

August 24, 2005

Mr. Ken Dobell
Mr. Randy Morriss
Mr. Eric Harris, Q.C.
Task Force on Transportation and
Industrial Relations Issues in the Ports of Vancouver
Task Force Secretariat
1100-800 Burrard Street
Vancouver, B.C. V6Z 2J8

Dear Sirs:

Re: Vancouver Port Authority (VPA) Recommendations to Task Force

Thank you for the opportunity to provide input on this important issue. Please find attached our comments in relation to the specific information requested by the Task Force, as well as some additional background information that you may find useful.

From the VPA's perspective, the Order in Council and the mandatory truck licensing system were necessary and productive steps to take in a crisis and have led to the resumption of trucking operations to and from the port. However, we see this as an interim measure that should not be sustained in the long term.

Intervention was required as the law was not being enforced and truckers and trucking companies who wanted to legally access the port were met by intimidation and violence and, in some cases, were even obstructed by the police while attempting to access the terminals. Had the police intervened and enforced the law those companies wishing to access the port would have been able to do so and the dispute would not have escalated. The police response plan appeared to treat this dispute as a labour dispute, which it was not. A fundamental recommendation to the Task Force is that a framework be established under which the police will enforce the law in future non-labour disputes, thereby allowing law-abiding businesses and individuals, who are not part of the disagreement, to conduct their business without fear of reprisal.

While we offer recommendations regarding possible legislative frameworks the VPA does not support permanent regulation of this industry and, more specifically, does not support the establishment of fixed rates. Such an action on a long-term basis is contrary to the interests of a competitive gateway. In our view, the best solution for this gateway is to increase efficiencies by making significant changes to operating practices. A more efficient operation will enable the gateway to remain competitive, while allowing truckers to make a reasonable return on their investment and receive fair compensation.

Port authorities have a role to play in achieving these operating efficiencies. At the VPA we have been increasingly turning our attention to better understand the entire logistics chain and the role that we can play to increase its operational efficiency. The VPA has been moving in this direction for some time, but clearly there is a need to expedite these initiatives. Such initiatives will optimize the region's transportation infrastructure and complement other federal and provincial infrastructure investments. Governments may be required to contribute financially toward the costs required to implement these solutions in a timely manner.

The BC Ports Strategy (BCPS) also identifies the need to optimize use of the existing system capacity, specific action items related to enhancing operational efficiencies include:

- Create a management entity to coordinate activities in the west coast ports system.
- Develop a ports multi-modal action plan.
- Review "best" operating practices and potential for application.

The VPA is prepared to work with the industry stakeholders and with government, as deemed appropriate, to implement these action items.

The VPA applauds the efforts of the Task Force and is fully prepared to provide additional information and background to support your objectives. During the course of your review, please do not hesitate to contact me directly with such a request.

Thank you for your efforts in support of this industry.

Yours truly,

Jim Cox
Vice President, Infrastructure Development

Atts.