

GABRIOLANS AGAINST FREIGHTER ANCHORAGES (GAFA) SOCIETY
c/o P.O. Box 359, Gabriola Island, B.C., V0R 1X0
www.GAFA.ca / gafasociety@gmail.com

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BY EMAIL

Alain Paquet, National Lead
Oceans Protection Plan
Transport Canada
Ottawa, ON

Yvette Myers, Executive Director
Pacific Region, Oceans Protection Plan
Transport Canada
Vancouver, BC

Dear Alain and Yvette:

RE: Extension of the Interim Protocol, and eliminating the “overflow” anchorages in Southern Gulf Islands waters

In this letter I would like to address two issues:

- Transport Canada’s recent extension of the Interim Protocol for 12 months, and
- GAFA’s view that Transport Canada should undertake an independent analysis of whether the “overflow” anchorages in the Southern Gulf Islands are needed.

As I will explain, in GAFA’s view these two issues are inextricably linked.

EXTENSION OF THE INTERIM PROTOCOL (IP)

Limited scope of the IP - before the original IP was introduced in February, GAFA and other coastal communities urged Transport Canada to address chronic issues such as noise and bright lights at night. We all were dismayed when the only significant change to the status quo was a commitment to achieve more equitable assignment of freighters among all Gulf Islands anchorages. The extension of the IP has not broadened the scope of the original IP.

Voluntary nature of the IP – we are similarly disappointed that the voluntary nature of the original IP was continued with the extension. During the first six months there were numerous examples of residents’ complaints about noise and light not being resolved satisfactorily, clearly because the IP did not set enforceable limits and did not include an administrative mechanism to enforce compliance. The same unenforceable voluntary compliance model has been retained in the extension. We understand you there are gaps in what authority Transport has at the moment, but were any steps at all taken at all by either Transport Canada or your partners in the IP to enforce or even compel better compliance?

Residents did not see improvements - throughout the original IP period, many residents reported little improvement in the impacts of freighters on their communities and waterways, and general dissatisfaction with steps taken by Transport Canada and the Vancouver Fraser Port Authority to resolve their complaints. We have little reason to believe that this will change during the extension.

Communications and monthly reports - Transport Canada did not deliver on the regular online monthly reports it promised, and GAFA found the overall communication with coastal communities around the IP to be lacking.

Improving behaviour while at anchor is not enough – as GAFA sees it, the entire IP process seeks ways to mitigate complaints about freighters that are anchored outside Port waters. This signals that Transport Canada is looking for a more palatable use of these anchorages in the long term. GAFA wants to make it clear to Transport Canada and the shipping industry that employment of a device like the IP to achieve more equitable assignment of freighters and improving behaviour while at anchor in these “overflow” anchorages is not a solution to the freighter anchorage problem. GAFA’s comments about the IP and the extension to it should not be construed as any kind of acquiescence to these “overflow” anchorages being here to stay.

In GAFA’s view, freighter anchorages are an industrial activity that should be confined to Port waters, or other waters not adjacent to residential communities. Most assuredly, they do not belong in the legislatively-protected waters of the Southern Gulf Islands.

We recognize that neither Transport Canada nor the VFPA are likely to be easily persuaded to take steps to eliminate the Southern Gulf Islands anchorages as long as they hold to the view that these anchorages are a necessary component of the Pacific Gateway supply chain. From GAFA’s analysis of the historical usage of freighter anchorages, it is clear that at most times of the year, these overflow anchorages are **not needed**. At other times spikes in anchorage usage are seen, but GAFA believes that feasible and affordable reforms to the VFPA’s infrastructure and operations could eliminate the need for them completely.

In a previous letter, I offered to share with you GAFA’s data analysis of historical freighter anchorage usage, and the conclusions that can be drawn from that analysis. We do not ask that you accept our research at face value, but we do think it is fundamentally important to the work of your Anchorages Initiative that Transport Canada undertake an independent analysis of whether the Southern Gulf Islands anchorages are necessary.

I set out below GAFA’s analysis on this issue, and the reasons why we urge you to address this threshold issue.

ARE THE SOUTHERN GULF ISLANDS “OVERFLOW” ANCHORAGES NEEDED?

The origin of the “overflow” anchorages

As you know, the Southern Gulf Islands “overflow” anchorages were established in the early 1970s, nearly half a century ago. There is no accessible historical record relating to their establishment, but I think it is safe to say that the anchorages were designated without consultation with or consent from affected First Nations or coastal communities, without any environmental studies, most likely in secret and without any administrative due process.

If they were established in accordance with the legal or regulatory regime then in place, Transport Canada acknowledges that today it has no legal authority over them, and they are essentially unregulated. The current *Interim Protocol* is Transport Canada’s best effort to regulate in circumstances where no regulatory authority exists, and the ineffectiveness of the *Interim Protocol* demonstrates the current inadequate state of affairs.

Our principal concern

Throughout the entire OPP process so far Transport Canada has, in our view, made an implicit assumption that the Southern Gulf Islands “overflow” anchorages are here to stay. For example:

- **Anchorage Initiative** – since the Vancouver Fraser Port Authority (VFPA) has authority under its letters patent to establish freighter anchorages within Port waters, the entire focus of the Initiative must of necessity be on freighter anchorages outside Port waters, the majority of which are in Southern Gulf Islands waters.
- **Interim Protocol** - it seeks ways to mitigate complaints about freighters that are anchored outside Port waters, which signals that Transport Canada is looking for a more palatable use of these anchorages in the long term.
- **Anchorage Framework and Best Practices Code** - as you have stated, the goal of your Anchorages Initiative is to develop these two documents, which clearly are intended to regularize in the long term the practice of freighters while anchored outside Port waters.

Presumably, Transport Canada is proceeding on this basis because it has accepted the VFPA’s and shipping industry’s claim that these “overflow” anchorages are needed. Yet we have seen no Port or industry analysis of historical freighter anchorage usage that would substantiate that claim, and we are not aware of any such analysis being part of your Anchorages Initiative research program.

It appears to GAFA that Transport Canada is leaning toward grandfathering the existing “overflow” anchorages, and limiting its research program to:

- finding ways to mitigate the impact of existing “overflow” anchorages on affected First Nations and coastal communities, and

- recommending supply chain and port infrastructure improvements that might reduce the need for new “overflow” anchorages.

Our historical analysis of freighter anchorage usage

We think it would be unconscionable for Transport Canada to proceed on this basis. As discussed below, members of GAFA have done a statistical analysis of the Pacific Pilotage Authority’s records of every freighter movement in South Coast waters over the past decade (nearly 110,000 files), and from that analysis we are satisfied that the current complement of “overflow” anchorages are not needed, let alone new anchorages. I provided you with a copy of this analysis in an earlier letter.

In our view, the entire issue of “overflow” anchorages is all about need. If Transport Canada concludes, after a thorough and impartial analysis, that Canada cannot meet its international marine trade commitments without access to “overflow” anchorages outside Port waters, then “need” has been established and the only question is where those “overflow” anchorages should be established. But Transport Canada cannot rely on the VFPA’s and shipping industry’s bald assertions of need, any more that it should accept without question GAFA’s historical analysis.

Transport Canada must do its own analysis, in order to determine whether the Southern Gulf Islands “overflow” anchorages are necessary.

Why is it unsafe for Transport Canada to assume that the current “overflow” anchorages are needed? Here are a few reasons, based on GAFA’s historical analysis of freighter anchorage usage, and other research:

- **increase in anchorage usage** – GAFA’s analysis showed that over the past decade bulk carriers accounted for 92 percent of anchorage usage. Statistical information taken from the VFPA’s annual reports shows that over the past decade, the volume of bulk cargoes (especially grain and coal) grew by about 40 percent. Yet over the same time period, freighter anchorage usage grew by about 450 percent. If increase in anchorage usage had matched the increase in volume of bulk cargoes shipped, one could reasonably conclude that freighter anchorage usage was tied to productivity. But when freighter anchorage usage increased ten times as much as the increase in volume of bulk cargoes shipped, Transport Canada needs to investigate what other factors contributed to this extraordinary increase in freighter anchorage usage.
- **occupancy levels** – there are about 84 freighter anchorages in South Coast waters (40 within Vancouver and Nanaimo Ports, and about 44 in Southern Gulf Islands waters and off Victoria). GAFA’s analysis showed that at most times of the year over the past decade, occupancy levels were below 50 percent, even after applying a 30 discount factor in recognition that not all anchorages were suitable for arriving freighters. During those periods, all bulk freighters arriving in South Coast waters could have been accommodated without relying on any Southern Gulf Islands anchorages.

- **winter “spikes”** – GAFA’s analysis identified six anchorage usage “spikes” over the past decade, all occurring during winter months. But even during those spikes, there was still surplus occupancy available. Understanding what caused those spikes would go a long way toward identifying needed reforms. Some of the questions that need answers are the following:
 - what are the specific reasons why some bulk carriers (what ships, what commodities, what circumstances, which agents, etc.) come so early and how can this be curtailed?
 - what aspects of bulk freighter contracting are contributing to ships spending time at SGI anchorages and how can they be improved?
 - what supply chain infrastructure improvements, such as rainy weather loading capacity, improved rail connections, better use of digital scheduling and communications, can be employed to reduce the spill-over of shipping activity into the SGI ?
 - are there efficiencies and practices in the container ship system that could be applied in the bulk cargo system?
 - what is the impact of the tramp system on overuse of anchorages and what can change?
 - what else can the various signatories to the IP do to decrease demand on SGI anchorages?
- **early arrival** – GAFA’s analysis showed that about 75 percent of anchorage usage occurred before the freighter went to berth for the first time. It also showed that about 40 percent of freighters anchored for 10 days or less, another 30 percent anchored for 11-20 days, and the final 30 percent anchored for between 20 and 80 days. This pattern suggests that many freighters arrive in South Coast waters much earlier than necessary, provide no benefit, and do not contribute to the Port’s productivity.

GAFA’s analysis is persuasive evidence that the exceptional growth in freighter anchorage usage over the past decade cannot be justified on the basis of productivity. The current complement of “overflow” anchorages cannot be justified, and historical usage certainly does not support a need for additional “overflow” anchorages in the foreseeable future.

GAFA’s analysis does not answer all the questions about anchorage usage, but does identify areas of research worthy of investigation, including the following:

- **reasonable restrictions on arrival dates** – arriving freighters are contractually required to arrive in South Coast waters by a certain date (arrival date), which may be earlier than the date they will actually go to berth. But many arrive weeks in advance of their “arrival date.” GAFA’s analysis suggests that anchorage usage could be reduced by as much as one-third through the application of a reasonable restriction on how long before the “arrival date” a freighter is allowed to arrive in South Coast waters.
- **fixed mooring buoys** – replacing the current anchorage sites within VFPA waters with fixed mooring buoys would significantly decrease the diameter of

swing circles, which should allow for significantly more anchorage sites within the Port, as well as additional mooring sites in other areas of the Port.

- **technological improvements** – what changes could be made to Port operations, such as allowing for the loading of grain during inclement weather, that would expedite the turnaround time for bulk carriers and thereby reduce the need for anchorages?
- **supply chain bottlenecks** – we acknowledge the complexity of the system that moves grain from fields to freighters, and the competition that exists between various users of railway lines and railstock. However, examination of these issues could lead to long-term improvements.

GAFAs analysis persuades us that over the past decade the VFPA and the shipping industry have allowed the “overflow” anchorage system to grow out of control, in part because no one has been in charge of it, but also because of the fiction that these Southern Gulf Islands anchorages are “free.”

You have heard loudly and clearly from affected First Nations and coastal communities that they are anything but free. Transport Canada can expect us to push back forcefully and vocally if the current complement of “overflow” anchorages is grandfathered, and the issue of need is not studied thoroughly.

Finally, I reiterate my request for a face-to-face meeting, or conference or video call (in advance of any planned west coast meetings) to hear your response to GAFAs historical analysis of anchorage usage and our conclusion that Transport Canada should examine the need for these “overflow” anchorages. In your July 23 email, you agreed with this request. GAFAs is the only west coast group that has analyzed this historical data, but if you would like to include representation from other coastal communities, that is fine with us.

Respectfully,

Chris Straw, President
Gabriolans Against Freighter Anchorages (GAFAs) Society