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**Envoyé**: 5 février 2016 09:35 **À**: 'rona.ambrose@parl.gc.ca'

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**Objet:** Letter to Rona Ambrose: About the economic impact of the Port of Quebec

Dear Ms. Ambrose,

I am writing to you after <u>watching your intervention</u> during yesterday's (Feb 4<sup>th</sup>) House of Commons debate of the first session of the 42<sup>nd</sup> Parliament. Here is <u>a transcript of your question</u> to the Minister of Transport Marc Garneau, followed by his answer:

## **ORAL QUESTIONS**

[Translation]

Port of Québec

<u>Hon. Rona Ambrose (Leader of the Opposition, CPC)</u>: Mr. Speaker, there are 8,000 jobs in the greater Quebec City area associated with the Port of Québec. The ferry terminal project and the Foulon walkway project, which our party supported during the election campaign, are important to the port's prosperity. The Port of Québec is still waiting for an answer from the Liberal government. Will the <u>Prime Minister</u> assure the people of Quebec City that he will not drag his feet and jeopardize jobs, as he is doing elsewhere in the country?

<u>Hon. Marc Garneau (Minister of Transport, Lib.)</u>: Mr. Speaker, we certainly recognize that the Port of Québec is an important port along the St. Lawrence that is part of Quebec's maritime strategy. This port plays a key role in the delivery of bulk commodities and, as my colleague mentioned, in the ferry sector. We are examining this request and will make a decision in the near future.

Your question reveals how misinformed you are about the economic impacts of the activities taking place at the Port of Quebec, especially the bulk transhipment activities, which the Port now hopes to increase with <a href="the help of 60 M\$ of Canadian taxpayers" money">the help of 60 M\$ of Canadian taxpayers</a> money. To increase bulk transhipment activities, the Port proposes to landfill 18 hectares (26 football fields) of the St. Lawrence River in downtown Quebec City, next to a public beach (baie de Beauport) that cost 19 M\$ of federal money to develop for the 400<sup>th</sup> anniversary of Quebec City in 2008. It must be said that the Port deserves no such 60 M\$ federal gift: its CEO <a href="Mario Girard said multiple times">Mario Girard said multiple times</a> that the goal of the desired expansion is to generate more revenues to permit the repair of the port's decrepit infrastructures, implicitly acknowledging that the Port has been <a href="poorly managed and maintained">poorly managed and maintained</a> over the last decades while the maritime transhipment companies renting this public land were making profits.

I have meticulously analysed all the reports studying the economic impacts of the maritime industry of the Quebec City area that were performed between 1980 and 2007. There are four such studies (1980, 1994, 2001, 2007), of which only one (2001) was not sponsored by the Port of Quebec and its users. You can find my analysis report <a href="here">here</a>. Essentially, all those studies say that the total economic impact (direct + indirect + induced) of the bulk transhipment activities taking place at the Port of Quebec is between 0,5 and 0,8 % of the gross domestic product (GDP) of the Quebec City metropolitan area, and approx. 2000 jobs (this is 4-5 jobs out of 1000 jobs in the Quebec City metropolitan area). A recent (2012) economic impact study paid by the Société de dévelopement économique du Saint-Laurent and Transports Québec, study that I have not yet had the time to integrate in my analysis report, yields the same result for bulk transhipment in the Quebec City metropolitan area: 2000 jobs and 0,6 % of its GDP. [Note: this last study also says that the total economic impact (direct + indirect + induced) of all the activities of the maritime industry, not just bulk transhipment, is approx. 1 % of the GDP of the Quebec City metropolitan area and approx. 4100 jobs.] Finally, you can read in two early-eighties documents (available <a href="here">here</a> and <a href="here">here</a> and <a href="here">here</a>) here</a> and solid bulk transhipment 3,5 jobs/hectare. I recall that the Port invokes job creation to landfill... 18 hectares of river (26 football fields).

These results are fully consistent with the well known fact that maritime bulk transhipment is an economic activity with a very low value added to the local economy, simply because this activity does not require much labor and because the bulk is not transformed in any way at the port: it is only passing by, coming from afar and leaving to another far place to be transformed. For example, transhipping wood pellets from a train onto a boat destined to England requires only... three (3) employees at the Port of Quebec! It is clear that if the Port's expansion occurs, few jobs will be created locally. Without an expansion, the Port will survive despite the dark predictions of its multiple CEOs over the years who have constantly claimed that depth of water at low tide (15 m) and shortest route between Europe and the Great Lakes were the two incomparable strengths of the Port of Québec. Those two advantages won't disappear if the Port does not expand.

Although maritime bulk transhipment is important for a nation's economy, it is not essential for this activity to be located in close proximity to densely populated urban areas to play its economic role. The jobs linked to bulk transhipment activities would still exist if the Port of Quebec were located far from the city center along the St.

Lawrence. In downtown Quebec City, scientifically literate citizens showed, without being paid and while having a day job, that this proximity causes the air they breathe to be contaminated by toxic metallic dust and fine particles, and their house to be constantly soiled by this metallic dust. They have scientifically demonstrated, adding to the conclusion of an analysis by the Ministry of Environment of Quebec, that this contamination comes from the Port's open air bulk transhipment activities. This contamination from the Port is still ongoing. It baffles the mind that the federal government is considering giving 60 M\$ to the Port to help it increase this kind of activity while the Port is still contaminating the air of Quebec City with its archaic open-air bulk transhipment activities. Supposedly for cost reasons, the companies doing bulk transhipment at the Port of Quebec refuse to invest in air-tight transhipment infrastructures. Meanwhile, the citizens pay the price of this refusal with their health and quality of life. Tell me, Ms. Ambrose, what is the cost of a child's respiratory system and skin condition?

Ottawa should refuse helping to expand bulk transhipment activities in downtown Quebec City and to a <u>popular public</u> <u>beach and recreational area</u> developed by the federal government in 2008 for Quebec City's 400<sup>th</sup> anniversary.

Meanwhile, the time has long come for the federal government, as the people of Quebec City have been insisting for 35 years, to start thinking about ways to absorb the expansion of bulk transhipment away from the city center, as is the trend around the globe.

Best regards,

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