



# The Bulletin

The Newsletter of the British Columbia Maritime Employers Association

## Federal Minister of Labour Visits GCT Vanterm



On November 15th, the Honourable Patty Hajdu, Federal Minister of Employment, Workforce Development and Labour was at GCT Vanterm to highlight the work the Government of Canada is doing to ensure that good quality jobs are available for Canadians.

### Follow the BCMEA on social media



With ILWU Canada and Local 500 and 514 leadership, Vancouver Fraser Port Authority, BCMEA, and GCT Canada at her side, her announcement focused on pay equity and the proposed legislation to amend Part III of the Canada Labour Code to ensure employees in the federally-regulated private sector have modern labour standards, as reflected by the ILWU and GCT Canada's current practices.

We're looking for your good news stories to share! Please submit to Lauren Chan: [lchan@bcmea.com](mailto:lchan@bcmea.com)

# Vancouver port approves new Fraser Grain Terminal

*canadianshipper.com*

Parrish & Heimbecker, Limited (P&H) announced that it is moving forward to build and operate Fraser Grain Terminal, a new export facility in Surrey, B.C. The project received Vancouver Fraser Port Authority permit approval last week.

“P&H has grown substantially to support Canadian farmers and overseas customer demands. This project demonstrates our unwavering investment in the supply chain to build strong business relationships with customers around the world,” says Casey McCawley, Vice President of West Coast Operations for P&H.

Exports of Canadian grain and specialty crops to growing markets in China and South East Asia continue to increase. The new export facility will address two major constraints – limited western Canada rail capacity, and a shortage of port industrial land for grain handling. P&H has secured a long-term lease with the port authority for the site. Once complete, Fraser Grain Terminal (FGT) will provide 4 million tonnes of terminal capacity per year.

“FGT provides desperately needed western export capacity for our farmers to reach global markets, one that will have a significant and positive impact locally and around the world,” says Saskatchewan Premier Scott Moe.

“This project will bring economic gains for farmers in Manitoba,” says Hon. Ralph Eichler Minister of Agriculture. “With so much of our grain exports going to Asia, anything that improves the speed of delivery is good for all Canadians.”

The new terminal will have modern storage facilities, three state-of-the-art shiploaders equipped with dust-reducing technology, and a fully-enclosed above-ground conveying system with built-in dust suppression. “The leading design that P&H chose will improve regional efficiency and safety, and help reduce dust and noise in the local community,” says Randy Roller of FWS, P&H’s designer and construction contractor.

The project will extend existing rail loading areas and enable high speed rail car unloading, to improve loading efficiency, reduce rail shunting and dramatically improve rail car cycle times between the Prairies and metropolitan Vancouver. *(continued)*



## ***Vancouver port approves new Fraser Grain Terminal (continued)***

Construction is planned to start in late 2018 and will take approximately two years to complete. Once the new terminal begins operating, the existing smaller facility, a joint venture with Fraser Surrey Docks, will convert to handle only pelleted protein products. The existing mobile shiploader will be decommissioned.

“CN is proud to be a transportation partner in P&H’s investment in supply chain rail efficiency, in Western Canada and at Fraser Grain Terminal. This will not only benefit P&H’s customers but also help us to better serve all our customers,” says Doug MacDonald VP Senior Rail Centric Supply Chain of CN Rail. “Canadian Pacific supports the investment of new, efficient grain unloading capacity in Vancouver,” said Joan Hardy, CP’s Vice-President Sales and Marketing, Grain & Fertilizers. “These advancements fit with our 8,500 foot High Efficiency Product train model and are what the grain supply chain needs as we continue to deliver for farmers, shippers and the broader economy.”

“This grain terminal is one of a continuing series of large-scale investments in agriculture across Canada to help link producers to value added businesses and end-use customers in the most efficient way possible,” says John Heimbecker, President of P&H Grain. “With the help of the railways and the port authority we expect FGT to be one of the most productive terminals in the Pacific Northwest.”

<https://www.canadianshipper.com/transportation-and-logistics/vancouver-port-approves-new-fraser-grain-terminal/1003378488/>

## **Editorial: Keep the Asia-Pacific gateway competitive**

***biv.com***

Canada runs a distant competitive second to America in many business arenas, but its Asia-Pacific Gateway is not one of them. B.C.’s transpacific trade entry points have become more than a match for their U.S. counterparts.

For example, as the Vancouver Fraser Port Authority has noted, Vancouver’s share of the containerized cargo traffic that flowed through all Pacific Northwest ports in 2017 was 41%. In 2011, its percentage was 35%. The 3.25 million 20-foot-equivalent units (TEUs) Vancouver’s four container terminals handled in 2017 helped move it into the ranks of the world’s top 50 container ports. Prince Rupert, meanwhile, continues to be one of North America’s fastest-growing container ports as it and Vancouver combined to handle 4.18 million TEUs in 2017.

Despite analysts’ growing concerns over escalating trade and tariff wars and subsequent downgrades in their outlooks for transpacific and other major trade route traffic, container terminal operators are sinking multimillions into their B.C. operations. Their optimism is grounded in far more than B.C.’s geography, which places it in an enviable location in the Asia-North America trade triangle.

Canada’s rail connections to the Canadian and American heartland and the relative efficiency of container movement through B.C. ports also support optimism about the competitive business buoyancy of their West Coast operations. However, retaining an Asia-Pacific Gateway edge in volatile economic times depends on continued strategic investment in marine and other links in the transpacific logistics chain.

Competition along North America’s west, east and Gulf coasts can’t do anything about B.C.’s geographic advantages. It can, however, do much about the cost, efficiency, technology and connectivity of its share of transpacific trade, which is the largest deep-sea market in the world.

Strategic expansion of cargo capacity and road and rail connections therefore needs to be mapped out, co-ordinated and executed at B.C. ports if Canada’s transportation arteries are to continue feeding the country’s economy with the lifeblood of trade.

<https://biv.com/article/2018/11/editorial-keep-asia-pacific-gateway-competitive>

# Hapag-Lloyd: Size is Not the Name of the Game Anymore

*maritime-executive.com*

Hapag-Lloyd has disclosed details of its new mid-term Strategy 2023, saying the liner industry has come to a turning point following a period of consolidation.



Hapag-Lloyd is more than two times larger than it was in 2014 in terms of transport capacity. Further consolidation among the largest players in the industry is now less attractive due to decreasing incremental scale benefits. Instead, the company will focus on significantly improving quality for its customers, selective global growth and becoming profitable throughout the cycle.

“Size is not the name of the game anymore, but customer orientation,” said Rolf Habben Jansen, CEO of Hapag-Lloyd. “It is obvious that customers expect more reliable supply chains, so our industry needs to change and invest more. At the same time, we know that people are prepared to pay for value. Going forward, delivering value to get the most attractive cargo on board is at the heart of our new Strategy 2023. To be number one for quality is the ultimate promise to our customers and a strong differentiator from our competitors.”

He says Hapag-Lloyd’s Strategy 2023 is based on network optimization, terminal partnering and further improvements in procurement and container steering.

At the same time, additional improvements aim to turn Hapag-Lloyd into a more agile, dynamic and analytically driven organization. More investments in digitalization and automation will be made and the company aims to increase the share of the online business to 15 percent of its overall volume by 2023.

Financial targets by 2023 will focus on generating economic value by delivering a Return on Invested Capital which is higher than the Weighted Average Cost of Capital. This implies an EBITDA margin of approximately 12 percent. A cost management program with a savings run-rate target of \$350 to \$400 million has been launched. The net debt-to-EBITDA ratio is targeted to be less than 3.0x with an equity ratio of more than 45 percent. A liquidity reserve of around \$1.1 billion will be maintained. *(continued)*

## ***Hapag-Lloyd: Size is Not the Name of the Game Anymore (continued)***

### **Cooperation**

Last month, Hapag-Lloyd and Ocean Network Express (ONE) entered into a strategic feeder network agreement. The cooperation covers specific Intra-Europe (BAX, NBS, NPX, REX, SDX, ADX, LEX) and Intra-Asia (BHX, HAS, PID) feeder trade lanes and will be further expanded in the future. Hapag-Lloyd and ONE also operate together within THE Alliance and cooperate on their Latin America, Africa and Indian Subcontinent trades. In September, Hapag-Lloyd, ONE and Yang Ming announced a new cooperation with CMA-CGM, COSCO and OOCL to enhance their Mediterranean – U.S. East Coast service AL6 (Atlantic 6).

### **Reorganization**

Hapag-Lloyd reorganized its Executive Board in March, and in May extended Jansen's contract for a further five years until March 31, 2024. Jansen was appointed member of the Hapag-Lloyd Executive Board in April 2014 and has been CEO since July 2014.

The reorganization came about following the mergers with CSAV (2014) and UASC (2017). As a result, the company's transport capacity and number of containers transported more than doubled. Revenue rose by the around 50 percent in the same period, and the number of employees increased by around 70 percent.

Hapag-Lloyd has a fleet of 222 modern container ships and a total transport capacity of 1.6 million TEU. It has a container capacity of approximately 2.6 million TEU, and around 12,000 employees and 394 offices in 127 countries. 120 liner services connect to over 600 ports around the world.

<https://maritime-executive.com/article/hapag-lloyd-size-is-not-the-name-of-the-game-anymore>

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## **DSP Facilitates DP World Prince Rupert Terminal Upgrade**

***porttechnology.org***

DSP Data and System Planning, a provider of IT solutions, has successfully supported the transition of DP World's Prince Rupert Terminal to the Navis N4 terminal operating system (TOS). According to a statement from DSP, Prince Rupert selected Navis N4 to improve efficiency, guarantee scalability and sustain their expansion plans.

In November 2018, the government of Canada announced that it would invest US\$16.7 million to boost the port's transportation infrastructure, as part of a wider initiative to improve the country's trade with Asia.

Another part of Prince Rupert's expansion involved the installation of large cranes, increasing the port's capacity to 1.35 million TEU annually. The expansion process also required a change from the legacy TOS to Navis N4, which was completed on October 18, 2018.

Due to the potentially disruptive impact on operating processes caused by TOS migration, DSP has been assigned the duties of project management, software quality assurance, and the analysis and review of business processes. Ricardo Alvarez, Director of Operations of DP World Prince Rupert, commented: "Go-live was a success. Thank you to the entire team led by DSP.

"Our terminal is now equipped with NAVIS N4, the latest generation TOS, enabling us to better plan for more volume and increased productivity, all while further improving the level of service offered to customers."

Daniele Labate, Senior Manager of DSP and Project Manager for Prince Rupert N4 Go Live, added: "Terminal operations were stopped for a few hours in the night to allow for data migration. Operations were restarted promptly and were quickly ramped-up and back to standard performances in three days after Go-live."

[https://www.porttechnology.org/news/dsp\\_supports\\_tos\\_transition\\_at\\_canada\\_port#dsp\\_data\\_and\\_system\\_planning](https://www.porttechnology.org/news/dsp_supports_tos_transition_at_canada_port#dsp_data_and_system_planning)

# Industry News Links

## **B.C.'s largest-ever forestry delegation to visit China, Japan, South Korea in December**

<https://biv.com/article/2018/11/bcs-largest-ever-forestry-delegation-visit-china-japan-south-korea-december>

## **Big jump in western Canadian grain production 'new normal'**

<https://www.manitobacooperator.ca/news-opinion/news/big-jump-in-western-canadian-grain-production-new-normal/>

## **B.C. forestry's bull-market ride could be over soon**

<https://biv.com/article/2018/11/bc-forestrys-bull-market-ride-could-be-over-soon>

## **Connecting people to promote B.C.'s craft beer.**

<https://www.portvancouver.com/stories/beer>

## **Ag container capacity expanding at Prince Rupert**

<https://www.manitobacooperator.ca/news-opinion/news/ag-container-capacity-expanding-at-prince-rupert/>

## **Ship Operating Costs Rise for Second Successive Year: Drewry**

<https://mfame.guru/ship-operating-costs-rise-for-second-successive-year-drewry/>

## **2020 low sulphur regulations could be 'the saviour' of container shipping**

<https://theloadstar.co.uk/2020-low-sulphur-regulations-saviour-container-shipping/>

## **Challenges Facing the Container Shipping Industry**

<https://seanews.co.uk/features/challenges-facing-the-container-shipping-industry/>

## **ONE's 4th Newly Built 14,000 TEU Magenta Containership Delivered**

<https://mfame.guru/ones-4th-newly-built-14000-teu-magenta-containership-delivered/>

## **Kitack Lim sailing towards a second term as IMO Secretary General**

[http://www.maritimemag.com/index.php?option=com\\_content&view=article&id=842:kitack-lim-sailing-towards-a-second-term-as-imo-secretary-general&catid=4:news&Itemid=6](http://www.maritimemag.com/index.php?option=com_content&view=article&id=842:kitack-lim-sailing-towards-a-second-term-as-imo-secretary-general&catid=4:news&Itemid=6)

## **Ship growth optimism with trade concern**

<https://www.portstrategy.com/news101/port-operations/planning-and-design/shipping-growth-optimism-and-trade-concern>

## **Video: DP World delivering smarter trade solutions for a better world**

<https://www.youtube.com/watch?v=QvD4iPbZfPs>

## **CN's Ruest Named Railroader of the Year**

<https://www.cn.ca/en/news/2018/11/cns-ruest-named-railroader-of-the-year/>

## **Hazards Associated with the Shipbreaking Industry**

<https://seanews.co.uk/features/hazards-associated-with-the-shipbreaking-industry/>

## **NYK Unveils Eco Super Ship Plans**

[https://www.porttechnology.org/news/nyk\\_unveils\\_eco\\_super\\_ship\\_plans](https://www.porttechnology.org/news/nyk_unveils_eco_super_ship_plans)

## **Container shipping digitalisation association launched**

<https://www.thedigitalship.com/news/maritime-software/item/5761-container-shipping-digitalisation-association-launched>

# Tweet of the Week



**DP World Canada**  
@DpworldCanada

Following



This year, our [#employeedonation](#) campaign supports two incredible [#Vancouver](#) charities: [@AuntLeahs](#) and [@helpstpauls](#). The [#DPWorldVancouver](#) finance team stepped up to [#giveback!](#) [#DPWorldDonates](#)



# INDUSTRY EVENTS CALENDAR

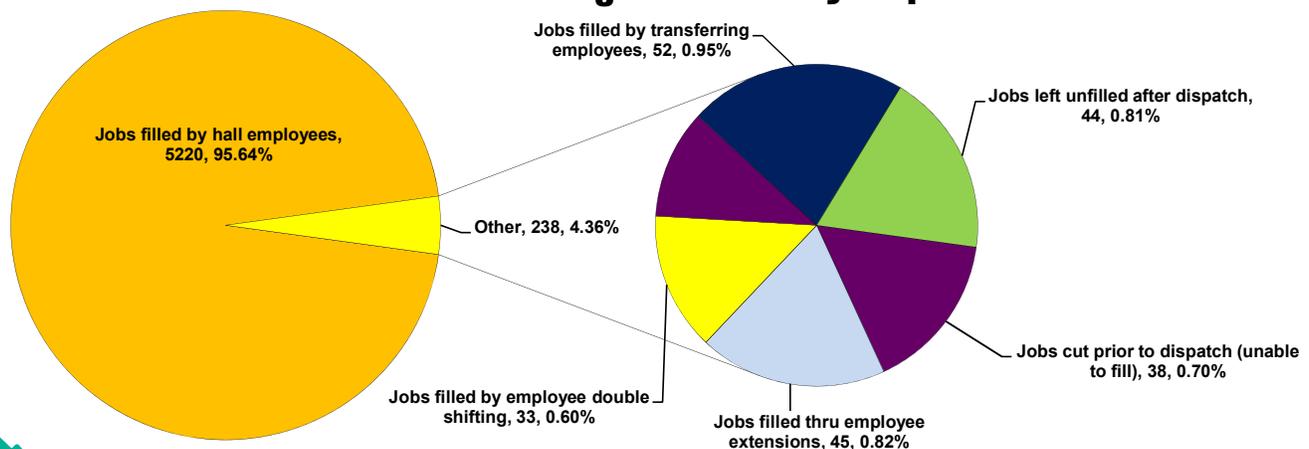
- Dec. 5-7, 2018      **National Workers' Compensation and Disability Conference & Expo**  
Mandalay Bay  
Las Vegas, NV  
<http://www.wconference.com/>
- Dec. 11-12, 2018      **JOC Port Performance Conference North America**  
Renaissance Newark Airport Hotel  
Newark, New Jersey  
<https://events.joc.com/2018-port-performance>
- Dec. 12-13, 2018      **Prairie Cereals Summit**  
Fairmont Banff Springs Hotel  
Banff, AB  
<https://www.eventbrite.ca/e/prairie-cereals-summit-tickets-48004964140>
- Jan. 16-18, 2019      **76th Annual Truck Loggers Association Convention & Trade Show**  
Westin Bayshore  
Vancouver, BC  
<http://tla.ca/convention>
- Feb. 5-7, 2019      **Cargo Logistics Canada**  
Vancouver Convention Centre West  
Vancouver, BC  
<http://cargologisticscanada.com/>
- March 3-6, 2019      **19th Annual TPM Conference**  
Long Beach Convention Center  
Long Beach, CA  
<https://events.joc.com/tpm-2019>
- June 5-7, 2019      **GreenTech 2019**  
Westin Cleveland Downtown Hotel  
Cleveland, OH  
<https://www.green-marine.org/greentech/>

# Dispatch Shortage Statistics

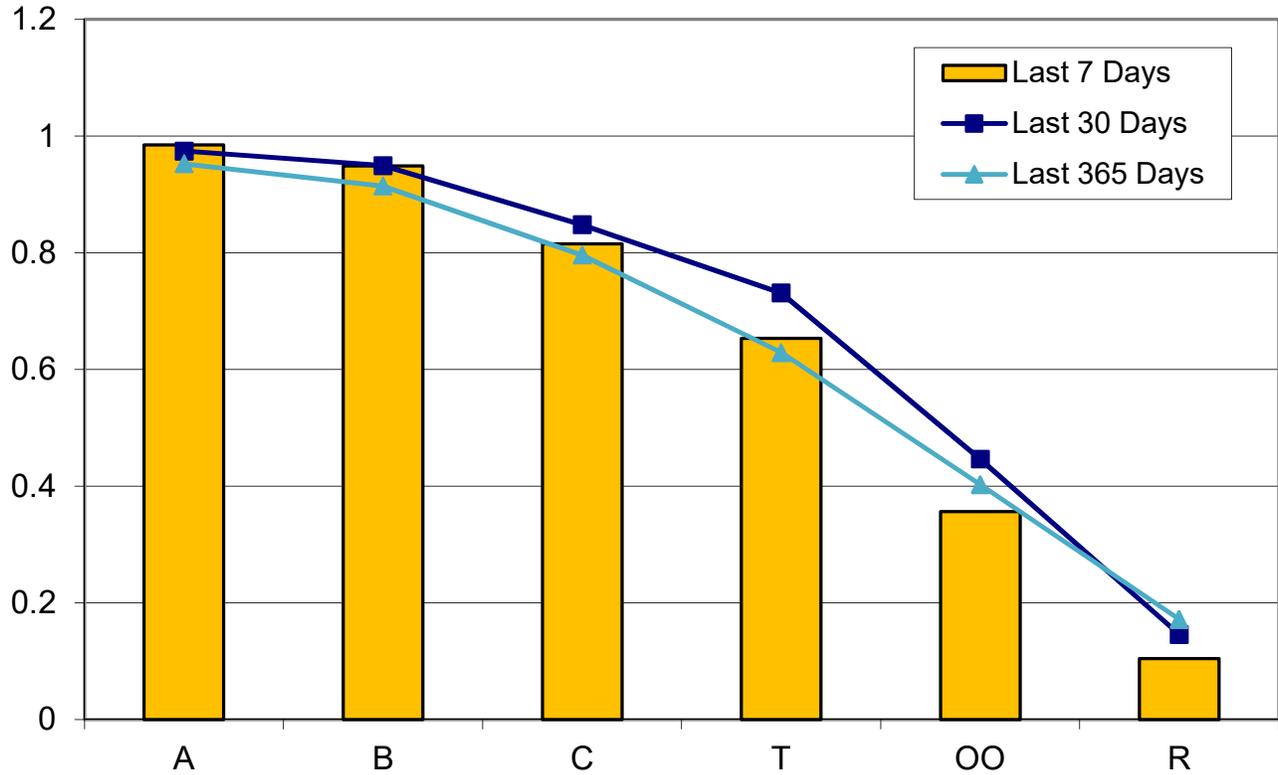
For the Period Sunday November 18th 2018 to Saturday November 24th, 2018

JOB	Jobs cut prior to dispatch (unable to fill)	Jobs filled thru employee extensions	Jobs filled by employee double shifting	Jobs filled by local 502 employees	Jobs filled by transferring employees	Jobs left unfilled after dispatch	TOTAL
40 TON & RACK	1					1	2
AUTO MECH					1	2	3
BULK OPERATOR			18		4		22
CARPENTER						1	1
CHECKER (DOCK)					1		1
CLASS #1 AIR					1	1	2
DOCK GANTRY	2	39			9	2	52
DRIVER	2						2
DUMPER OPERATOR			1				1
F.E.L.			1		2		3
FILLIN				2			2
H.D. MECHANIC	1					26	27
HATCH TENDER		1					1
HEAD CHKR	4	3			12	1	20
HT SIGNALS	1				2		3
KINDER MORGAN LIQUID			3		2		5
LOCIE ENGINEER			2		1		3
MEN	12			18		1	31
MEN - DOW					1		1
PUSHER					1		1
RACK & S/HOIST	2				2		4
RED DOG CRANE		1					1
RUBBER TIRE GTY	3				13		16
SHIP LOADER			3				3
SWITCHMAN			1				1
TRAC.TRAIL. (S)	10			6		1	17
TRACKMAN			4				4
TRACTOR TRAILER						8	8
WINCH DRIVER		1					1
<b>TOTAL</b>	<b>38</b>	<b>45</b>	<b>33</b>	<b>26</b>	<b>52</b>	<b>44</b>	<b>238</b>

## How were shortages handled by Dispatch?



# Vancouver Casual Employee % Dispatched per Dispatch Board



## Future BCMEA Meeting Dates:

**MEETINGS  
WILL RESUME  
IN 2019**



## Your Feedback:



Have something for the BCMEA Bulletin?

Send your comments or contributions to the Bulletin's Editor at:

[editor@bcmea.com](mailto:editor@bcmea.com)