish the Centre of Excellence for Marine Transportation of Oil and LNG Commodities in British Columbia.

Port Metro Vancouver will continue to treat these initiatives as priorities and look forward to working with government to make these projects a reality.