

Port of Vancouver will handle China's needs

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Chinese importers and exporters who use Vancouver's harbour to move their goods in and out of North America are being reassured this week that the port will grow along with their needs.

A 25-person delegation, led by Vancouver Port Authority CEO Gordon Houston, will head to Beijing today, where it will meet with representatives of Chinese companies that do business with the port.

"We want to let them know that we are definitely in an expansion mode and will have facilities coming on stream, as volumes rise," Houston said Tuesday from his hotel in Seoul, South Korea.

"For the container business and the bulk business, China has become such a huge market and our business has grown considerably over the last 12 months."

China is now the port's second largest trading partner after Japan and ahead of South Korea.

From August 2003 to August 2004, inbound container traffic from China (not including Hong Kong) rose 17.4 per cent to 1.8 million metric tons from 1.5 million metric tons.

In the same period, container exports to China (again, not including Hong Kong) rose 15.4 per cent to 1.7 million metric tons from 1.4 million metric tons.

Houston said that while the present bulk and break bulk capacities of the port should be good until 2020, the delegation wants to let the Chinese know there is an aggressive expansion program in place.

"It will allow us to go from about 1.8 million TEUs [20-foot equivalent units] up to 5.3 million," said Houston. "So this will take some redevelopment and some new facilities as well."

Overall, tonnage at the port is expected to rise to 107 million metric tons by 2020 from 67 million metric tons, an average of three per cent for the next 16 years. Container traffic itself is expected to rise 300 per cent.

The delegation, which has already visited Tokyo and Seoul, will help its three-person office in Beijing celebrate its 10th anniversary in the Chinese capital.

"Our message to our customers in China will be thank you very much for allowing us to do business with you in the past 10 years," said Houston, who said there have been concerns raised about service delivery."

"Over last winter we had some problems with delivery of service, mainly because of the winter in Canada," said Houston.

"We had five avalanches, they had a strike on CN, they had derailments because of the weather, it was a really difficult time."

The delegation comprises terminal operators, bulk, break bulk and container companies; executives of three locals of the longshoreman's union, the [ILWU](#); the CN and CP railroads; and a representative of the trucking industry.

After Beijing it will be going on to Hong Kong and Taipei.

"What we're doing here is collectively reassuring people that the port of Vancouver is a very viable option and that we certainly want them to continue doing business with us," said Houston.

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