

Attention Transport Canada
November 30 2018

I am hereby submitting comments regarding the Ports Modernization Review which you have initiated and whose closing date is December 3 2018.

Part of the focus of my submission is in respect of the proposal by the Vancouver Fraser Port Authority (VFPA) to build a second container terminal on Roberts Bank in Delta, BC (RBT2). It is illustrative of why and where there are shortcomings in the manner in which port authorities - Vancouver Fraser Port Authority in particular - operate today.

I make this my focus having followed very closely for the last ten years or more - as a resident of Delta - the manner in which VFPA conducts its operations, its governance, environmental reviews, project proposals and permitting, as well as the transparency and accountability - specifically the lack thereof - in the way VFPA goes about its business.

Regarding the RBT2 project, this is what we have had to deal with since the Roberts Bank Terminal 2 proposal was resurrected:

1. The repeated use of flawed and overblown forecasts of future growth, in its efforts to promote a project that in reality is not needed.
2. Downplaying capacity increases in progress or planned at already existing container terminals and trying hard to ignore the port of Prince Rupert altogether (where there is huge potential for increases in capacity without risking the environment).
3. Making false statements such that RBT2 is needed when existing port capacities versus forecast growth demonstrate very clearly that a new container terminal is not required to meet Canada's trading needs in the foreseeable future.
4. Successfully limiting the Review Panel terms of reference such that impacts beyond the port footprint (care and control of the proponent) are not to be considered.
5. Having captive consultants carry out environmental reviews, totally void of independent verification.
6. Failure to provide a proper business case despite being requested to do so on multiple occasions.
7. Ignoring the precautionary principle which is enshrined in environmental legislation.
8. Often times in discussions and presentations, VFPA fails to recognize that the Pacific Gateway comprises two major ports, Vancouver and Prince Rupert;

This has been a frustrating process for many people, including stakeholders, and is illustrative as to where major change is required.

In terms of port modernization here is what I believe needs to be addressed:

1. Oversight by Transport Canada

Despite what is already stated in the Canada Marine Act, Transport Canada **maintains** a hands-off attitude regarding VFPA. This ultimately means that VFPA can do as it pleases and answers to nobody **except its captive board**. VFPA ignores public concerns, those of local and regional government, port stakeholders, indigenous

communities and goes about its business as though it were a privately held entity with no accountability.

2. Accountability and transparency

There is none. The VFPA produces an annual report and financial statements, but there is no oversight other than its own board. VFPA is not transparent in the manner in which it does business. For example because VFPA declined to provide details and rationale for land acquisitions, even refusing to respond to a Freedom of Information Request, it then took over a year and the intervention of the privacy commissioner to get details on the land acquisitions some of which even then were redacted.

3. Lack of financial oversight.

The port assets are Canada's assets that the port is supposed to manage. As such the profits made from those assets should not be retained by the port. Rather they should be returned to the federal government to determine where best to use them for the interest of Canadians as a whole. (A recommendation that has been made previously by the CD Howe Institute).

4. Property taxes

Port authorities are not paying their fair share. They should pay property taxes just like any other entity.

5. The role of a port authority, should be focused solely on port operations.

VFPA maintains vast land holdings and is ever adding to its real estate empire. It is not necessary for a port authority to hold real estate. This drives up real estate prices, keeps others out and where VFPA makes a move on agricultural land it violates the BC Agricultural Land Reserve.

6. Governance

The manner in which a port authority board is established needs a complete makeover. How are board members chosen and whom do they represent? The Federal Government appoints the VFPA board, following a review process by port insiders. Most are chosen from stakeholders and those with vested interests. There is minimal representation from local and regional government - one member to represent the 15 host municipalities in Metro Vancouver.. All this needs to change. There needs to be an open process for selecting board members and there needs to be much more representation from host municipalities, as well as representatives for the environment and First Nations.

7. Project and environmental assessment reviews

In many cases the port authority is both project proponent, permitting and approval authority and regulator. This needs to change. All projects must be assessed and approved by an independent body. Environmental reviews should be carried out by entities chosen by a regulator and totally independent of the port authority.

8. Lack of cooperation with the other major port authority on the West Coast

Prince Rupert is the second port and major container terminal on Canada's west coast. A process needs to be put in place that mandates VFPA to hold regular discussions and cooperate with Prince Rupert.

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