

46. PROTECTING THE NATIONAL ECONOMY BY MANAGING THE LOWER FRASER RIVER

As highlighted in the 2016 report titled, *The Economic Importance of the Lower Fraser River*, the region under discussion stretches from Richmond to Hope, and is one of the prime economic generators in BC. As such, the Lower Fraser is a significant contributor to the national economy. Without clear strategic management between all levels of government and key stakeholders, the economic growth potential will not be fully realized. It is time to bring all vested interests together and chart a mutually agreed course forward that maximizes economic potential while managing risks.

Background

The Port of Vancouver is Canada's largest port and third largest port by tonnage in North America. It is the principal ocean gateway to the Asia Pacific markets. The impact of the port function of the Lower Fraser is comparable in importance to the impact of Canadian traffic on the St. Lawrence Seaway, both in terms of tonnage and employment:

	Lower Fraser River ¹	St Lawrence ²
Cargo (Million Tonnes)	30.8	47.8
Jobs (FTEs)	41,860	63,041
Wages (\$Billions)	\$2.77	\$2.88
Economic Output (\$Billions)	\$9.26	\$9.81

The Lower Fraser region is home to 2.9 million people and the most developable port lands to accommodate future port growth is along the Fraser River. In addition, the Fraser River supports other key industries such as the Fraser Valley's agriculture production, over 45 forest industry facilities, and nine federal government small craft harbours that support fishing, aquaculture, recreation, tourism, shipping, and other marine activities.

Risks

The geographical configuration of the Lower Fraser, a wide delta of silt and alluvial fill, is vulnerable to flooding and earthquakes. The port and supporting goods movement infrastructure will feel the impact of a major event: rails, highways, bridges, etc. In 2007, the Fraser nearly overtopped dykes along the Fraser Valley during the freshet jeopardizing national rail lines and the TransCanada Highway.

In 2016, the Fraser Basin Council released its first of a number of reports that studied impacts of flood risks for the Lower Mainland coastal and Fraser River areas. In summary of four flood scenarios, the financial impact are:

- Present-day Lower Mainland flood scenarios would result in losses estimated at:
 - \$19.3 billion (coastal flood); and
 - \$22.9 billion (Fraser River).
- Year 2100 Lower Mainland flood scenarios would result in losses estimated at:
 - \$24.7 billion (coastal flood); and

1 The Lower Fraser River impact figures are from the Port of Vancouver Economic Impact Study for 2016, <https://www.portvancouver.com/wp-content/uploads/2016/05/2016-Port-of-Vancouver-Economic-Impact-Study.pdf>

2 The St Lawrence Seaway impact is for 2014; St Lawrence data covers Canadian cargo carried on the Montreal-Lake Ontario section of the Seaway and the Welland Canal between Lake Ontario and Lake Erie.

- \$32.7 billion (Fraser River flood).

Although there were assumptions, such as dike failure, the Fraser Basin Council researchers found that 71% of the Lower Mainland dikes assessed by the Provincial Inspector of Dikes are vulnerable to failure by overtopping during a major flood event. They further found that only 4% of assessed dike segments met provincial standards for “crest height” (0.6m freeboard above water surface elevation) in flood scenarios.³

Other reports done, for example, by BC Ministry of Forests, Lands and Natural Resource Operations (2014)⁴, or the Pacific Climate Impacts Consortium (2015)⁵, found similar impacts. It is of sufficient concern, that the cities of Delta, Surrey and Richmond likewise have done or are currently doing flood risk analyses with anticipated climate change impacts.

Coordination is required

The strategic management of economic growth and environmental risks on the Fraser River is challenging because of fragmented jurisdictions throughout the Fraser region. There are 15 municipal governments, 29 First Nations, and 20 provincial and federal ministries, engendering numerous legislative and bylaw regulations.

There are a multitude of issues resulting from fragmented oversight on the Fraser River, including the loss of industrial land due to pressure on local governments for residential or other development (over 3000 hectares in the last 30 years), piecemeal dyking upgrades that are not continuous, and uncoordinated maintenance programs and safety responsibilities. Efforts have been made to coordinate between local governments and to work with other levels of government. However, these are issue or situation-based and not a high-level, over-arching, holistic strategic investment for the region.

As an example of recent efforts to try and bring stakeholders together, the Fraser River Industrial Association (FRIA)⁶, a coalition of marine-dependent industries and terminal operators, including the Fraser Surrey Docks, is advocating for key priorities that include broad and collaborative stakeholder engagement, preservation of industrial land, stewardship to protect people and habitats, channel improvements, marine and public safety, transportation access, and streamlined regulatory processes.

They, along with other stakeholders such as adjacent chambers of commerce, would support the establishment of an integrated agency/committee to manage strategy, policy and regulation in the lower Fraser River to enhance economic benefit, and would look for the opportunity to be a part of such a coordinated entity. They have identified inconsistent regulation and overburdening of permitting process of a primary stagnation to growth and investment. Lack of collaboration, understanding and awareness of impact of changes or roles is a contributing factor to challenging any future economic growth and development in the region.⁷

3 For full Fraser Basin Reports on flood risks, go to https://www.fraserbasin.bc.ca/Phase_1_Results.html

4 BC Ministry of Forests, Lands and Natural Resource Operations. Simulating the Effects of Sea Level Rise and Climate Change on Fraser River Flood Scenarios, Final Report, May 2014.

5 Pacific Climate Impacts Consortium. Simulating the Effects of Climate Change on Fraser River Flood Scenarios – Phase 2, Final Report. University of Victoria, May 2015.

6 The Fraser River Industrial Association website, fria.ca, is a wealth of information for the Lower Fraser River region.

7 As per FRIA representative, Jeff Scott, Fraser Surrey Docks.

The provincial and federal governments need to facilitate a region wide strategic coordination to resolve issues and overcome boundaries of authority, as it is a shared responsibility. Long term strategic planning and ongoing monitoring and mitigation of risks require all relevant stakeholders to be at the table in an organized, formal process that recognizes each party's role for the river and provide the authority to coordinate region-wide goals.

THE CHAMBER RECOMMENDS

That the Provincial and Federal Governments:

1. Either independently and/or collectively establish a task force, agency or committee to examine the issues and create a mandate and a comprehensive plan that would include (but not be limited to) the following:
 - a. Broad stakeholder and indigenous consultation;
 - b. Flood protection;
 - c. Navigation management;
 - d. Seal level rise;
 - e. Agriculture / industrial land protection and enhancement;
 - f. Asia Pacific Gateway potential and the new CP-TPP markets; and
2. And that the established entity commences collective and cooperative action for the objectives outlined.

Submitted by the Surrey Board of Trade

Supported by the Greater Langley Chamber of Commerce, Richmond Chamber of Commerce

The Policy Review Committee supports this resolution.