

## Port updates

Port Community Liaison Committee – Delta meeting | October 8, 2020

### General updates

#### Port of Vancouver - business sector update

##### Mid-year statistics

- From January 1 to June 30, 2020, overall cargo through the port decreased by 1.1% from 72.4 to 71.7 million metric tonnes (MMT) over the same time last year. Despite an overall decrease in cargo moving through the port, new mid-year records were set for bulk and containerized grain, as well as total foreign tonnage and foreign exports
- Between January 1 and June 30, 2020, several sectors experienced declines as a result of weather conditions, trade challenges, cancelled sailings, railroad blockades and the global COVID-19 pandemic. Some of the sectors impacted were autos, down 34.1%, breakbulk, down 17.1%, and containers, down 7.7% from mid-year 2019 to 1.6 million 20-foot equivalents or TEUs.

##### Intermodal

- Consumer buying habits have shifted due to the impacts of the COVID-19. Demand for electronics, cleaning products, food items, auto parts, and home improvement items have all increased while retail products such as luggage, clothing and shoes have experienced significant decreases.
- Due to a variety of challenges, including the pandemic, we did see a decrease of about 7.7% in container volumes during the first half of the year. Despite this, we have been experiencing a surge in import container volume over the past two months. Overall, YTD July container volumes are down 6% with imports recovering at a faster rate than exports.
- Import container volumes are expected to remain strong, at near record volumes, well into Q4, 2020. Note that this forecast is directly tied to Canada and the US successfully managing COVID-19 to the point where economies remain open.
- We are experiencing congestion in the rail operations at the four marine container terminals within the Port, with on-dock inventory of import rail containers approaching 400K feet at times. The congestion is related to CN designated cargo only; CP operations across the three terminals they serve are considered fluid.
- Currently there are no blank sailings scheduled through the end of 2020, which indicates increasing capacity and demand. From January to August there were 59 blank sailings recorded.
- Challenges raised with cross-border traffic (trucks) and inconsistencies with the way trucks are processed. Likely to continue until the border is open to non-essential travel and are better staffed.

##### Bulk (coal, grain and potash)

- Grain terminals storage capacity has improved with more than 100,000 tonnes of storage capacity available
- Gateway rail cycle time remain below target suggesting that bulk sector (coal, grain and fertilizers) rail operations through the port are fluid.
- Shipments of grain through the Port remain at record levels. Strong global demand for Canadian grain resulted in a new mid-year record of 16.3 MMT for both bulk and containerized grain, an increase of 10.4% compared to mid-year grain records from the previous year.

- Increases in wheat, up 7.5%, canola, up 25.6%, and specialty crops, up 10.0%, contributed to this new record. In fertilizers, potash exports decreased by 6.7% from last year's record and sulphur increased by 5.7%
- Vessel activity through the Port remains fluid with total vessel anchorage at approximately 50% of capacity. Anchorages within Port jurisdiction are at approximately 70% capacity while Island anchorages are at 25% of capacity

## Autos

- All original equipment manufacturers (OEMs) in North America restarted vehicle assembly in June. Demand planning continues to be highly volatile and the collapse of the rental and fleet markets in North America will reshape industry recovery. Locally, volumes through the Port of Vancouver were down by nearly 35% compared to YTD July of last year.

## Breaking Bottlenecks: port authority launches podcast series

The complex web of global trade and supply chain logistics practically hums with technical innovation. But sometimes, something as simple as a suburban stoplight, a prairie snowstorm, or traffic congestion can threaten to bring the entire global system to a standstill, creating what industry insiders commonly call a bottleneck. In this new podcast series, we'll break these bottlenecks open by exploring the intricacies, infrastructure and innovations that connect Canada's businesses and communities with the world, as seen through the inner workings of the Port of Vancouver, Canada's largest port, and those who rely on it.

<https://www.portvancouver.com/about-us/competitive-advantage/breaking-bottlenecks/>

## Port authority-led projects

### Roberts Bank Terminal 2

- On August 19, the port authority requested an extension on the decision for the project from the federal government. This was done for three reasons:
  - Firstly, since the review panel report, we have been hard at work to advance the project, including undertaking additional environmental work in response to the feedback and recommendations from the review panel. We believe it would be prudent to provide this information to government to help in their decision-making process.
  - Secondly, through our conversations with regulators, we have been asked to provide more information about the project. We believe much of this information will, on top of our existing proposed mitigation measures, demonstrate how we will further reduce project-related effects.
  - Lastly, throughout our consultation with Indigenous groups, we have heard requests for more time to support their participation and their own internal community processes, particularly in light of COVID-19. We want to support and respect these requests.
- The government has made a formal information request of the port authority, which pauses the decision making process until the information provided satisfies the request.
- We will look to provide the information requested by the government by spring 2021 and are hopeful that a decision can be made prior to summer.
- In the meantime, we will continue to do what we can to make sure the project is built in time to support those Canadian importers and exporters who rely on the Port of Vancouver to get their goods to and from Asian markets. This includes preparing for procurement and other regulatory permits to quickly advance this project once a decision from government has been made.

- We remain dedicated to delivering the project as quickly possible, because the failure to meet the container capacity needs at the Port of Vancouver will negatively affect Canada's ability to benefit from growing container trade with Asia.

## In the media

### Fibreco silo collapse

- The Vancouver Fraser Port Authority leases port lands to companies who operate marine terminals and ship cargo through the port. For more information, please contact Fibreco.
- The other grain terminals at the Port of Vancouver are operating without any interruption.

## Media releases

[Steady mid-year cargo volumes amid global pandemic reflect the Port of Vancouver's vital role in Canada's supply chain](#)

## Delta Community Office update

Plans are underway to open the Delta Community Office to the public in November.

Virtual events:

- August 20: The Port and You for Kids; presenter: Lisa Fox, community outreach coordinator.
- September 2: Fraser Basin Council: Accelerating Sustainability through Collaboration; presenter: Bob Purdy, executive vice president, Fraser Basin Council
- September 23: Let's talk RBT2 construction; presenter: Kevin Karaloff, manager, infrastructure delivery.
- September 24: Sustainability at the Port of Vancouver (in celebration of World Maritime Day); presenters: Nicole Gordon, sustainability lead, and Christine Rigby, air emissions specialist, both employees of the Vancouver Fraser Port Authority.