

## Port Metro Vancouver: The Largest Diversified Port in North America

Terina Sin Ue Lam terina.lam@gmail.com

**Mount Royal University, Calgary, Canada** 

As the largest, most diversified and fourth largest tonnage port in North America, the establishment of Port Metro Vancouver has greatly contributed to Canadian transportation history by significantly enhancing the international shipping community (Port Metro Vancouver, 2014a). Located on the South West coast of Beautiful British Columbia, Port Metro Vancouver handles approximately \$172 billion in goods every year which accounts for one-fifth of Canada's trade market. In regards to annual revenue, the port amounts to over \$210 million in contributions into Canada's GDP (Port Metro Vancouver, 2013).

In addition to facilitating the flow of international goods between Canada and rest of the world, Port Metro Vancouver provides 98,800 full time employment opportunities to British Columbians. (Port Metro Vancouver, 2014b). International and domestic trade is crucial to Canada's economy; the existence of water ports, especially Port Metro Vancouver is so significant, that without it, half of Canada's trade would cease to exist (Transport Canada, 2012).

In 2012, Port Metro Vancouver traded over 124 metric tones of freight in four business divisions: container, bulk, breakbulk, and automobile (Association of Canadian Port Authorities, 2013). Surprising, Port Metro Vancouver's forth-largest business division comes from their cruise vacation and trip sector; in 2013, there were 820,000 passengers onboard for their Alaskan cruise. Port Metro Vancouver stretches throughout 600 km of shoreline, and effectively manages over 16,000 hectares of water, and 1,000 hectares of land and assets (Association of Canadian Port Authorities, 2013). Equipped with a full range of amenities and services, this impressive water port offers 28 major marine cargo terminals, which ships and trades with over 160 countries (Port Metro Vancouver, 2014b). Port Metro Vancouver is critical to the success of trade operations in the international and domestic trade industry because their water port capacity can hold the sixth generation of container ships—the Post Panamax Plus—that has a capacity of approximately up to 6,000 twenty foot equivalents (TEUs) (CITT, 2014).

Early 2014, Port Metro Vancouver was presented with a truck driver protest dispute (The Vancouver Sun, 2014). Truck drivers were picketing for their rights to make a living and make a change. Many truckers criticized the truck licensing system, declared they had no rights and could not make a living with their indecent amount of pay of \$15.59 per hour (CBC News, 2014). Because of this dispute, ninety percent of Port Metro Vancouver's truck drivers participated in a general strike. With increases in operational expenses such as fuel, repair maintenance costs, and labor costs, Port Metro Vancouver incurred operational deficit during the Q2 2014. (The Vancouver Sun, 2014). While the lower costs of diesel fuel in recent months has helped Port Metro Vancouver overcome this deficit, there remained discrepancy with trucker wage agreements; all the truckers demanded was for new standards and pay equality, which ultimately leads to job security. After a few months, the dispute regained composure after a joint action plan regarding trucker work stoppage at Port Metro Vancouver was implemented. The 14-point action plan ensured all truck drivers are being paid fair compensation, included acts to reduce the wait times for truckers at terminals when merchandise is offloaded or loaded, and the action plan also included the restructuring of the truck licensing system (Port Metro Vancouver, 2014c).

With this action plan now implemented, truck driver employees at Port Metro Vancouver are now working again, and operations have returned to normal (Port Metro Vancouver, 2014d).

In additional to current events involving the strike, four other important issues faced by Port Metro Vancouver pertain to: protecting human, animal, and environmental health, the efficiency of the movement of goods, port authority coordination, and lastly, response to uncertainty and risk factors (Metro Vancouver, 2014). In order to further develop the export of resource-based merchandises, Port Metro Vancouver will be required to expand their infrastructure and water port. Many citizens and stakeholders are concerned in regards to the impact on environmental quality, human wellbeing, and for the life of organisms and animals whose habitat is near the port (Metro Vancouver, 2014).

Due to the increasing demand of natural resources and commodities in domestic and international trade including potash, metals, minerals, and coal, Port Metro Vancouver continues to develop every day (Metro Vancouver, 2014). To enhance the level of efficiency and effectiveness in their goods transportation operations, regulations and standards must be implemented, which can take Port Metro Vancouver off their focus on other core competencies such as expanding the water port to accommodate their growing trade demand for resources (Metro Vancouver, 2014).

Considering Port Metro Vancouver is the largest export port in Canada, Port of Prince Rupert–located on the North West coast of British Columbia—also significantly contributes to maritime international trade growth and the Canadian economy. As the nearest North American water port to Asia, Port of Prince Rupert is distinctively located on the "shortest trade route between the world's most dynamic economies" (Prince Rupert Port Authority, 2014, para. 2). The municipalities accommodating the port authorities for both, Port Metro Vancouver and Port of Prince Rupert, vary significantly in terms of land availability, road transportation infrastructure, services provided, and level of acceptance from neighboring communities, which makes it necessary to formulate a strategy for successful coordination between both port authorities.

The final issue faced by Port Metro Vancouver involves their response to new opportunities, and the uncertainty in the continuous growing international demands. China's heavy industrial economy will continue to increase the demand for commodities, but economists are speculating whether China's economy and their demand for resources will continue to grow or decline. Port Metro Vancouver should implement a risk uncertainty management action plan in the case that market demands does decrease over the years to mitigate the risk of declining revenues specifically from China. (Metro Vancouver, 2014).

Despite the current and projected issues being faced by the established water port, Port Metro Vancouver will continue to preserve the quality of life for the citizens of Vancouver by listening and working together with neighboring municipalities, and enhancing the standard of life (Port Metro Vancouver, 2014d). The port's desire and disposition to contribute to the international economy and to provide support is reflected in their vision statement, "To be recognized as a world class Gateway by efficiently and sustainably connecting Canada with the global economy,

inspiring support from our customers and from communities locally and across the nation" (Port Metro Vancouver, 2014c, para. 2).

With the rising international and domestic demand for Canadian natural resources and consumer goods, Port Metro Vancouver will continue to grow and will continue to make future investments with expansion projects. Further globalization efforts and increased trade along the Asian and North America markets will only bring in additional work for Port Metro Vancouver. In the coming years the port will advance and expand maritime and road transportation infrastructures in order to successfully accommodate the increasing demands of international trade. (Metro Vancouver, 2014).

## References

- Association of Canadian Port Authorities. (2013). *Industry Information CPA Facts*.

  Retrieved from Association of Canadian Port Authorities: The Leading Voice of Canadian Ports: http://www.acpa-ports.net/industry/cpafacts.html
- CBC News. (2014, March 10). *Port Metro Vancouver strike underway*. Retrieved from CBC News: http://www.cbc.ca/news/canada/british-columbia/port-metro-vancouver-strike-underway-1.2566622
- CITT. (2014). Generations of Container Ships. In CITT, *Transportation Systems: A Canadian Perspective* (pp. 2-13). Toronto, Ontario, Canada: CITT.
- Metro Vancouver. (2014). Moving Goods through Marine Ports in Metro Vancouver.

  Retrieved from Metro Vancouver:

  http://www.metrovancouver.org/planning/development/Documents/MovingGoodsthroughMarinePortsinMV.pdf
- Port Metro Vancouver. (2013). 2013 Financial Report. Retrieved from Port Metro Vancouver: http://www.portmetrovancouver.com/docs/default-source/default-document-library/download-the-2013-port-metro-vancouver-financial-report-inenglish.pdf?sfvrsn=0
- Port Metro Vancouver. (2014a). *About Us.* Retrieved from Port Metro Vancouver: http://www.portmetrovancouver.com/about.aspx
- Port Metro Vancouver. (2014b). *Facts and Statistics*. Retrieved from Port Metro Vancouver: http://www.portmetrovancouver.com/about/factsandstats.aspx
- Port Metro Vancouver. (2014c, March 13). Joint Action Plan Trucker Work Stoppage at Port Metro Vancouver. Retrieved from Port Metro Vancouver: http://www.portmetrovancouver.com/docs/default-source/ABOUT-Media/2014-03-13-action-plan-march-final2.pdf?sfvrsn=8
- Port Metro Vancouver. (2014d, March 13). *News and Media Releases.* Retrieved from Port Metro Vancouver:
  - http://www.portmetrovancouver.com/en/about/news/2014/03/14/governments-and-port-metro-vancouver-take-action-to-end-trucking-dispute
- Port Metro Vancouver. (2014e). *Our Vision*. Retrieved from Port Metro Vancouver: http://www.portmetrovancouver.com/en/about/ourvision.aspx

- Prince Rupert Port Authority. (2014). *Canada's Leading Edge Port*. Retrieved from Prince Rupert Port Authority: http://www.rupertport.com/
- The Vancouver Sun. (2014, March 20). Video: Port Metro Vancouver truckers will continue to protest. (M. Bell, Editor) Retrieved from The Vancouver Sun: http://www.vancouversun.com/opinion/oped/Gibson+scandal+propels+website+into+online+stratosphere/3296586/Puppies+groomed+become+assist+dogs+need+temporary+homes/3302226/Video+Port+Metro+Vancouver+truckers+will+continue+protest/9641407/story.html
- Transport Canada. (2012). Canada: Committed to the Goals of the International Maritime Community- TP 14916 E (2011). Retrieved from Transport Canada: https://www.tc.gc.ca/eng/marinesafety/tp-tp14916-menu-182.htm