

Vancouver Fraser Port Authority AGM | May 29, 2018

Robin Silvester, President and CEO

Good afternoon and welcome.

Let me start by thanking Craig for his tremendous service to this organization over the past nine years.

Craig, over the past decade, we've worked together on capital projects, government policy, community engagement, environmental programs and more. The list is mindboggling and seems endless. Your constant in this is that the belief that this is Canada's port, it's our stakeholder's port and it's our community's port. And with that constant, you urge us every day to be better with that in mind.

You focus on building better relationships continually with all those we engage with. Also, you've always supported me and all of the staff at the port with honest, straightforward, unfailingly good advice and wisdom. I've learned a huge amount working with you and I really appreciate that on a personal basis.

I know I speak for all of my team and all of the staff at the port authority when I thank you for your leadership, hard work, and your fearless commitment to this organization - and to Canada.

Now let's turn to the Vancouver Fraser Port Authority's work in 2017.

With record 2017 cargo numbers, new Canadian trade agreements with Europe and the Trans-Pacific region, and NAFTA's uncertain future, the Port of Vancouver's importance continues to grow.

With that, our role at the port authority is becoming ever more critical.

The long-term success of this port, however, depends not only on *what* we achieve for Canada's trade but on *how* we achieve it.

To that end, we're striving toward a vision to be the world's most sustainable port.

We define that as delivering economic prosperity through trade, maintaining a healthy environment, and enabling thriving communities.

I believe that our 2017 work toward three-pillar sustainability is actively helping realize our vision to be the world's most sustainable port.

Let's look at how, in 2017, the port authority worked towards each of our three sustainability pillars starting with delivering prosperity through trade.

Economic prosperity through trade

In 2017, the Port of Vancouver handled record cargo, driven by record containers and bulk grain – and we're projecting strong growth ahead for Canada's trade through the port.

To prepare for that, the port authority has been advancing significant infrastructure and capacity-building projects and programs.

And we've just received some fantastic news.

One of our premier infrastructure efforts is a collaborative effort called Greater Vancouver Gateway 2030.

This includes nearly 40 road and rail projects throughout Metro Vancouver.

The projects will fix bottlenecks, enhance the supply chain, and reduce impacts trade activity on communities.

We've been advancing these projects in partnership with the B.C. Ministry of Transportation, Transport Canada, and industry, through the Greater Vancouver Gateway Council.

And just two weeks ago, Minister Garneau joined us in Pitt Meadows to announce that the federal government will invest 55.8 million dollars to catalyze a first set of these projects.

That's terrific news and a strong validation of the hard work that our staff and partners have put into getting these projects funded.

And we've been vying with jurisdictions from all across Canada for limited federal dollars, so we're very pleased to see this funding for our gateway.

We are also cautiously optimistic that some further projects may be funded.

Some additional highlights of the port authority's infrastructure and capacity-building work in 2017 include:

Some land acquisitions that Victor will talk more about shortly;

Advocacy to protect our region's disappearing industrial land, with Metro Vancouver now having established an Industrial lands committee, that I've been asked to be Vice Chair of, to focus on this issue;

Our supply chain visibility project, which leverages the power of data so we can get the fullest use out of our supply chain; and

Advancing the Centerm Expansion project, to grow container the port's capacity – and that project has just been approved.

We're very proud of these achievements and we'll be building on these in 2018 – but there are real challenges ahead, particularly for the future of the container sector.

Right now, the West Coast is headed toward a potentially catastrophic capacity crunch for container traffic by the late 2020s.

We've been working to address this in a variety of ways – but centrally, we've been advancing a major new container terminal, Roberts Bank Terminal 2.

That project is currently being reviewed by an independent panel as part of a federal environmental review process.

Last year, our team responded to more than 150 information requests from the panel.

We also signed a mutual benefits agreement with the Tseycum First Nation, and received a support letter from this nation for the project, which was a historic achievement.

That's all excellent news – however the project itself has faced a variety of delays.

As a result, we're very concerned this critical container capacity won't be ready on time – and that has real implications for Canadian businesses, for consumers and of course, for Canada's trade goals.

So that's a major challenge ahead and one we're watching very closely and continuing to work hard on.

I'd like to turn now to our environmental work.

Maintaining a healthy environment

In 2017, we led a suite of environmental programs to protect the lands and waters we steward.

I'll mention a few highlights, starting with ECHO, which is our Enhancing Cetacean Habitat and Observation Program.

ECHO is a research program to better understand and manage the impact of shipping on at-risk whales.

These include the southern resident killer whale, of which only 76 remain.

The port authority leads ECHO, with guidance and participation from environmental organizations, industry representatives, scientists, First Nations individuals, and government.

In 2017, ECHO attracted global attention for a first-of-its-kind vessel slowdown trial in the Haro Strait.

Through this trial, the ECHO team studied the impact of ship speed on underwater sound, which can harm marine habitat.

Ultimately, this research is building out the science needed to better protect endangered whales.

Simultaneously, it will help ensure that any future regulation of the shipping industry regarding underwater noise is evidence-based

ECHO has been a very inspiring program for us, for our program partners, and for the broader Vancouver community.

For the port authority, it's helped us to tell our story - to the public and to port users - about what we mean when we say we're trying to be the world's most sustainable port.

And we were very pleased this month to win a Lloyd's List 2018 Americas Award in the environment category, in part for our work on ECHO.

Beyond ECHO, we also advanced a variety of other important environmental initiatives last year:

With participation from the port community, our team delivered a port-wide emissions inventory – which is a critical data set for tracking port emissions to as we work to reduce those;

We also completed a major habitat-building project at New Brighton Park, which Victor will talk about shortly; and

We advanced shore power projects at Centerm and Deltaport.

We're very proud of these results.

In 2018, we'll continue these efforts and our many other environmental initiatives.

Let's turn now to our work this past year to enable thriving communities.

Enabling thriving communities

Having Canada's largest port in our backyard means that our region and communities benefit from about 90,000 port-related jobs.

We're proud that the port helps employ so many individuals and families, to help our communities thrive.

However, we also know port activity can create challenges for local communities – so we're focused on understanding and addressing those.

I'd like to highlight some key work we carried out in this arena in 2017.

We'll start with the transportation infrastructure side – which is critical to community well-being.

This region is expecting an influx of about a million new residents over the next two decades, amidst challenges of housing affordability and growing congestion.

Simultaneously, Canada's trade through the port is projected to grow significantly.

As our region grapples with the challenges of growth, our port authority is investing in targeted infrastructure to mitigate the port's impact on congestion, emissions and noise.

In 2017, this work included:

Advancing the Greater Vancouver Gateway 2030 program, which directly targets congestion, emissions and noise across Metro Vancouver;

The federal government's 55.8 million dollar investment will, for example, help alleviate congestion in Pitt Meadows through the Harris Road grade separation project.

Advancing our Deltaport truck staging facility project, which will reduce congestion and emissions by enabling trucks to pull off the highway and park; and

Advancing the Tsawwassen Container Examination Facility, which Victor will provide some details about.

Beyond our infrastructure work, last year we supported local communities in a number of other ways:

We invested in charitable organizations that are strengthening our communities, including REACH Child and Youth Development Society.

Together with the broader port community and project partners, we've been investing in REACH's new facility to support children and their families in Delta – and we were very proud to see that open this year!

We were also very proud to host more than 1.5 million attendees for Canada 150 celebrations at Canada Place; and

We continued to listen to and engage with communities through consultation work, community outreach, and our community line.

This year, are continuing this work to support communities – and in particular, to getting shovels in the ground on our newly-funded Greater Vancouver Gateway 2030 projects.

Conclusion

That concludes our highlights reel of the port authority's 2017 achievements.

I'm very proud of all we've done this past year to deliver prosperity through trade, maintain a healthy environment and enable thriving communities.

Moreover, I believe that our 2017 work toward three-pillar sustainability is actively helping realize our vision to be the world's most sustainable port.

We're looking forward to continuing this work into 2018.

We're also looking forward to the federal government's Ports Modernization Review, which we hope will result in a modernized operating environment for ports across the country.

We commend government for launching this process and look forward to sharing our ideas on how Canadian ports' legislative framework can be improved to reflect the realities of 2018 and beyond.

Now, I'd like to invite Victor Pang, our chief financial officer, to provide an overview of our 2017 financial results and key investments.