



SURREY BOARD OF TRADE  
WRITTEN SUBMISSION:  
SUPPORT FOR ROBERTS BANK TERMINAL 2 PROJECT

April 18, 2019



SURREY BOARD OF TRADE  
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## 1. ACRONYMS

**CEAA** – Canadian Environmental Assessment Agency

**CPTPP** – Comprehensive and Progressive Agreement for Trans-Pacific Partnership

**RBT2** – Roberts Bank Terminal 2

**SBOT** – Surrey Board of Trade

**VFPA** – Vancouver Fraser Port Authority



## 2. INTRODUCTION

The Surrey Board of Trade (SBOT) is a not-for-profit organization that provides a benefit to the community by supporting businesses. With a membership of over 6,000 business contacts and over 2,700 businesses, the Surrey Board of Trade supports business and attracts business. Our role is to enhance economic opportunities throughout the region. The Surrey Board of Trade contributes to city-building initiatives that enhance livability in the region. The Vancouver Fraser Port Authority has contributed – with support and advocacy from the Surrey Board of Trade – to economic growth.

The Vancouver Fraser Port Authority (VFPA) needs to enhance the Lower Mainland’s trading and shipping capabilities via the Roberts Bank Terminal 2 (RBT2) project. As total cargo volumes are projected to increase, the expanded terminal will allow the Lower Mainland to ensure we are capable of handling increased volumes. Without this project, shipments will slow and divert to various other ports along the US coast, causing job losses and economic re-investments into our local Canadian communities. Thousands of jobs will be created throughout construction and operations.

The Port’s long-planned \$2-billion expansion project will expand terminal capacity from 1.8 million twenty-foot equivalent units (TEU) per year to 2.4 million TEUs, handling 260 container ship calls annually. This is needed for BC and Canada to ensure that we have the needed trading infrastructure to participate effectively and efficiently in the global economy.

Even with the current and proposed improvements to increase container capacity at the Port of Vancouver and Prince Rupert, BC will require additional container capacity by the early to mid-2020s or face losing traffic and jobs to other ports along the American west coast.

If port facilities in BC operate at overcapacity over an extended period of time, it will lead to inefficiencies in the container supply chain and increase the costs of good to Canadian exporters and consumers. This is another reason why RBT2 is needed



The Roberts Bank terminal 2 expansion has been identified by the Port as the only feasible option to significantly increase container traffic capacity and the option with the least environmental impact.

The Surrey Board of Trade submits this written statement in support of the RBT2 because of its potential to improve improvements to the socio-economic situation of the Lower Mainland. Additionally, the RBT2 will provide benefits to labour, and the livability of the local area and businesses that the Surrey Board of Trade represents.

### 3. PURPOSE OF THE PROJECT

The Roberts Bank Terminal 2 Project is a proposed new marine container terminal at Roberts Bank in Delta, B.C., on Canada's west coast. The project is necessary to ensuring Canada can deliver on its trade commitments and ambitions.

The project proposal is to create 108 hectares of new industrial land in deep, subtidal waters to minimize environmental effects. The terminal would have up to three berths for container ships, and would provide 1,500 on-terminal jobs.

If approved and built, the Roberts Bank Terminal 2 Project would play a critical role in supporting Canadian businesses shipping goods to and from market to keep Canada competitive and open for trade with growing economies around the world, well into the future.

There are three main components of the proposed Roberts Bank Terminal 2 Project:

1. A new **three-berth** marine container terminal
2. A **widened causeway** to the mainland to accommodate additional road and rail infrastructure
3. An **expanded tug basin** to accommodate a second tug operations contractor

The RBT2 Project ensures the future of Canada's trading abilities. In an increasingly globalized world, we are witnessing the urgent need for increased efficiency and interconnectedness. If Canada does not improve its port infrastructure to remain competitive, we will be left behind. A missed opportunity such as RBT2 will impact economic stability.

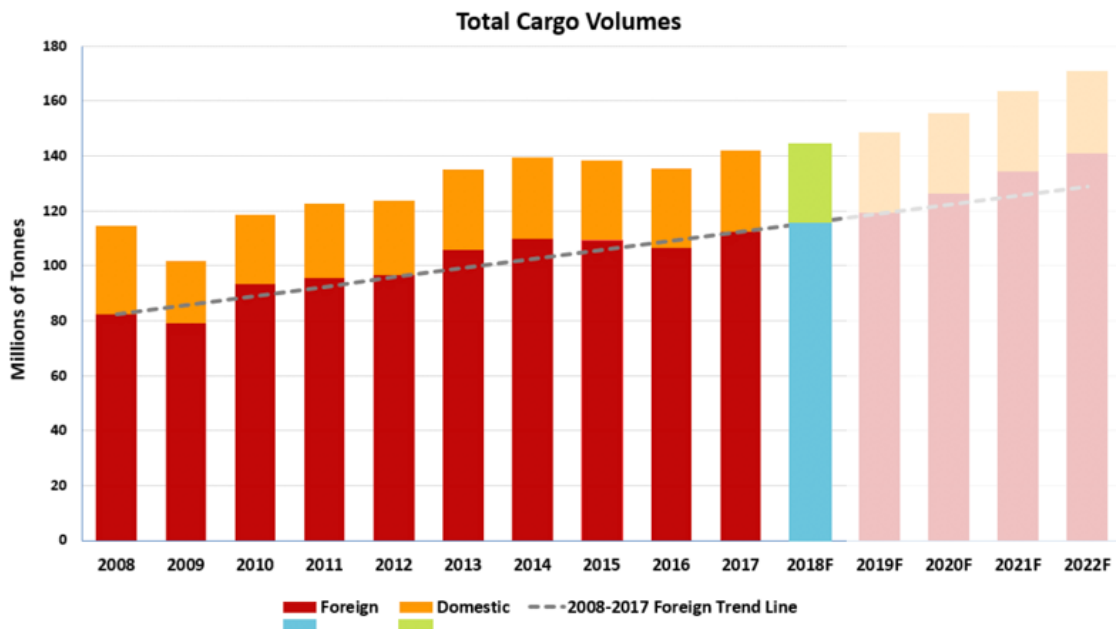
The significant delays to the RBT2 project now cause urgency. The project began in 2013 when the project was reviewed and available for comment by the public. Between 2013-14 the Environmental Impact Statement Guidelines was issued by the Canadian Environmental Assessment Agency (CEAA). From 2015-2016 additional information requests were submitted, which included Marine Shipping Addendum and Information Requests. From 2016 to 2019 the Independent Review Panel has been requesting panel hearings and information.

Roberts Bank Terminal 2 Project proposes a three-berth container terminal at Roberts Bank. Increasing the number of containers that can be unloaded in the Lower Mainland will increase our ability to enhance trade with Asian markets, which is a goal as per the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

Illustrated in figure 1, VFPA projects that cargo at the port will grow at 3.6%. The current capacity is inadequate. Without the RBT2 Project, exports will be diverted to US ports costing Canadian consumers and exporters approximately \$400/container. Canada will be reliant on the US for export and import of goods, which will cost businesses.

Figure 1

## Port cargo projected to grow at 3.6%



## 4. SOCIO-ECONOMIC IMPROVEMENTS

Roberts Bank Terminal 2 Project would play an important role in supporting Canadian businesses shipping goods to and from global markets, and in ensuring we can keep Canada competitive and open for trade with growing economies around the world into the future.

The project would also support thousands of middle-class jobs, as well as provide benefits to Aboriginal groups through training, employment, environmental initiatives, and contract opportunities, and community investments based on enrichment, education and training, and environmental leadership.

Further, this project has already provided contributions to science, including data, decision-making tools and overall understanding of the ecosystem at Roberts Bank.

### 4.1 LABOUR FORCE AND INDIRECT SPENDING

The Port Authority generates a total of 106,000 full time employed individuals, and a GDP of \$11.9 billion to the region.<sup>1</sup> Broken down, the Port employs 44,800 FTEs, and has a GDP of \$4.6 billion, 42,600 FTEs and \$5 billion in GDP by supplying and supporting businesses, and 18,600 FTEs and a GDP of \$2.3 billion as a result of direct and indirect employees spending in the economy. The substantial benefit ports provide to an economy is significant.

The project is set to begin construction in 2022. At this time, it is estimated that over 12,000 jobs will be created. Close to \$1 billion dollars in wages will be generated for workers in the surrounding area. During the construction period, an estimated \$1.3 billion in GDP will be produced.

After the project is constructed, there will be over 12,000 jobs created both on and off the RBT2 site. Approximately \$810 billion in wages will be earned by workers on and off site as a result.

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<sup>1</sup> <https://www.portvancouver.com/wp-content/uploads/2016/05/2016-Port-of-Vancouver-Economic-Impact-Study.pdf> pp i



The RTB2 will allow for more economic activity throughout all of Canada because of the improved ability to import and export, which will generate \$1.2 billion in GDP.

#### 4.2 BENEFITS TO THE COMMUNITY -TAX BENEFITS AND INFRASTRUCTURE DEVELOPMENT

Apart from economic benefits, there are important social benefits produced by a port's activity in a region. Economic opportunities will provide tax benefits to the region. Through these tax benefits, governments are able to provide social services to a broader range of the population. Increased tax payments on goods and services purchased by employed individuals and visiting ship-workers will bolster the livability of a community.

It is estimated that \$300 million in tax revenue will be generated during the construction period. Once construction has completed, an estimated \$205 million in tax revenue will be produced for federal, provincial, and local governments to utilize for many services including infrastructure.

Additionally, infrastructure improvements are necessary when developing land for a project such as RBT2. This infrastructure improvement is welcome to the business community; Improved roads, intersections, and traffic flow will help the transportation within the area where RBT2 is to be built. The indirect benefit to transportation infrastructure improvements are decreased costs to businesses as they spend less time navigating traffic.

## 5. CONCLUSION

The Surrey Board of Trade concludes that Surrey’s business community, as well as local, provincial and federal governments have much to gain from the RTB2 project. In addition to increased jobs throughout the region during construction, long-term jobs will be a result of the RBT2 project. We can’t ignore this. All levels of government will benefit from tax revenues as a result of increased GDP, new wages, and economic activity, utilized for the benefit of all Canadian communities – and more specifically – the Surrey area. Finally, infrastructure improvements will benefit all businesses.

As a result of the aforementioned reasons, the Surrey Board of Trade asks that the RBT2 Review Committee rule in favour of the project and allow construction to begin immediately. Delaying this project will jeopardize the local economy, and Canada’s competitiveness in the global market.