



KNOW WHAT'S ON BC'S MIND.

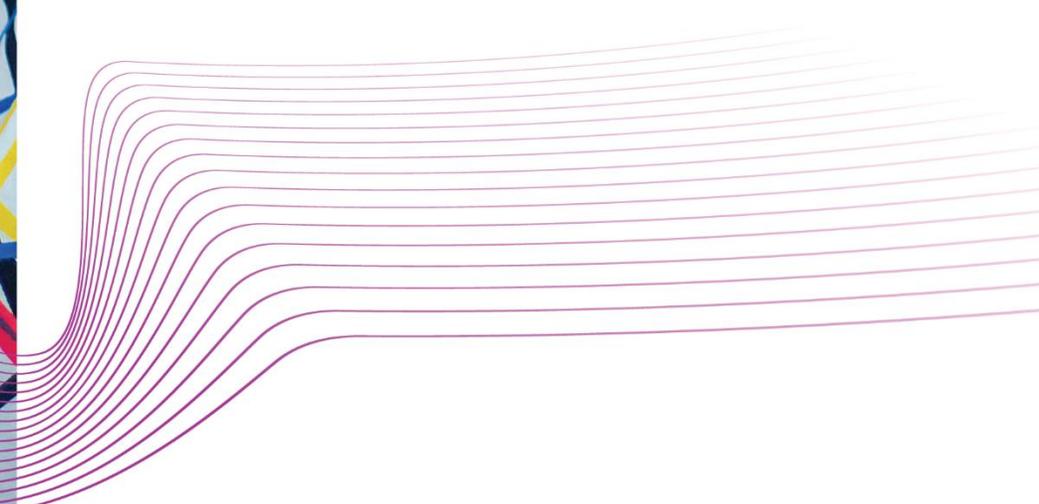
Closing Remarks by the BC Chamber of Commerce on:

Roberts Bank Terminal 2 Project

**Canadian Environmental Assessment Agency Review
Panel**

August 26th, 2019

bcchamber.org



BC Chamber of Commerce
Know what's on BC's mind.

We are BC's largest and most broadly-based business organization in the province. Our 120 local chambers of commerce and boards of trade and 36,000 businesses hail from every nook and cranny of BC. From single-shingles to multinationals – representing every sector of the economy – our network has been the valued voice of business on Canada's west coast for over 60 years.

Through our grassroots, bottom-up policy process, the BC Chamber values our work with the federal government to grow the people who power our strong and vibrant provincial economy. There is no better organization to engage with when one wants to know *what's on the mind of BC businesses* in both urban and rural jurisdictions.

Thanks to the direct input of our local chambers and boards of trade, the BC Chamber is driving insights to government and our partners. Our policy recommendations offer real solutions to real challenges facing business across the province.

We would like to thank the Canadian Environmental Assessment Agency Panel for allowing the BC Chamber and its network the opportunity to share what's on our members' minds when it comes to the Roberts Bank Terminal 2 Project.

Introduction

The BC Chamber of Commerce would like to thank the Review Panel for the opportunity to provide closing remarks regarding the environmental assessment for the Roberts Bank Terminal 2 (RBT2) Project that is before the Canadian Environmental Assessment Agency.

The BC Chamber's province-wide network reiterates the key role international trade plays in both British Columbia's and Canada's economic futures. There is no doubt the Port of Vancouver is a significant part of this economic engine that powers both BC and Canadian prosperity because it connects our businesses and consumers from across the country with over 170 trading nations worldwide.

These closing remarks will summarize what the BC Chamber believes are its key contributions to this process by focusing on:

1. Our need to develop trade-enabling infrastructure, in particular RBT2;
2. The significant economic benefit of the RBT2 project; and
3. The project's high level of commitment to the environment.

Our need to develop trade-enabling infrastructure, in particular RBT2

As Canada's gateway to the Pacific, our members support all levels of government – and all stakeholders – working together to build the trade-enabling infrastructure that will fuel further economic growth. The RBT2 Project represents a vital piece of added infrastructure capacity that will help meet the growth in trade that is forecasted to flow through the port over the next two decades.

Thanks to the BC Chamber's comprehensive Collective Perspective "Economic Pulse Check" Survey – which the Panel has received as requested – our most recent survey included a number of interesting points worth highlighting:

- BC business has increasingly favourable attitudes towards bringing Canadian products to other markets with 78% of businesses in favour (an increase of 5% over the previous year).
- Businesses are ever more concerned about the increasingly onerous nature of regulations – almost 40% of respondents state that the growing complexity and time required to gain approval for the construction of major projects is "hurting" their business.
- 1 in 4 businesses say Lower Mainland congestion is hurting their economic success.

The data above tell us that BC business is looking abroad in order to grow. That it's necessary for all levels of government and all stakeholders to work together to get trade-enabling infrastructure built to fuel that economic growth and not getting projects built is hurting our business and exacerbating congestion – which also has a cost to business.

As BC and Canadian businesses grow their business through trade, imports of products in containers through BC have consistently grown at a rate of 10 percent per year with total container shipments through the Port of Vancouver rising at about 5 percent per year.

Based on this trend – and the fact our businesses are looking to trade – the BC Chamber agrees with the forecasts that show the amount of container vessel cargo passing through the port will increase. It is only logical to expect – based on these forecasts – that our marine container terminal capacity in the Port of Vancouver to max out by the mid-2020s.

As we max out our capacity, this will have a corresponding effect on congestion through the Metro Vancouver region and beyond. As we shared – via a Panel’s requested undertaking – the C.D. Hower Institute estimates is the cost of congestion in the Metro Vancouver economy is as high as \$1.2 billion per year. The BC Chamber knows through our data that congestion in the Lower Mainland is impacting one-quarter of BC business. This results in higher costs for not only port users but end consumers thus impacting affordability, higher transportation emissions that will hinder our ability to meet our Paris climate targets and unrealized economic opportunity – including jobs for British Columbians and Canadians.

The RBT2 Project is a needed piece of infrastructure that will help meet the growth in trade that will flow through the port over the next couple of decades. By adding the additional 2.4 million TEUs annually to our existing terminals, we will see a positive path forward for our importers and exporters to have access to the markets around the world that will help them grow their businesses and create these jobs for Canadians across our country.

The significant economic benefit of the RBT2 project

The economic value and the jobs that will be created by a project of the scope and size of Robert Bank Terminal 2 are significant.

During construction, RBT2 could add up to an additional \$1.3 billion in provincial GDP, \$3.65 billion in economic activity and an additional \$300 million in government revenue. In terms of jobs, the five and half year construction phase alone will support over 12,000 person-years of direct, indirect and induced employment totaling approximately \$1 billion in wages.

After construction is complete, a new terminal will generate significant employment, including 1,500 jobs related to on-terminal activities. Another 10,850 jobs – related to off-terminal activities such as truck drivers, harbour pilots and other positions related to the railways, storage yards, transloading and distribution operations – are also expected once RBT2 is fully operational. Together, this will generate a further \$810 million in average annual wages and additional government revenues of \$205 million per year.

This added economic activity and government revenue will help all levels of government to fund vital spending in health, social programs and community infrastructure that every Canadian cherishes. At the same time, these port-related jobs will help provide for Canadian families.

Of course, there is potential for disruption to existing business models for the container traffic industry – which can be a concern for those businesses, so it is important they were heard – but, the BC Chamber believes it is important for the Panel to keep in mind:

1. The port authority doesn't operate terminals, but instead looks to third-party operators to set up facilities on port lands similar to a mall renting out retail space to another business. With RBT2, the port authority will be building out the land mass that will eventually house a new terminal; and
2. The port authority has offered the possibility of directing the new terminal operator to phase-in the added capacity once RBT2 is completed. This should help prevent the possible "cannibalizing" of current container business.

Overall – as we mentioned earlier in these closing remarks – the long-term trade, based on forecasts and the increased promotion of trade opportunities, the BC Chamber does believe there will be enough cargo volume for both a RBT2 operator and current container terminal operators.

The project's high level of commitment to the environment

While the BC Chamber's closing remarks have focused its summary on the clear economic rationale that is the RBT2 project, it should by no means diminish our belief that there has been a high level of commitment to the environment by this project that is before the Panel.

Our members don't just support balancing the needs of a healthy environment, they expect it. As we highlighted at the hearing, the BC Chamber doesn't just advocate for a strong economy, but also a sustainable environment including a revenue-neutral carbon tax and a growing clean tech/clean energy sector to name a few of our efforts.

As for the the Vancouver Fraser Port Authority – as constituted under the federal *Canada Marine Act* – it is mandated to not only ensure the long-term sustainability of the port to meet Canada's trade objectives that will help further grow our economy, but must accomplish this objective "*while also maintaining security, **protecting the environment** (our emphasis added) and considering local communities.*" (VFPA Mandate, <https://www.portvancouver.com/about-us/vision-mission/>)

There is no better example of the port authority's efforts to protect the ocean environment than its Enhancing Cetacean Habitat and Observation (ECHO) program. The ECHO Program is the award-winning collaborative initiative between government agencies, the marine industry, conservation and environmental groups, First Nation individuals, and scientists to better understand and reduce the cumulative effects of commercial vessel-related activities on at-risk whales in this region – which is made more impressive by the voluntary nature of the program.

As the BC Chamber has been highly engaged in efforts to ensure a thriving orca population, we appreciate the work done by the port authority to ensure vessel noise as it relates to endangered Southern Resident Killer Whales is mitigated. This provides confidence that we can manage vessel noise in and around RBT2 that can also allow SRKW to thrive.

To the RBT2 project specifically, the port authority's commitment to environment is well-evidenced by this concerted review effort – dating back to 2011 – that has resulted in over 77 individual studies and over 35,000 hours of fieldwork by more than 100 professional scientists.

While the BC Chamber doesn't have specific expertise in environmental science, the depth of the analysis put forward by the port authority does give us confidence – and should give the Panel confidence – that the RBT2 Project will not result in significant adverse environmental affects once all mitigation efforts are implemented.

Conclusion

The BC Chamber believes that the Panel will find the Roberts Bank Terminal 2 Project is a sound project to proceed.

In the BC Chamber's opinion, the port authority is well-positioned to deliver this needed container capacity as part of their on-going effort to maximize the many existing competitive advantages offered by the Port of Vancouver without significant negative effects to the environment. The BC Chamber is confident that the port authority has – or sought out – the expertise necessary to develop this project in a responsible and environmental sustainable manner.

As an organization, we remain confident that both the numerous environmental and socio-economic studies put forward by the port authority and others meet all criteria needed for a positive decision. The RBT2 Project is to the net benefit of Canada's and BC's economy and can be delivered in a environmentally sustainable way.

The BC Chamber of Commerce thanks the RBT2 Project Review Panel for the opportunity to share our thoughts as part of the environmental assessment. We look forward to your decision.