GABRIOLANS AGAINST FREIGHTER ANCHORAGES (GAFA) SOCIETY

CHRIS STRAW'S ORAL PRESENTATION TO THE STANDING COMMITTEE ON TRANSPORT, INFRASTRUCTURE AND COMMUNITIES

October 18, 2018

Thank you Madame Chair and members of the committee.

I represent a group of residents of Gabriola Island, near Nanaimo, British Columbia. My comments today reflect not only the concerns of my community, but also those of other community groups in the South Coast Region of BC who oppose the increasing use of our local waterways as an industrial parking lot for ships awaiting berths in the Port of Vancouver.

To be clear, we fully understand the importance of shipping to the Canadian economy. We recognize that the efficient flow of commercial freighters in and out of the Port of Vancouver plays a vital role in Canada's participation in the global economy.

Much of our work as community groups is focussed on the many harmful environmental and safety impacts this activity brings to our waterways. But for the purposes of this committee, I will focus on economic factors.

From our viewpoint, the West Coast's freighter anchorage system is out of control - especially the 34 anchorage sites throughout the bays and channels along the South Coast of BC.

Let me cite a few statistics from our analysis of nearly 120,000 files over 10 years, provided by the Pacific Pilotage Authority:

- First of all, 92 percent of all freighter anchorage usage is by bulk carriers coming to the Port of Vancouver to load grain, coal and other bulk commodities. Over the past decade, according to Port of Vancouver annual reports, the export of bulk commodities has increased by about **40 percent.** Over that same period anchorage usage has increased by a startling **400 percent.**

- Further, we see that while container ships rarely anchor for any length of time, some 60 percent of anchorage usage by bulk carriers can be attributed to ships that stay for 10 or more days per Port visit.

- Also, at least 75% of all anchoring occurs prior to the first trip to a berth in a visit. We believe much of this is excessive and unnecessary.

Here is the problem: anchored ships are unproductive ships. They are not moving cargo, they are simply burning fuel and incurring overhead charges which are undoubtedly passed along to the suppliers of their eventual cargo.

While we accept that bulk shipping may never achieve the smooth efficiency of the container system, ships sitting at anchor for such long periods of time are a clear indicator of an inefficient supply chain.

Don't just take my word for it. Robert Lewis-Manning, President of the Chamber of Shipping of BC, wrote to Transport Canada on August 9, 2017 that "The current framework for anchorage operations for the South Coast of British Columbia is not optimized for efficient commercial operations and results in unnecessary costs, delays, unpredictability, and impacts on certain coastal communities."

Mr. Lewis-Manning also referenced this issue in his remarks to this committee last month in Vancouver, when he acknowledged that the anchorage issue is having negative impacts on coastal communities.

In fact, there are several negative impacts. They include excessive noise and lights, as well as threats to safety, the environment and local tourism.

But I will focus on the economic implications:

- Bulk carriers anchoring in the Gulf Islands travel on average about 8 hours more than if they went straight to port and straight back out to sea, as most container ships do. By our calculations, they burn at least 30,000 more tonnes of fuel every year because of this extra travel. This is costly not only to the ship's bottom line, but also degrades air quality and aggravates global warming which, as we all know, is already having direct economic consequences.

- Bulk carriers pay hefty pilotage fees for each extra trip they make to and from Gulf Islands anchorages. These fees get passed on to suppliers of the cargo, such as Canadian prairie farmers.

- In its 2012 report, the Quorum Corporation, which monitors the handling of grain, found that: "As the number of vessels waiting increased, average loading time grew" (page70). This is evidence that congestion as a result of an increase in anchorage usage actually reduces productivity.

- Allowing freighters to anchor for free in the Gulf Islands for as long as they want provides unaffordable wiggle room so that otherwise necessary improvements to the Port supply chain can be ignored or postponed.

- Finally, about half of that extra travel, or more than 6,000 hours per year, is through Southern Resident Killer Whale foraging areas, which contributes to the dire situation facing this threatened species.

We believe all of these factors should compel the Port of Vancouver and its many partners in the shipping industry to show discipline around the use of freighter anchorages and work to curtail this activity. We believe that the Vancouver Fraser Port Authority is particularly well-positioned, both in terms of resources and capacity, to take a lead role in finding the necessary solutions to this problem.

But for now, the reality seems to be that instead of limiting anchorage usage, we hear about requests for even more anchorages, despite the fact that adding even 100 more anchorages will not result in moving a single tonne more cargo through the port.

In a more detailed brief that we will leave with the committee, we explore some ideas for what can be done about this. We don't claim to have all the answers, but our research has identified several possible solutions, including:

- Imposing reasonable restrictions on how early freighters may arrive in South Coast waters.
- Improving contracting practices to reduce long periods between date of readiness and date of loading.
- Physical infrastructure improvements such as increased availability of rail cars; foul weather loading facilities at terminals; use of fixed mooring buoys inside the port to help alleviate the need for external anchorages; expansion of digital tools such as blockchain and other supply chain management applications, to increase scheduling efficiencies and decrease wait times.

These are just a few suggestions that we believe need to be explored.

Thank you very much. I look forward to any questions you might have.