

**October 20, 2014 | Robin Silvester, President and CEO | Richmond Chamber of
Commerce**

Thank you, for the introduction.

I am honoured to be here speaking to you. It's not every day that a chamber of commerce is as proactive and regionally aware as you.

And before I go any further, I want to congratulate you as I understand you recently received the Canadian Chamber of Commerce's Silver Award for your report this summer - the *Economic Importance of the Lower Fraser River*.

Your award is well deserved, the report is exceptional. I commend you for your leadership and I am thrilled with the foundation you've built for a collaborative regional strategy – one that calls on all levels of government and stakeholders to work together to solve a problem. A problem that requires a complex balancing of competing priorities.

It's a problem with which I can identify. Today, I hope to explain how we have a lot in common when it comes to managing sustainable growth by working together. I think you will hear and connect with themes that underpin your study.

Collectively, Burrard Inlet, the Fraser River and Deltaport form Canada's largest port with 20 per cent of all of Canada's trade passing through our operations. That's a big deal for Richmond and the Fraser River. Your own study correctly pointed out that the impact of the lower Fraser River port activity rivals the St. Lawrence Seaway.

Richmond, with YVR and its network of warehousing and distribution centres, is clearly an international trade hub.

It's easy to think of the port in an entirely commercial way. The port enables trade of approximately \$184 billion in goods annually -- \$500 million *per day* -- generating about 100,000 national jobs, \$6.1 billion in wages, and \$9.7 billion in GDP across Canada.

But, that is only one side of us.

Allow me to introduce our less-well known sides.

Port Metro Vancouver is mandated by the federal government to facilitate Canada's trade objectives in a sustainable way and with regard for local communities. In the simplest terms we are required to balance people, planet, and profit.

We are tasked to balance national, regional, and local interests...people... with marine safety and environmental protection...planet...with growing trade and economic benefit...profit...All, on one small slice of land bounded by ocean, mountains, and the U.S. border.

There is an inherent tension that forces us to plan for the long-term and fully

understand the challenges that accompany growth within the context of our local and national communities.

So how do we do it? How do we balance this three-legged stool of community, environment, and economy?

Your study suggests you know the answer: by bringing together relevant stakeholders to holistically manage issues and plan for the future.

Before I carry on, I'd like to highlight two things.

Firstly, when I talk about the "port" – I mean your port.

We manage federal lands on behalf of Canadian citizens and taxpayers. As business owners and employees in Richmond, you particularly have a strong link to, and of course you benefit from, port activity. So I encourage you to feel a deep connection to what is your port.

In Richmond, port-related activities and businesses – like distribution warehouses and transportation – sustain more than 5,200 jobs providing \$260 million in wages every year and generating \$400 million in GDP. All this connecting to approximately 500 hectares of port lands in Richmond and 1500 hectares across the Lower Mainland! Indeed, the Lower Mainland and the whole province of B.C. have been shaped by the port.

Secondly, Port Metro Vancouver is intent on making sure the Fraser remains an economic engine and a source of enjoyment and pride here in community.

We are a key stakeholder in flood prevention measures, dredging, and infrastructure upgrades. Last year, we started the Fraser River Improvement Initiative -- a five-year program to deal with derelict vessels, structures and trespasses that are risks to public safety and the environment on the river.

Port Metro Vancouver is funding about \$2 million over five years. This year, I am happy to report in Richmond, we cleaned up the sea-island piles. I understand that the rowing club is pleased with the changes.

Now to touch on the economic forecast and demand for trade.

Canada is a resource-rich, trading nation. We produce quality grain, wood products, minerals, energy, food and fish - that the rest of the world wants. Our export resources provide jobs. And these jobs support families. These families purchase imports. This is the Canadian trade cycle.

Increasing populations, increasing demand for a quality of life, and a stable and growing economy mean that our trade cycle is happening ever faster.

In September alone, Canada signed a trade agreement with South Korea and revealed the final language for our agreement with the European Union. Remember, the port is federally mandated to facilitate these trade objectives – in balance with

people and the planet.

Here's what we are seeing as a result: Demand for trade with Canada is growing – with no signs of slowing down. The global economy is forecasted to grow each of the next five years starting with 3.7 per cent in 2014.

Recognizing and understanding the implications of growth -- from the impact on Canadian businesses, jobs and our quality of life, to how we build a port sustainably -- are integral to planning effectively and efficiently for the future.

Here's a recent example of what I mean by your port growth, your business growth. You've all heard of Canada's Dragon Den – well at least all you entrepreneurs have!

Well, a locally owned business, Nonna Pias Balsamic Reduction, presented their case to the Dragons in March to take their product nationwide. Since then it has grown rapidly – launching into Loblaws and Costco, among other big chains. And guess what this actually means for port volumes? The owners import Italian vinegar from Modena, Italy through Port Metro Vancouver. Six months ago they were ordering in five-litre containers, now they are ordering in 220 litre drums[vi]. If you want to see their episode it airs on November 19 at 8pm on CBC!...

As all of you here are well aware, there is a direct link between critical social services like health care and education, and jobs and a stable economy, and I think most agree it is better these types of programs be funded by economic growth instead of increases in taxes.

However, there are challenges to growth.

The biggest challenge facing us all in this region is quite simply, one question: How do we manage growth against the back drop of conflicting interests – specifically, a shortage of industrial land, the ever growing proximity of industrial activities and residential areas, and increasing activism? In essence, how do we plan for increased trade demand **and** a growing population in a balanced, sustainable way?

In my opinion, land is the defining issue for the port and for the Lower Mainland. In many ways, your report on the economic importance of the Fraser River clearly shows this as an issue too...by looking at the risk of flooding of lands along the river.

So what's the big deal? Well, it's quite simple really: land is a finite resource - there is only so much of it to go around. And there are competing priorities for how to use it.

Just in Metro Vancouver alone, one million people are expected to move here in the next 25 years. That's a lot of people needing jobs, goods, clothes, food and a place to call home.

We need this finite land to provide for us: to work, play, do business, and build our communities. That's a lot for such a small amount of land to sustain. Something has to give.

And unfortunately, right now, it seems that “something” is industrial land – the lifeblood of our economy.

Without a secure industrial land base, we simply can't compete for new investment and new jobs. Industrial land is where jobs—good jobs -- are nurtured and grow. It's critical to strengthening our place in the global economy – housing billions of dollars of goods as they are transported to and from our shores. And it generates billions of dollars in tax revenue for government to support vital social programs, creating shared prosperity.

Forecasts suggest the inventory of industrial land in the Lower Mainland could be exhausted by 2020. In Richmond alone 320 hectares has been lost, mostly to competing priorities of residential and commercial zoning.

Even within the existing industrial land in the region, only a small portion is suitable for port growth, for example, to house a new logistics facility.

Of the approximate 11,300 hectares [28,000 acres] of industrial land in the region, only about a remaining 400 hectares [1,000 acres] in the medium term and 600 hectares [1,500 acres] in total is suitable for port growth, for example, to house a new logistics facility.

I urge you, as business leaders, to consider the impacts of not having the most efficient trade route, losing business to U.S. ports, losing jobs to other regions because we don't have the land for new jobs and businesses. We have to encourage a regional approach that protects industrial land.

The other key challenges facing our ability to deliver growth are: social acceptance, safety and environment. We need the public to trust that we will operate safely and securely while protecting the environment.

Let's consider the rising tide of activism. Special interest groups are gaining some traction using social media and other tools; however, they are not held to the same level of accountability as corporations or government and are free to say whatever is effective in gaining support.

Let me give a topical example; in the 22 month period leading to October 2012, we at the port received three complaints about coal.

In the six months between November 2012 and April 2013 we received 815 coal-related complaints or emails raising concerns about coal. Many of them referencing concerns about potential health issues, that detailed analysis and review has shown are misplaced.

So what to do?

Balancing growth while being environmental and social leaders means earning broad support. It means working together to plan for the long term. Those of us with direct impact on the region must join forces to understand, anticipate and prepare the gateway for the future.

And we know this approach works.

In 2006, the federal government instigated the Asia-Pacific Gateway and Corridor Initiative (APGCI) – which contributed \$5.5 million in Richmond alone. This program was the catalyst for other collaboration and investment forums such as the Pacific Gateway Executive quarterly forum of stakeholders, led by the province, and formed to discuss gateway issues.

Other collaboration forums abound. The Gateway Transportation Collaboration Forum was launched this summer and brings together federal, provincial, regional and municipal and port transportation stakeholders for the purposes of prioritizing funding requests under the New Building Canada Plan.

Many of you know the Highway 91 and Nelson Road interchange and road widening project that opened to traffic on August 22, 2011. It represents a great local example of collaborative development. The project moved port-related truck traffic away from sensitive agriculture and improved the roadway. It was a \$23-million project that created about 150 construction jobs. It was funded by the federal and provincial governments, Port Metro Vancouver and the City of Richmond.” Collaboration is happening and is producing results.

Another way we are building public support is simply through communication and education. For us at the port, we are trying to change the dialogue. We are highlighting all aspects of our mandate and focusing on our balanced approach. By communicating more of who we are and what we do, we are hoping to build greater understanding, to connect with more citizens and to increase trust that we are doing the right things well.

Considering what needs to be done to tell your story to gain public support is critical. Explaining the pros and cons and simplifying the complexities is necessary to understanding. All most reasonable people want to know is that the benefits are meaningful and the potential downsides can be, and are being, managed, but you have to first be trusted to be believed.

To address residents’ concerns, we have robust community relations and community investment programs, and we provide forums and mechanisms for feedback and consultation. These include awareness programmes like our current advertising campaign, our YouTube channel, Facebook, Twitter and Instagram as well as our website. And they include Port Talk – an online engagement tool, our community feedback line, our permanent community liaison groups and our extensive project outreach.

In 2013 alone, we hosted 524 community engagements. We participate in and support community studies – like the one you’ve completed, as well as safety and emergency preparedness groups. The list goes on...

Then there are the benefits and results of collaboration on environmental projects. We are currently reviewing two proposed projects to create stable and self-sustaining fish and wildlife habitat. One is located in Richmond -- the McDonald Tidal Marsh

Project -- and the other in Delta. Both involve working with environmental experts, government, the public and stakeholders, including First Nations.

There has been a lot of success with the local channel dredging program as well, a program that directly supports the flood prevention measures outlined in your report.

We recently dredged the Steveston channel right up to the tall ship float in collaboration with City of Richmond, Department of Fisheries and Oceans, Small Craft Harbours and the Province. We are currently working with the City of Richmond on some further dredging of that channel.

This is collaboration at work in your community. This is your Economic Importance of the Lower Fraser River in play. This is working together to balance the environment, our communities, and commerce.

Before I close, I would like to share a glimpse into one of the ways we are connecting with the public. This is an episode of PortTV that features Richmond. This is one of our YouTube programs which, since they were introduced this summer, have earned over 100,000 views.

<http://youtu.be/U1cmfCb4QAM?list=PL44vtLyxa7kqiAZ6AsBs8etAmOOPjI-he>

The Fraser River is an important part of the port, the region, and Canada. We live here and we need a healthy economy, environment, and community.

Through award winning studies like yours, and by working together to prioritize the right projects, Canada, BC, and Richmond have a bright future. I am confident that through collaboration, dialogue, research, and consultation, the RIGHT plan, the RIGHT project, and the RIGHT balance of people, planet, and profit will be struck. Thank you for your time, today.

I will now take questions.