



Written Brief in Submission to the Standing Committee on International Trade's Study "The 2023 Strike at the Port of Vancouver: Selected Impacts, Responses and Port-Related Innovation"

About the BCMEA

The British Columbia Maritime Employers Association (BCMEA) represents 49 waterfront employers and, by extension, the more than 9,400 women and men who work for them. Our customer-members are marine terminal operators, ship owners and agents. We help optimize our members' operations by adding our expertise in labour relations, safety, training, public affairs and recruiting. Over the past 10 years, the BCMEA and its members have proudly invested over \$215 million in the safety, training and upskilling of B.C.'s waterfront workforce.

BCMEA member companies are a vital part of the B.C. economy and a mainstay of the coastal community. Operating 24 hours a day, 365 days a year, our partners move 60 million tonnes of goods worth \$53 billion around the globe every year.

Economic Impacts: Canada lost billions in trade; negative impacts persist

All 49 of our member employers across the B.C. ports system experienced sustained losses before, during, and after the July 2023 strike initiated by ILWU Canada.

Canada's West Coast ports handle on average of \$800 million worth of cargo a day — 25 per cent of the nation's total traded goods annually. The Port of Vancouver is the largest port in Canada, or about the same size as the next five largest Canadian ports combined, and is Canada's gateway to over 170 global trading economies. It handles approximately \$305 billion in goods, sustains 115,300 jobs, \$7 billion in wages, and \$11.9 billion in GDP across Canada.¹

As mentioned by several expert witnesses during this committee's study, the impacts of a strike or labour disruption reach well beyond the strike period itself. The backlog created during a disruption and the missed shipments, diversions, and disruption to the supply chain will take months still, to recuperate. For example, at B.C.'s ports from July to September, there were 20 port swaps, 12 diversions, and 48 blank sailings impacting just container vessels alone.² We are

¹ Port of Vancouver website: <https://www.portvancouver.com/about-us/>

² Port swaps are when a vessel changes their schedule, to call at another port first, before it's scheduled call in B.C. (e.g. a vessel changes it's regular schedule to call in Seattle-Tacoma, then called at Vancouver). Diversions are when a vessel is scheduled at a BC port and diverts to another port. A blank sailing is when a vessel is scheduled to

aware that in the lead up and during ILWU Canada's strike action, U.S. marine terminals entered into long-term contracts with shippers to reroute cargo away from Canada's West Coast ports. The impacts of that continued cargo diversion are still present today.

The thirteen-day ILWU Canada strike disrupted an estimated \$10.7 billion in trade.³ The total amount of trade that was impacted over the month-long disruption is currently unknown, as is the number of diverted shipments that will never return.

BCMEA Bargaining Committee Mandate

During Mr. Ashton's appearance at CIIT, he questioned the mandate and composition of the BCMEA Bargaining Committee. He also did so in the media during the ILWU Canada's strike action. In an effort to refocus energy back at the bargaining table, our Board of Directors reaffirmed their unanimous support of the Bargaining Committee's mandate and authority directly to ILWU Canada through a formal letter on July 4, 2023. Please find this letter attached, as part of this submission. It is also worth noting that the BCMEA Bargaining Committee was composed of senior BCMEA executives (including the President and CEO, Vice President, Labour Relations, and Vice President, Finance and Corporate Secretary) and direct senior representation from major employers with a combined over six decades of terminal operations, labour relations and management experience. The right decision makers were at the table.

Stability, predictability and decision-making timelines

BCMEA, our members, Board of Directors, and Bargaining Committee worked diligently to avoid a strike by ILWU Canada and at every bargaining opportunity, aimed to be nimble, efficient and responsive.

BCMEA's role and authority as the industry's designated representative on all things labour emanates from the purposes section of the BCMEA's constitution and supporting bylaws which are legal documents filed in accordance with the provisions of the Societies Act of BC. Accordingly the BCMEA Bargaining Committee had absolute authority and mandate to carry out negotiations on behalf of its Board and members.

This allowed the BCMEA to promptly advance proposals and respond to the union's requests in an expeditious manner – in stark contrast to what ILWU Canada erroneously claimed at committee.

call at a BC port, and the scheduled loop is cancelled all together. Container vessels operate on a schedule like a transit bus, so a blank sailing is similar to when a bus is taken off the road.

³ Greater Vancouver Board of Trade: <https://www.boardoftrade.com/news/57-news/2023/2418-board-of-trade-statement-in-response-to-ratification-of-deal-to-end-port-strike>

Innovations to help increase stability, and reduce disruptions

All witnesses during your study have spoke to the need for predictability and labour stability in supply chains across Canada. The Minister of Labour has repeatedly spoke to the importance of labour stability in Canada's ports, including in announcing a review, under Section 106 of the *Canada Labour Code*, of the structural issues underlying the strikes in B.C. and across the ports system in Canada. He reiterated that labour stability was essential to maintain strong supply chains that support the Canadian economy, and which are essential to the maintenance of Canada's reputation as a reliable trading partner.

In order to secure that stability and innovate to avoid future disruptions, Canada needs a collective bargaining structure in place that enables the parties to engage in meaningful collective bargaining and reach their own settlements and, where meaningful bargaining is no longer possible, a dispute resolution process is in place that protects the public interest while ensuring that the interests of the parties are reflected in the final resolution of a collective agreement.

The simple threat of a disruption causes shippers to divert cargo elsewhere, which in the case of West Coast ports, means diverting to relatively stable U.S. ports. The very fact that labour disruption is possible imposes reputational and economic damage. Cargoes, once diverted, may not quickly return, if at all, once a port is back in normal operation.

