

Port building 'non-stop' to 2014

By Christian Webber
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Dozens of financial experts from aboriginal communities throughout Canada got to hear first-hand yesterday about the potential of Prince Rupert's developing container port.

The general managers and chair persons from aboriginal financial institutions, in town for the National Aboriginal Capital Corporation Association's (NACCA) 11th annual general meeting being hosted by Tricorp, packed the meeting room at the Crest Hotel for the opening event, a presentation about the port.

Shaun Stevenson, the vice-president of marketing and business development with the Prince Rupert Port Authority, and Doug Hayden-luck, sales director for CN Rail's International Intermodal operations spoke about the benefits of the new Fairview Container Terminal Development in Prince Rupert for aboriginal businesses.

There were 60 delegates on hand from around Canada and parts of the United States for the general meeting.

Stevenson said that right now the cruise ships coming in to Atlin Terminal are bringing in \$10 million and 120,000 passengers a year.

He said among the advantages of developing the Fairview Container Terminal are its proximity to Asia, the fact that Prince Rupert has one of the deepest harbours in the world, CN Rail is on board and capable of delivering, and the fact that Prince Rupert's capacity for growth and exports is huge.

Stevenson said their strategic direction is cruise ship and industrial development and containerization.

The first phase of Fairview will cost \$160 million, and it has an estimated capacity of 500,000 20-foot equivalent containers, compared to Vancouver's two million TEUs. "Construction is progressing well and it is on time and on budget," said Stevenson.

He said the future expansion plans include phase 2, to be completed in 2011, which is hoped to have a capacity of 1.5 million TEUs and 150 more acres of space, as well as a second berth. Terminal 2 is the next phase after that, it will include a capacity of yet another two million TEUs and the port hopes it will be under way after 2011.

So far, phase one is on time to be ready for operations in October of this year. Phase 2 will be ongoing from 2009 to 2011, and Terminal 2 is expected by 2014.

“To meet Pacific Gateway’s projected demands, they must work non-stop until 2014,” said Stevenson.

Stevenson said the total West Coast capacity is 23 million TEUs, and British Columbia’s current rate is 2.1 million, and is expected to be doubled by 2020.

“Prince Rupert is critical and optimal for operations,” said Stevenson.

The export side to the port has not been talked about as much as the import potential, but is half the reason why this is happening, he said. Alaska seafood will be the main export through Prince Rupert, then pork from Manitoba and Saskatchewan.

The port exports will have a capacity of 75,000 to 100,000 TEUs. Also the new Prince George Inland Port will ship out 60,000 40-foot equivalent containers of forest products annually to Asia.

Another plus for Prince Rupert and the aboriginal community is the number of youth that will be able to work, whether as longshoremen or for the authority.

“The young population is one of the strongest assets for the Port Authority,” said Stevenson.

Doug Hayden-Luck of CN pointed out that Prince Rupert is 1,000 nautical miles closer to Asia than Los Angeles, which works out to a two-day sail.

From Hong Kong, Prince Rupert is 5,286 miles, Vancouver is 5,768, Seattle is 5,777 and L.A. is 6,380.

Hayden-Luck said CN will also be able to travel faster than their competitors through Prince George, saving them valuable time getting to places like Chicago, Memphis, Detroit, Toronto and Montreal.

CN is responsible for \$30 million of investment in the project, along with the Canadian Government’s \$30 million, Maher Terminals’ \$60 million, the Port Authority’s \$25 million and the government of British Columbia’s \$30 million.

“We really believe this will be successful,” said Hayden-Luck.

CN also announced that Cosco, an Asian shipping company is on board. It is supplying nine vessels with a capacity of 55,000 TEUs that Hayden-Luck said are bigger than most cruise ships that dock in Prince Rupert. With Cosco, export out of Canada will be possible to anywhere in Asia.

Exporting will be a big part of the container port because as Hayden-Luck pointed out, there is hardly any money made by the shipping boats in the Asia-to-Canada aspect.

“Carriers need to make money on both trips,” said Hayden-Luck.

Since Prince Rupert does not have very much local cargo, the exports will have to come from away. The primary growth in exports will be grain and specialty wood, and that is expected to double by 2015.

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