March 13, 2018

The Honourable Mark Garneau

Minister of Transportation

330 Sparks Street

Ottawa, ON

K1A 0N5

Dear Minister Garneau:

On behalf of the members of the BC Marine Terminal Operators Association, we would like to take this opportunity to thank you and your staff for meeting with us today.

Today’s meeting allowed us to showcase our Industry and the key role that we play in facilitating Canada’s international trade. As we indicated, it is our members that have invested billions of dollars in plant and equipment to ensure that we have sufficient capacity to address the projected growth in trade volumes in an efficient, safe, and environmentally responsible manner.

With that in mind, there are concerns that we believe must be addressed that currently and in the future will impact our ability to serve Canadian importers and exporters. Our members highlighted our concern with respect to the port authority’s rent methodology that has linked terminal lease charges to Lower Mainland’s scarcely available and ever escalating industrial land values. Furthermore, the port authority is using its revenues from terminals to purchase additional industrial lands further driving the local market prices upward.

We also addressed the need for significant additional off-terminal infrastructure investments and feel strongly that there is a need for the Port Authority as is part of their mandate to facilitate Canada’s trade to make significant contributions from what we believe are already excessive port revenues generated from the industry.

A third area of concern raised in the meeting was the general concern with lack of sufficient rail service that is impacting our ability to efficiently handle all cargoes moving through our terminals and win business for future growth. Failure to find solutions to this will result in our customers seeking more reliable service providers and impact Canadian exporters competitiveness in the world market.

A final point of concern raised by members dealt with delays being encountered in the various approval processes required to expand or improve existing facilities. While we believe that the review process should remain with the Port Authority, the current process needs improvement as it not only adds costs but discourages private investment due to the uncertainty that is created by such delays.

As you can see with all the points raised in the meeting, your announcement of launching a “Port Modernization Review” is timely and very welcomed by our membership. Your announcement is also reflective of the comments raised in our submission provided to you and your department in August of 2017 calling for improvements to the current governance model of the port authorities. We look forward to participating in the outlined process over the next year through consultations and further submissions.

Once again, thank you for the opportunity of meeting with you today and we look forward to working with you and your staff to ensure that we optimize our role in the Canadian supply chain that is so critical to our National, Provincial and local economies.

Sincerely,

R.V. Wilds

Executive Director

Cc: Michael Keenan – Deputy Minister, Transport Canada