

26 May, 2008
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Gateway Ships Won't Come In For Five Years

by Brian Flinn

The mammoth container ships at the heart of Halifax's Gateway aspirations are still years away from sailing, according to Economic Development Minister Angus (Tando) MacIsaac.

MacIsaac said last week that ports in India are five to six years away from completing upgrades that will allow them to handle post-Panamax ships capable of holding 8,000 twenty foot equivalent units.

"There has yet to be an 8,000 TEU-plus ship sail across the Atlantic," MacIsaac said. "That's the target we have, when those vessels start to come across."

The Atlantic provinces are hoping to imitate the success of the Pacific Gateway, which has secured \$591 million in federal funding for British Columbia roads and ports.

But there is a key difference between the east and west coasts. Vancouver is struggling to keep up with fast-growing trade with China and the rest of eastern Asia. Halifax is running at less than half capacity.

Nova Scotian officials have seized upon India as the reason why federal investment is necessary.

India's economy, worth US\$5.2 trillion, grew 9.6% last year. New container terminals are in the works to handle its growing export cargo.

MacIsaac, Nova Scotia's deputy premier, has been part of two recent trade missions to India that were designed to build profile for the Atlantic Gateway concept. The most recent was in February, with ACOA Minister Peter MacKay and cabinet ministers from New Brunswick, Prince Edward Island and Newfoundland and Labrador.

MacIsaac was also in India last October with Halifax Port Authority CEO Karen Oldfield and Operations VP George Malec.

Halifax has an advantage over other ports on the east coast of North America because its deep harbour can handle the efficient post-Panamax ships. But other ports have started expensive dredging projects to take that advantage away.

"Right now, New York wouldn't be able to handle those ships," MacIsaac said. "But they are working to be able to handle them."

The minister said he is hoping to use gateway funding to improve training and infrastructure at the Port of Halifax to create another advantage to attract cargoes from India and elsewhere.

“I would like to be able to see us market Halifax as the most efficient port on the Atlantic seaboard,” MacIsaac said. “Training is an integral part of that. And that’s what we’re asking the feds to engage in with some of their money.”

The NDP has been critical of the Tory government’s handling of the gateway initiative. Pictou West MLA Clarrie MacKinnon said last week the government has not done enough to engage the business community or the public. The result is high expectations from Yarmouth to Sydney that big transportation investments are on the way.

MacKinnon said he hopes a new gateway council announced in last month’s budget will provide some much-needed direction

MacIsaac was vague about the \$80,000 promised for the new Council when MacKinnon raised it in question period.

The province’s Gateway director, David Oxner, said in an interview the budget address was incorrect. There is no new provincial Gateway Council. The funding is going to a federal-provincial group that has been meeting since January 2007.

The Atlantic Gateway Federal-Provincial Senior Officials Committee includes representatives from the four Atlantic provinces, ACOA and Transport Canada. Its mandate is to formulate the Atlantic Gateway strategy.

Oxner said that organization has a subcommittee that’s engaging the private sector. It met with 25 industry groups in February, including representatives of the ports of Halifax and Saint John, New Brunswick. Halifax and Moncton airports were also there.

In March, Premier Rodney MacDonald nominated a list of projects for gateway funding (see allnovascotia.com 2008-03-05).

The list included twinning for Highway 104 and a new truck corridor through Halifax’s south end rail cut.

The NDP pointed out that a Dartmouth company, Orion Cold Storage, is unhappy that MacDonald’s list suggests public money should be used to build a rival facility at the Halifax Stanfield International Airport (see allnovascotia.com 2008-05-08).

Oxner said the premier’s list is a work in progress. He said it was created following consultations with port officials in Sydney, the Strait of Canso, and Halifax, as well as the Stanfield Airport. It did not come out of the federal-provincial committee.

“What we were trying to do was develop an initial list of projects that we thought would be ready to go forward to the national gateway and border crossing fund”

Oxner said Ottawa has indicated it would prefer to study the gateway project for up to two years before funding any projects, but the provinces hope there might be some willingness to begin addressing some of the more obvious needs earlier.

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