Port Transportation Association



Mr. Peter Xotta Vice President, Planning and Operations Vancouver Fraser Port Authority 999 Canada Place Vancouver, BC V6C 3T4

March 30, 2020

RE: Access Agreement Notification Letter Received March 18, 2020

Dear Mr. Xotta,

On March 19, 2020 the Port Transportation Association sent a letter addressed to Mr. Greg Rogge, Director, Land Operations & Security in response to the Access Agreement Notification Letter sent out to TLS members on March 18, 2020.

Unfortunately, the PTA has yet to receive a response or at the very least an acknowledgment to our urgent letter, we fear that our letter may have been misdirected to the wrong personal.

We are hoping for your assistance in resolving our concerns or at the very least, point us in the right direction as to who within the VFPA would be in the best position to assist us.

On March 18, 2020 TLS members were notified that in response to the COVID-19 pandemic, TLS license fee payments will move to a monthly payment system rather than a quarterly in attempt to assist companies during this trying time. While the PTA is appreciative of the gesture, and thanks the Vancouver Port Authority for the offer, our position as noted in our previous two letters has not changed; we still maintain that at this time <u>all TLS license fee payments and</u> reservation fees should be put on paused and not deferred.

Protecting our country's supply chain is essential, and while TLS members will be ensuring the smooth delivery of essentials like food and medical equipment, with most non-essential goods on hold in both production and shipment, the container volume has been significantly reduced. TLS companies, have already seen revenue decrease steadily as container traffic had already been in decline due to events beyond our control over the last year, including most recently the

1

Port Transportation Association



Indigenous blockades. The import and export volumes have not been at an acceptable level, nor will they be for the foreseeable future, and therefore the revenue flow to support licenses payments is at a clear imbalance.

The significantly decreased traffic should also be grounds for the suspension of all terminal reservation fees. Reservation fees were introduced to subsidize terminal night shifts, which currently are not operating, therefore the request to suspend the fees would be in line with the reduction of services provided by the terminals at this time.

These unprecedented times we are facing call for drastic measures to be taken by the VFPA to ensure that risk to the supply chain is limited. By being proactive we can ensure financial stability within the chain which will promote the rebuilding of our economy when it is viable to do so.

Even taking into consideration, Prime Minister Trudeau's \$82 billion economic response plan, TLS members are facing hard times. Financial assistance, while easing the immediate financial shortfall caused by the economic effects of COVID-19 and providing some relief, is not instant, and many programs available will require repayment down the line. The VFPA acting on behalf of the Federal Government, also are aware that although some banks are offering relief in terms of deferred mortgage payments for private dwellings, commercial property leases are still valid and in full effect.

The PTA is not trying to diminish or downplay the economic effects the VFPA will be facing in the coming months, however the VFPA is in a position and the ability to suspend all TLS license and reservation fees until such time as the economy is on its way to be back in full swing. The data that the VFPA collects in terms of container traffic flow would be a good indicator as to when that time would be.

The B.C. drayage sector proudly supplies our communities with the goods and supplies needed during these unprecedented times, and we at the PTA are making this urgent request so we can ensure the support of those employed and attempt to remain on stable ground while we continue to operate in these unique financially challenging times.

We are asking the VFPA to align themselves with what all levels of government are doing that is within their power; reduce or eliminate all costs to businesses in an effort of stabilization in order for businesses to keep drivers employed and to be able to service their fixed overhead.

Port Transportation Association



All levels of Government are pulling out all of the financial resources that they can in an effort to exercise some sort of relief, we fail to see why the VFPA would not help in any capacity.

Again, deferring payments to a later date does not mitigate the negative financial situation businesses are facing. We are asking the VFPA to do their part to ensure business stability and recovery.

We thank you for your consideration and ask for a reply as quickly as possible.

Sincerely,

Port Transportation Association

CC:

OBCCTC

Hon. Marc Garneau & the Federal Ministry of Transportation

British Columbia Ministry of Transportation

3