News Release

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Study Highlights Major Opportunities for Northern BC with Intermodal Cargo

An extensive study has confirmed the feasibility of operating an intermodal container facility in Prince George, and identified significant opportunities for Northern BC that would come with the facility.

Over the past six months, Government, Economic Development and Transportation organizations partnered in a strategic assessment of economic opportunities emerging from new transportation investments in Northern BC. The study looked primarily at opportunities related to the Port of Prince Rupert, CN Rail's northern corridor rail line and planned development of the Prince George Airport.

Prince George Mount Robson MLA Shirley Bond says this report confirms that the inland port opportunity for Prince George and Northern BC is real. “Northern BC will play a major role in developing the Pacific Gateway through surface and air transportation, and we will continue to work together to build the economic gains throughout the corridor,” says Bond.

Prince George Mayor Colin Kinsley is extremely pleased with the report. “This study clearly identifies the competitive advantage of establishing an intermodal cargo centre in Prince George, and what opportunities that would bring for Northern British Columbia,” says Kinsley.

The report demonstrates how rapidly increasing volumes of North American and Asia-Pacific trade North America. It was concluded that a key aspect to increasing the competitiveness of a North American West Coast port like Prince Rupert is finding back haul traffic to reduce the number of empty containers traveling west to Asia. The project recognized backhaul opportunities in that forest product volumes that could fill approximately 60,000 40 ft containers are originating within the area today and destined for markets in China and Japan. This favors the development of an intermodal facility in Northern BC.

Prince George is singled out as a potential intermodal centre because of a number of unique strategic advantages including:

- Located within half day drive of forest product producers that supply enough cargo to fill minimum operating requirements
- Centrally located to support construction of the Kitimat-Alberta petroleum pipeline which will require the import of significant quantities of equipment and material
- A large airport with jet connections to major centres in Western Canada and plans to expand and become a technical stop airport for transpacific cargo flights
- Closest major rail yard to the new Prince Rupert container terminal

“It's exciting to have this study which clearly articulates the opportunities and benefits for Prince George and Northern BC with intermodal cargo," says Prince George Omineca MLA John Rustad.

In looking at opportunities for the region, the study found that the development of a rail and road intermodal facility in Prince George would support economic development in the region not only by providing incremental transportation related jobs, but also by ensuring that manufacturing businesses had access to containers, and had a cost-competitive, high service transportation option for exports to Asia and other international markets. The study also identifies a vision for integrating air cargo activity with surface transportation.
Prince George Airport Authority General Manager Stieg Hoeg says he is pleased the study highlights the major role the Prince George Airport will play in developing intermodal opportunities in Prince George and Northern BC. “Our runway expansion plans will turn us into an air cargo gateway, providing the option of sending freight across the Pacific by sea or air, making distribution from Northern BC a possibility,” says Hoeg.

While federal, provincial and municipal governments have important roles in this development, rail carriers, maritime carriers lines, and other transportation companies will guide and develop the opportunity.

The study looked at potential employment that an intermodal terminal and related warehousing and transportation activity would generate. The estimates show that the proposed facility could support up to 750 jobs in the region, which would represent 358 full-time equivalent positions. While 75-100 new jobs would be created within the Prince George area, up to approximately 340 new jobs would be spread around the region.

In determining potential economic impact, the study used average wages and multiplier analysis to show that up to 360 person years of direct labour and 860 total person years of labour would be generated by container terminal operations. This is turn would generate $44.2 million in direct, indirect and induced wages, $35 million in GDP and $84 million in output.

“This study clearly identifies the opportunities to establish inland port in Prince George to move air, sea, and land cargo through to Asian and North American markets in record time, and I am excited to see this move forward,” says Prince George North MLA Pat Bell.

The project was funded and directed by a team from the following organizations with a specific interest in its outcome:

- Initiatives Prince George
- Port of Prince Rupert
- Prince George Airport Authority
- CN Rail
- Community Futures Development Corporation of Fraser Fort George
- Province of BC – Ministry of Economic Development
- Quesnel Community and Economic Development

Northern Trust provided a $20,000 grant for the project, and the Northwest Corridor Development Corporation also participated. The study was conducted by InterVISTAS Consulting.

Bruce Sutherland, Chair of the Northern Development Initiative Trust states, “I’m pleased we were able to support this important project. Northern BC is about to see some dramatic investment in its transportation infrastructure over the next decade and it is important for communities to know what opportunities will be linked to these investments.”

The project steering committee will now consider report recommendations in order to grow the opportunities identified.

Executive Summary and full report can be found at www.businesspg.com, under ‘News and Updates.’

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