

It shouldn't be Prince Rupert vs. Delta

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Rob Ritchie, president and CEO of Canadian Pacific Railways, fired a broadside last week at Prince Rupert's aspirations to become Canada's West Coast container superport. Additional public money in that venture could inhibit Vancouver's ability to grow its own container trade, he said.

There's no surprise in this sentiment. CPR does not have a railway line to Prince Rupert, but it does have a line to Vancouver. Simple self-interest will win every time. But there's a lot more going on here. The Vancouver Port Authority's proposal for a third berth at the Deltaport container terminal is now in a federal environmental review process, and surrounding communities are voicing concern over everything from additional noise pollution and traffic congestion to environmental impact. In a response to the call for submissions, the Corporation of Delta sent in a 45-page critique of the Deltaport proposal, indicating that conclusions in the port's environmental impact review "may be oversimplified and that some important impacts have been underestimated or minimized. Further clarification and resolution of some disputed issues is required before any progress towards approval of this project is made."

The brief also points out that the geographic area covered by the review is too small: "Significant impacts from road and rail traffic will be felt in the communities of North Delta, Surrey, Langley, Abbotsford and beyond."

Since then, the B.C. Environmental Assessment Office (EAO) has extended a May 9 deadline for filing public comments on the Deltaport expansion to May 18 to allow additional submissions.

Apparently, the biggest concern in Langley and a few other Fraser Valley towns with rail lines is the number of times roads are blocked at level crossings because of train traffic. More container trains means more road traffic disruptions.

Jim Cox, vice-president of infrastructure development at the Port of Vancouver, said he's aware of the concerns and he's confident that they can be addressed.

Government commitments for infrastructure improvements for both rail and road traffic should deal with most of the community issues. But Cox admits the port is on a tight timeline for this project.

"We're hopeful it will go on schedule and start this fall," he said. "We're working concurrently with that so we can get in right away. According to our forecast, we need to bring Berth 3 on by mid-2008. Any delay would mean we would not meet the demand. Part of the concern is that these companies [container lines] are growing, and if they can't be accommodated here, they need to look elsewhere." For the timing of this additional berth at Deltaport, "elsewhere" would almost certainly be in the U.S. But the next phase of Deltaport's expansion is a doubling of that capacity -- another terminal with three berths, bringing the total to six berths. Perhaps CPR CEO Ritchie is nervous that additional public money in Prince Rupert could jeopardize that expansion.

A two-phase project aimed at bringing up to two million TEUs (20-foot equivalent units) through Prince Rupert is now proceeding, while at the same time Vancouver is

moving ahead with expansion plans aimed at a total annual throughput of more than five million TEUs.

But an unpublished consultant's study, funded jointly by the B.C. and Alberta provincial governments and Canadian Manufacturers and Exporters, suggests that Prince Rupert's potential may be double the two million TEUs in the current two-phase project. The study won't likely see the light of day until after the election. While most of the arguments for running containers through Prince Rupert revolve around its deep harbour and proximity to Asian ports, Canadian National's rail line runs through virgin territory, with only an occasional moose to get in the way. There are no surrounding communities requiring costly mitigation measures. Federal Industry Minister David Emerson was less than pleased at Ritchie's attempts to snuff Prince Rupert's ongoing container plans.

"Candidly, I think there's a public policy imperative that will, from time to time, transcend the views and interests of any one operator, particularly where they are predominantly on one route or the other," he said in an interview.

"We have to face the reality that Vancouver is critically important going forward, and we'll work like mad to ensure they realize their potential," he continued. "But to turn this into a Rupert [versus] Vancouver contest strikes me as the height of folly." Emerson went on to say that a lot of community opposition to these kinds of developments is a "not in my backyard" approach that shouldn't be allowed to frustrate development.

"B.C. as a whole has to keep its competitive position from being weakened against L.A., Seattle, or Long Beach," Emerson said. "We shouldn't forget that for a milli-second."

Should we continue to put public money into Prince Rupert?

"I'm not saying we should or should not put money in," Emerson said. "But I'm certainly not going to go out there and blanket say 'no,' when we don't know what kind of benefits there would be. I'm not prepared to say that right now."

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