June 13, 2023

Hon. Seamus O'Regan, P.C., M.P. Minister of Labour Email: <u>seamus.oregan@labour-travail.gc.ca</u>

Hon. Omar Alghabra, P.C., M.P. Minister of Transport Email: <u>TC.MinisterofTransport-MinistredesTransports.TC@tc.gc.ca</u>

Re: Federal Government Engagement on Labour Stability on Canada's West Coast

Dear Ministers:

We are expressing our alarm over the potential for a labour disruption that would affect ports in British Columbia, including the largest port in Canada, the Port of Vancouver and Port of Prince Rupert respectively, to add another shock to our supply chain. The <u>Supply Chain Task Force</u> report noted that "wild swings in supply and demand due to the COVID-19 pandemic, as well as climate shocks (e.g., wildfires, floods) and growing geopolitical uncertainty, have put trade norms and flows at risk." The potential for a labour dispute adds to an already challenging situation.

The collective agreements between the BCMEA and ILWU Canada on behalf of the Longshore Locals and Local 514 Ship & Dock Foremen expired on March 31, 2023. We understand that either party could be in a position to strike or lock out as early as June 24. Such actions would disrupt west coast ports and have immediate impacts across Canada's already fragile supply chain in as little as two weeks. A breakdown in port operations would severely impact manufacturing, retail, agriculture, automotive dealers, and energy industries across the country.

On behalf of the Canadian business community, we request the government's active engagement with this bargaining process and that it be prepared to act to prevent a labour disruption. It is imperative that the federal government work with the parties to secure an affordable, stable, and efficient supply chain.

Canadians and businesses alike require stability in our supply chains. According to the Canadian Chamber's Business Data Lab, nearly a quarter of businesses have stated that supply chain issues will continue to remain a key obstacle to growth and that they expect these challenges to persist well into next year. A labour disruption will have a significant and immediate impact on the livelihoods of Canadians and the health of Canadian businesses that rely on the safe and efficient flow of Canadian goods.

As Canada's largest gateway, Canada's west coast ports handle over \$500 million worth of cargo, including agri-foods, perishable goods, potash, critical minerals and household necessities, every day. Approximately sixteen percent of Canada's total traded goods flow through our west coast terminals. The trade our west coast ports facilitate ensures critical products arrive in Canada and make their way to store shelves and our factories efficiently and affordably. Any work stoppage will damage the Canadian economy, fanning inflation and increasing costs for Canadians. Our exporting industries could face delays in getting their

products to market, hampering their ability to earn income and secure global contracts that drive investment and support jobs here at home.

We respect the right to collective bargaining and believe sincerely that the best deals are reached at the table. Government must continue to work closely with all parties to reach an agreement to avoid a work stoppage. Canada's economy and our supply chains cannot afford another disruption. Government must be prepared to act immediately in the event bargaining breaks down. A functioning, efficient, reliable, and affordable supply chain is critical to Canada's economy. Combatting inflation, restoring price stability and strengthening our arrangements with countries in desperate need of stable, reliable trading partners require a dependable, predictable port system. Without stability, we will jeopardize the success and livelihoods of Canadians and their businesses and the growth and prosperity of our country and our allies.

Sincerely,

Ajax-Pickering Board of Trade Alberta Chambers of Commerce Association of Home Appliance Manufacturers Association Québécoise de l'Industrie du Cannabis BC Council of Forest Industries **Belleville Chamber of Commerce** Brampton Board of Trade British Columbia Chamber of Commerce British Columbia Trucking Association Burnaby Board of Trade Business Council Of British Columbia Business Council of Canada Calgary Chamber of Commerce Cambridge Chamber of Commerce Camrose & District Chamber of Commerce Canadian Association of Importers and Exporters Canadian Automobile Dealers Association Canadian Canola Growers Association Canadian Chamber of Commerce Canadian Construction Association Canadian Federation of Independent Business Canadian International Freight Forwarders Association **Canadian Manufacturers & Exporters** Canadian Meat Council

Canadian Produce Marketing Association

Canadian Produce Marketing Association

Canadian Sugar Institute

Greater Vernon Chamber of Commerce Greater Victoria Chamber of Commerce

Grimsby & District Chamber of Commerce Independent Contractors and Businesses Association

Kamloops & District Chamber of Commerce Kelowna Chamber of Commerce Lethbridge Chamber of Commerce London Chamber of Commerce Madoc & District Chamber of Commerce Manitoba Chambers of Commerce Medtech Canada Milton Chamber of Commerce Minning Association of British Columbia Mississauga Board of Trade New Car Dealers Association of BC

Newcastle & District Chamber of Commerce Nipawin & District Chamber of Commerce Oakville Chamber of Commerce Ontario Chamber of Commerce Orillia & District Chamber of Commerce

Ottawa Board of Trade Owen Sound & District Chamber of Commerce Parkland Chamber of Commerce Penticton & Wine Country Chamber of Commerce Port Colborne-Wainfleet Chamber of Commerce Prince Albert & District Chamber of Commerce Prince Rupert and District Chamber of Commerce Canadian Toy Association

Canola Council of Canada Chamber Of Commerce Brantford-Brant Chamber of Shipping of British Columbia Chatham-Kent Chamber of Commerce Chemistry Industry Association of Canada Chetwynd Chamber of Commerce Clarenville Area Chamber of Commerce Delta Chamber of Commerce Didsbury & District Chamber of Commerce Dufferin Board of Trade Edmundston Region Chamber of Commerce Edson and District Chamber of Commerce Electro-Federation Canada Enserva FETCO

Fertilizer Canada

Food Producers of Canada

Food, Health & Consumer Products of Canada

Forest Products Association of Canada Fort McMurray Chamber of Commerce Fort St. John & District Chamber of Commerce

Freight Management Association of Canada Grande Prairie & District Chamber of Commerce

Greater Barrie Chamber of Commerce Greater Charlottetown Area Chamber of Commerce

Greater Fort Erie Chamber of Commerce Greater Kitchener Waterloo Chamber of Commerce

Greater Langley Chamber of Commerce Greater Niagara Chamber of Commerce Greater Parkland Regional Chamber of Commerce

Greater Saskatoon Chamber of Commerce Greater Sudbury Chamber of Commerce Greater Vancouver Board of Trade

Railway Association of Canada Recreation Vehicle Dealers Association of Canada Red Deer & District Chamber of Commerce Redwater & District Chamber of Commerce **Responsible Distribution Canada Restaurants Canada** Retail Council of Canada **Richmond Chamber of Commerce** Sarnia Lambton Chamber of Commerce Sault Ste. Marie Chamber of Commerce Shipping Federation of Canada Smithers District Chamber Of Commerce Spirits Canada Sudbury East Chamber of Commerce Surrey Board of Trade Sussex & District Chamber of Commerce The Chamber of Commerce for Greater Moncton The Chamber of Commerce Niagara Falls, Canada

The Mining Association of Canada The Winnipeg Chamber of Commerce Tillsonburg District Chamber of Commerce

Toronto Region Board of Trade Truro & Colchester Chamber of Commerce

Vegreville & District Chamber of Commerce Vermilion & District Chamber of Commerce

Welland/Pelham Chamber of Commerce Western Canadian Shippers' Coalition

Weyburn Chamber of Commerce Windsor-Essex Regional Chamber of Commerce Winkler & District Chamber of Commerce

Winnipeg Chamber of Commerce Yarmouth & Area Chamber of Commerce Yorkton Chamber Of Commerce