



## THE CORPORATION OF DELTA

*From the office of:*

The Mayor,  
Lois E. Jackson

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Canada Transportation Act Review Secretariat  
350 Albert Street, Suite 330  
Ottawa ON K1A 0N5  
Via email: [secretariat@reviewcta-examenlrc.gc.ca](mailto:secretariat@reviewcta-examenlrc.gc.ca)

Dear Panel Members,

### **Re: Canada Transportation Act Review**

Please accept this submission on behalf of Delta Council as part of the Canada Transportation Act review. We appreciate the opportunity to provide input from our perspective as the host municipality to two of the largest marine terminals in Canada (Deltaport container terminal and Westshore Coal Terminal), and as a community that has seen many changes as a result of the Asia-Pacific Gateway and Corridor Initiative.

#### **Background:**

Delta is a suburban municipality (population 100,000) located at the mouth of the Fraser River in the Metro Vancouver regional district. Nearly half of Delta's land is in the Agricultural Land Reserve (8,000 hectares) and farming forms a significant part of the local economy.

With its port facilities, proximity to the US border and extensive road and rail networks, Delta holds a strategic position as Canada's gateway to Asia-Pacific trade and has benefited from this in terms of jobs and economic prosperity.

As we contemplate the growth in trade with Asia-Pacific countries and the proposed Roberts Bank Terminal 2 port expansion, the impacts associated with the movement of those goods through the Delta community are predictable – the increase in truck traffic adding to the already congested roads in Metro Vancouver, busier railways and larger ships, as well as the growing demand to develop prime agricultural land for port-related industries.

#### **Investment in Infrastructure:**

Fortunately, in recent years there has been significant government investment in the transportation network that services the port, including the \$1.26 billion South Fraser Perimeter Road and the \$360 million Roberts Bank Railway Corridor Improvement Project. These projects have significantly reduced the impacts of trucks and trains on our local communities.

Nevertheless, the anticipated impacts of Roberts Bank Terminal 2, as well as local growth in Delta, will be significant for this community and the region as a whole.

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### **Inland Ports:**

Part of the solution to these problems lies in the development of inland ports - a concept that Delta has been promoting for several years. The potential benefits of inland ports to Canada's transportation network were identified in the 2008 Emerson report on the Asia Pacific Gateway and Corridor Initiative. This report made a number of recommendations to improve the efficiency, flow and reliability of Canada's western gateways, specifically the development of inland ports as a means to reduce traffic congestion, reduce the movement of empty containers and create employment opportunities away from the port.

Since that time, there has been considerable investment in inland port facilities in Western Canada, including Prince George, Calgary, CentrePort (Winnipeg) and Port Alberta (Edmonton). We have been particularly interested in the development of the Ashcroft Terminal, some 370 km inland from Delta. The 320 acre site is uniquely situated at the only location where CP and CN Railroads converge, offering a great opportunity for the movement of goods to the port.

### **Delta Study:**

The Corporation of Delta recently commissioned a study that looked at the potential benefits of an inland port, such as Ashcroft Terminal, for Delta and the Lower Mainland area. A copy of the report is provided for your consideration; however, the key findings include:

#### **Fewer Truck Trips:**

Based on a scenario where 1 truck out of 9 is replaced by rail, by 2031 there would be **1,080 fewer one-way truck trips per day** (or 650,000 trips annually) to/from Deltaport and T2. This equates to 36 million fewer truck kilometres driven annually.

#### **Fewer Truck Transfers and Movement of Empty Containers:**

The existing trade imbalance with Asia leads to a logistics situation in the Lower Mainland where 60% of all westbound rail containers are empty. Since container terminals have limited storage space, many of these empty containers are delivered to Deltaport and subsequently trucked to an off-dock location. The movement of containers throughout the lower mainland is such that each exported container requires 2-3 container truck transfers.

An inland terminal would ship full containers via rail to Port Metro Vancouver, thereby eliminating those 2-3 container transfers. The impact of having an inland port by 2031 would be the avoidance of 140,000 truck trips annually within the Lower Mainland.

#### **Faster turnaround of rail equipment:**

The current shortage of railcars would be alleviated by turning equipment around in the Kamloops/Ashcroft area rather than at Vancouver container terminals. It is estimated that the railcar turnaround could be improved by one to two weeks per trip.

#### **Improved service to shippers at a potentially reduced cost:**

Shippers would benefit from being able to drop off export cargo closer to their location, and terminal operators would benefit from the ability to schedule train loads of this export cargo for arrival at the Port during non-peak terminal hours. The seaport operator could also plan for the cargo load list associated with the train.

**Reduced pressure to develop agricultural land near the port:**

Delta has some of the finest farmland in Canada and 42% of Delta is in the ALR. Prime agricultural land in Delta could be conserved for farming purposes, while the unproductive land in the Kamloops/Ashcroft area would be ideal for industrial purposes. Agricultural land is a finite resource and farmland conservation is an important strategic goal for Delta.

**Economic investment and job creation in the Ashcroft/Kamloops region:**

The economic benefits of port activity are spread more equitably through the Lower Mainland and the BC interior – the development of the inland port would attract investment to the area and generate much-needed jobs and economic development opportunities for the region.

**Fuel Savings and Reduced carbon emissions:**

The reduction in truck trips and mileage driven means lower fuel consumption and reduced carbon emissions of approximately 10,000 tonnes a year based on the conservative scenario and almost 38,000 tonnes a year based on the optimistic scenario. Associated fuel savings would be 3.5 million litres and 14 million litres of diesel annually.

**Employment:**

The report shows that there will be significant cost savings in terms of trucking employment with the development of an inland terminal. For scenario 1, there will be a savings of 147 person years of employment, and with scenario 4, 611 person years saved. This translates to a savings for the trucking companies of \$8 million and \$34 million per year respectively by 2031. It is important to note that this does not represent lost jobs since the inland port is only taking a small percentage of the forecasted container growth – no jobs will be lost, but there will be less need for more truck drivers to handle the additional containers.

In 2010, the federal government provided funding of \$5 million to Ashcroft Terminal for the development of rail infrastructure. It is important that the federal government continue to promote and invest in the development of inland ports to improve and enhance the efficient movement of containers around the Metro Vancouver area and beyond.

**Priorities – Agricultural Products:**

The federal government identifies the movement of agricultural products as a priority issue for the CTA Review. In the last decade, there has been a significant growth in the export of containerized commodities such as specialty grains, pulses and oil seeds as well as wood products (lumber and wood pulp) through Port Metro Vancouver. A significant percentage of Ashcroft Terminal's business is servicing the growing export of agricultural products. Demand for grain storage and loading facilities for produce from Alberta and Saskatchewan is growing as:

- producers look for viable alternatives to the current export routes (a significant amount of grain from Alberta and Saskatchewan is transported via truck to the Ports of Los Angeles and Long Beach for export);
- producers seek locations to store agricultural products west of the Rockies to ensure they are not vulnerable to winter weather delays in the prairies; and

- producers look for ways to smooth out fleet flow leading up to monthly marine shipments through Port Metro Vancouver.

This highlights the strategic significance of locating an inland port facility in the BC interior to provide services for producers east of the Rockies and to alleviate congestion problems close to the west-coast ports.

**Conclusion:**

We are seeing the continued growth in trade with Asia-Pacific countries through Port Metro Vancouver, in particular, the export of agricultural commodities. We would urge the review panel to recognize the critical role that inland ports have in supply chain security and efficiency and seek ways to promote the use of inland ports, perhaps through legislative changes or incentives, to provide economic, social and environmental benefits for the communities through which goods are transported.

Yours truly,



Lois E. Jackson  
Mayor

Attachment: Inland Intermodal Cargo Facility Study (CargoVelocity, August 2014)