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Chair: The Honourable Judy A. Sgro





## Standing Committee on International Trade

Tuesday, December 5, 2023

• (1105)

[English]

**The Chair (Hon. Judy A. Sgro (Humber River—Black Creek, Lib.)):** I call the meeting to order. This is meeting number 86 of the Standing Committee on International Trade.

Today's meeting is taking place in a hybrid format pursuant to the Standing Orders and therefore members are attending in person in the room and remotely using the Zoom application.

I need to make a few comments for the benefit of witnesses and members.

Please wait until I recognize you by name before speaking. For those online, please mute yourself when you are not speaking. All comments should be addressed through the chair.

If any technical issues arise, please let me know and we will suspend in order to make sure everybody has full access to translation.

I ask that all participants be careful when handling the earpieces, in order to prevent feedback.

Pursuant to Standing Order 108(2) and the motion adopted by the committee on Tuesday, October 17, 2023, the committee is continuing its study on the 2023 strike at the port of Vancouver.

We have with us today, from the Canadian Vehicle Manufacturers' Association, Brian Kingston, president and chief executive officer.

From the Global Automakers of Canada, we have David Adams, president.

From the Government of Alberta, we have the Honourable Devin Dreeshen, Minister of Transportation and Economic Corridors, by video conference.

From the International Longshore and Warehouse Union Canada, by video conference, we have Robert Ashton.

Welcome to all the witnesses. We will start with opening remarks of up to five minutes.

Mr. Kingston, I will turn the floor over to you, sir.

**Mr. Brian Kingston (President and Chief Executive Officer, Canadian Vehicle Manufacturers' Association):** Thank you, Madam Chair and committee members. Thank you for the invitation to take part in your study of the 2023 strike at the port of Vancouver.

The Canadian Vehicle Manufacturers' Association is the industry association representing Canada's leading manufacturers of light and heavy-duty motor vehicles. Our membership includes Ford, General Motors and Stellantis.

CVMA members are at the forefront of new automotive investment in Canada. Over the past three years, Ford, GM and Stellantis have announced nearly \$15 billion in new investment, most of which is focused on electric vehicle assembly and the battery supply chain. Critical infrastructure such as the port of Vancouver underpins the highly integrated automotive industry and Canada's competitiveness for new investment, including the \$15 billion that I just referenced.

Supply chain disruptions are occurring with more regularity. With each incident, business is burdened with the cost of redirecting goods to maintain productivity and sales. The Vancouver and Montreal ports, Ambassador Bridge, St. Lawrence Seaway and rail and highway trade corridors are critical infrastructure that support the automotive supply chain for finished vehicles, parts and component inputs such as minerals at both Canadian and U.S. production facilities. The Vancouver port is a key transit point for parts and finished vehicles produced and sold in Canada and across North America.

In 2022 the port handled 333,000 vehicles, which represents about a quarter of Canadian vehicle sales. The Vancouver work stoppage quickly resulted in auto assembly production impacts on both sides of the border. Automotive manufacturers that depend on the port were forced to reroute shipments, which added significant costs and increased uncertainty at the worst possible time.

For Canadians, this means higher vehicle prices and delays just as the sector is rebounding from pandemic-related inventory shortages. It's also important to recognize that it can take weeks to recover from a backlog of shipments out of ports. The ripple effect on rail and transportation logistics is significant. Once the port resumes operations, there's considerable time before goods reach their destination, which can result in continued production delays and added cost.

To illustrate immediate and longer-term impacts of the Vancouver port disruption, one company incurred \$5 million U.S. in premium freight costs. They have decreased the volume routed through the port of Vancouver by 22% since July and continue to move volume out of Vancouver. They now focus on U.S. west coast ports due to the ongoing port congestion issues in Vancouver.

Canada needs to improve its governance of its critical infrastructure to provide more stability for foreign direct investment, protect supply chains and be more coordinated and efficient in response to disruptions. Progress is needed on a national strategy for critical infrastructure.

CVMA has made a number of recommendations to government on this. They include the following.

Number one, we need to add trade infrastructure to the listing of national critical infrastructure definitions.

Number two, we need to work with industry to confirm priority ports of entry and trade corridors that should be designated critical infrastructure and to develop response plans including points of contact, information sharing protocols and service standards that could be launched in the event of a disruption.

Number three, we need the government to enhance its leadership role in the coordination of stakeholders and critical infrastructure owners and operators in response to disruptions like the one we witnessed at the port of Vancouver. This should include reviewing existing protocols, undertaking risk assessments, scenario planning and clarifying the respective roles of each level of government, as well as the most efficient communications channels to operate and execute in the event of a pending or occurring disruption.

With that, thanks for your time today. I look forward to any questions.

**The Chair:** Thank you very much, Mr. Kingston.

We'll move on to Mr. Adams.

Welcome back to the committee. You're a regular to all of us. It's always good to see you here.

**Mr. David Adams (President, Global Automakers of Canada):** Thanks, Madam Chair.

Thank you, committee members, for the opportunity to appear before the committee this afternoon on behalf of the 15 members of the Global Automakers of Canada to discuss the Vancouver port strike and its impact.

Our membership is comprised of Canada's two largest vehicle producers, Toyota and Honda, producing vehicles for the North American market as well as 13 exclusive distributors of their brands in the Canadian market.

As you might imagine, the 13-day strike at the port of Vancouver impacted each of our members differently, depending on the level of their import exposure from Asia. Over the years, the vast majority of our members have established vehicle manufacturing facilities in North America, which have served to somewhat mitigate marine import exposure. However, over that same period of time, market share for our members has continued to grow.

Last year, as Mr. Kingston referenced, approximately 334,000 vehicles were imported into the port of Vancouver. That was down 6% from 2021 and 22% from 2018. As committee members are aware, the global automotive industry was severely impacted by a number of different supply chain disruptions, from which it has still not yet fully recovered. Imports from our Korean member companies were responsible for 45% of all vehicles imported through—

• (1110)

[Translation]

**Mr. Denis Trudel (Longueuil—Saint-Hubert, BQ):** Madam Chair, I'm sorry, but there seems to be a bit of a problem with the interpretation. It's hard to hear what is being interpreted. It sounds like it's a problem with the microphone.

[English]

**The Chair:** Should we suspend for a minute?

[Translation]

**The Clerk of the Committee (Ms. Sophia Nickel):** We'll ask another interpreter to take over.

[English]

**The Chair:** Would you mind starting again, sir, to make sure that everybody gets clear translation?

**Mr. David Adams:** I preface my comments by saying that the strike impacted each of our members differently, depending on their import exposure from Asia.

Last year, there were approximately 334,000 vehicles imported into the port, down 6% from 2021 and down 22% from 2018. The global automotive industry was severely impacted by a number of different supply chain disruptions, from which it has still not fully recovered. Imports from our Korean member companies were responsible for 45% of all vehicles imported through the port, with Japanese manufacturers representing another 45% of vehicle imports through the port.

Overall, vehicles and vehicle parts represented about 6.8% of all inbound cargo through the port of Vancouver. With that said, I want to highlight the impacts on some of our members.

One of our members reported the following. The strike added 60 days to already protracted delivery times to their dealers. The diversion of vessels to U.S. ports added approximately \$700 per vehicle. The flip-flop of the union, with respect to the strike being over and then not, was another added disruption that called into question the effectiveness of the mediation program.

Another member reported that due to the longer dwell times at Vancouver, ships were diverted to U.S. ports to unload cargo there first, before returning to Vancouver. The dwell times at Vancouver were significantly higher than at other ports, even before the strike, with anchor times, in some cases, being longer than the time for the ship to travel from the home port to the port of Vancouver. Anchor times in other ports are typically one to two days as opposed to, in some cases, one to two weeks or more at the port of Vancouver.

The impact on member companies was also a bit of the luck of the draw with respect to when ships arrived at the port. Some were fortunate to have vessels docking either side of the strike, while others were caught up in the middle of it.

That said, it has become evident, throughout the strike and the aftermath, that we have a series of challenges, not only at the Port of Montreal but also elsewhere, that need to be collectively addressed. These are as follows.

The fires and atmospheric rivers of recent years have underscored the need for infrastructure resilience to climate change. Having an alternate port on the west coast that is capable of handling vehicle off-loading would provide an option to assist in instances of stoppages caused by natural disasters, or for other reasons.

The port infrastructure needs to be right-sized and optimized for increased volumes of electric vehicles from Asia, in particular China, as imports have grown from 190 vehicles in 2020 to 7,916 vehicles in 2022, which is over a 4,000% increase. With Canada's pending zero-emission vehicle targets, these imports will only rise until additional North American capacity for both electric vehicles and their constituent parts and components come online.

The port of Vancouver infrastructure must also include the installation of EV chargers to accommodate the off-loading and distribution of EVs. We are aware that efforts in this regard are under way.

The port infrastructure is only as good as the rail and trucking services that support the distribution of imported products across the country. There is currently a major shortage of railcars to service the automotive industry. The port strike exacerbated this situation, resulting in many weeks passing before full recovery from the strike occurred.

There is a growing perception that Canadian ports, and transportation infrastructure in general, lack predictability, reliability, consistency and efficiency, which is detrimental to a small, trade-reliant nation and has some shippers looking to consider supplying the Canadian market through U.S. ports, owing to the loss of confidence in Canadian ports.

While negotiated settlements are always the best solution, when parties are entrenched in their positions, the Canadian economy must not be held hostage until a negotiated settlement is reached. Since the port of Vancouver strike, we have witnessed the October shutdown of the St. Lawrence Seaway due to a strike, and based on actions taken by both sides to date, it would seem that a strike at the Port of Montreal may well be imminent when the current collective agreement expires on December 31 of this year.

Canada can ill afford the economic and reputational hits, combined with other highly visible and costly border incidents like the

illegal blockade at the Ambassador Bridge and other key border crossings in February 2022.

In closing, for these reasons, we very much appreciate the Minister of Labour's October 19 announcement on initiating a review under section 106 of the Canada Labour Code to look at the structural issues that have given rise to the labour dispute at the port of Vancouver and elsewhere, and we will look forward to seeing the terms of reference for the review that the minister has committed to by December 31 of this year.

● (1115)

We are also hopeful that the appointment of Mr. Robert Dick to head up the supply chain office at Transport Canada will lead to not only issue and problem identification but also a clear and actionable road map for improvement. Canadian businesses and the consumers who rely on them deserve no less.

Thank you very much.

**The Chair:** Thank you very much, Mr. Adams.

We'll go to Mr. Ashton for up to five minutes.

**Mr. Robert Ashton (President, International Longshore and Warehouse Union Canada):** Good morning. Thank you, committee, for having me.

My name is Rob Ashton, and I am the national president of the International Longshore and Warehouse Union of Canada. I represent approximately 8,000 longshore workers on the west coast.

The 2023 strike negotiations were doomed to failure before they started. You may ask why I would start with such a statement. The answer is quite simple. It was due to who was and was not at the bargaining table. The BCMEA was at the table on behalf of the employers, with two superintendents and an HR manager, all of whom had zero decision-making capabilities. Who was missing from the bargaining table? It was the decision-makers. There were no terminal operator representatives with knowledge of the working conditions at their terminals who could actually make decisions on behalf of their companies in regard to bargaining.

This major shift in representation at the bargaining table began in the 2010 negotiations. Since 2010, our bargaining relationship has changed for the worse. Over the last few rounds of bargaining, the BCMEA has chosen to sit back and hope the Government of Canada would step in and legislate a collective agreement for our industry, or send us to a third party for a deal. This was proven to be true when the BCMEA handed us a letter stating its path forward. Its idea of a path forward was a binding arbitration scenario, which bypassed our charter right for free collective bargaining. As well, the BCMEA refused to meet with us directly when we were at the FMCS level. They forced us to go through the mediators to pass positions back and forth. This proved to us that the BCMEA had no intention to bargain a CBA with our committee.

The 2023 strike was the first work stoppage of significance in generations. The union knows this strike could have been averted if the BCMEA had shown up to bargain with us. During bargaining, when the BCMEA gave us their global offers for settlement, the union's bargaining committee responded promptly that same day. The union, with all of our decision-makers at the table, were able to respond at each step. The BCMEA, however, would take an average of seven to 10 days to respond to our global offers. Each decision had to be taken away and, we believe, reviewed by a decision-maker.

Another hurdle we faced was the announcement of Roberts Bank Terminal 2 getting approved. This had a significant impact on bargaining, because this terminal, for all intents and purposes, will be an automated terminal, which will affect our members.

The impacts of the west coast strike on other industries in Canada has more to do with companies surviving off just-in-time shipping. If companies in this country took advantage of the existing warehousing infrastructure of equipment and goods, issues like these, which can arise at the ports and in other transportation sectors, would have less of an impact on their businesses. It would also employ many more Canadians with good union jobs. This just-in-time shipping model is vulnerable not only to labour management issues but also to extreme weather occurrences, such as the atmospheric river in B.C. a couple of years ago.

In regard to innovation at the ports, we understand that technologies continually evolve, and the need to green our working environments is understood by all. With that in mind, we must look at technology and equipment that support workers and the environment at the same time. I'm not an expert in this field, but I know hydrogen-based equipment is much better for the environment, and we can keep workers in the seats of the machines. The only ones that gain from doing away with workers' jobs through automation and AI are corporations, which take their profits away from our communities and workers, to no one's benefit but their own.

In regard to port congestion at the terminals, you can land airplanes right now at some of our container terminals. It's that slow. This can be fixed if the parties in the marine industry decide to work together and go after the work.

I would like to thank the committee for allowing me to present here today. My testimony is complete.

Thank you.

• (1120)

**The Chair:** Thank you very much, Mr. Ashton.

Now we'll move on to Minister Dreeshen.

I think we need to suspend for a moment to make sure that Minister Dreeshen's connection is working.

• (1120)

(Pause)

• (1125)

**The Chair:** I'm glad we were able to fix up all of that.

Welcome to the committee, Minister Dreeshen. You have up to five minutes for your presentation and opening statements, please.

**Hon. Devin Dreeshen (Minister of Transportation and Economic Corridors, Government of Alberta):** Thank you so much, Madam Chair. I apologize to you and all of the committee members for the technical issues this morning.

I do welcome the opportunity to share insights on behalf of Alberta's government with regard to the strike at the west coast ports—Canada's number one, largest port and the soon to be second-largest port, i.e., Vancouver and Prince Rupert.

Let me start by saying that labour-related disruptions slow down trade and result in increased costs for Canadian consumers, particularly here in Alberta. As a landlocked province, Alberta depends on a well-functioning ports system, as well as transportation corridors and market-access infrastructure, to maintain economic prosperity.

Ports are an integral part of the transportation and supply chain system, and their effective operation impacts Canada's and Alberta's competitiveness. In 2022, \$18 billion of Alberta's exports, including grains, minerals and forest products—

[*Translation*]

**Mr. Denis Trudel:** Madam Chair—

[*English*]

**The Chair:** I'm sorry, Minister Dreeshen. Can you just hold? It's not your issue. We may have a translation issue, so just hold the fort there, please.

[*Translation*]

**Mr. Denis Trudel:** There's no French interpretation at the moment.

[*English*]

**The Chair:** We have no translation at the moment.

**A voice:** We do now.

**The Chair:** Okay, I apologize, Minister Dreeshen. Please continue.

**Hon. Devin Dreeshen:** Thank you.

I'll just say that back in 2022, 18 billion dollars' worth of Alberta exports were shipped from west coast ports, and that includes everything from grains, minerals and forest products, through Vancouver and Prince Rupert.

Most products were bound for Japan, China, the U.S., South Korea and Peru, but the prolonged work stoppage at the port of Vancouver this summer impacted the ability of many Alberta industries to move products to international markets.

According to the BC Maritime Employers Association, this strike action disrupted billions of dollars' worth of cargo, preventing goods such as automotive parts, refrigerated food, fertilizer and critical minerals from reaching Canadians or trading partners abroad.

Alberta's government had two primary areas of concern regarding supply chains during this strike: outbound bulk commodity exports that support industrial agriculture shippers and inbound containerized ports that support large segments of the consumer economy.

On the export side, Alberta's forestry industry is reliant on access to markets in Asia to maintain its competitive position and its reputation as a reliable shipper of sustainable forest products. For most pulp manufacturing exports, nearly all of their production is through the port of Vancouver.

Alberta's forestry sector also relies on access to railcars to support solid wood exports to the U.S. The labour action at the ports disrupted access to railcars, as Canada's major railways repositioned their trains and crews inland within Canada, affecting their operations and substantially limiting their operations to west coast ports.

While grain-related services continued to operate, as an essential service, Alberta was also concerned about the strike's impact on agri-food shipped by containers. The work stoppage caused time-sensitive, refrigerated goods to spoil, which, in turn, affected the overall supply of these goods available to Canadians.

There were also impacts for the imported products, such as household and consumer products, including electronics, fashion, appliances, construction materials, cars and car parts. The duration of the strike caused significant costly and long-term trade flow diversions for industrial manufacturers, particularly in the province's fertilizer industry.

For example, producers depend on the import of phosphate to produce fertilizer. A restriction on imports resulted in facilities needing to choose between costly and unscheduled worker shut-downs or entering into long-term contracts to import through alternative ports.

Over the course of the work stoppage at the port of Vancouver, Alberta's government expressed concerns regarding the significant and harmful impacts on Alberta's and Canada's economies and on our country's reputation as a reliable trading partner. We stressed

the need for the federal government to develop a new process for addressing the risk of work stoppages at ports and other critical supply chain infrastructure.

As another example of the need for a new process, both Canadian National and Canadian Pacific Kansas City railways have collective agreements with the Teamsters Canada Rail Conference, expiring December 31 of this year. There is potential for further labour action in early 2024, next year, which could affect locomotive engineers, conductors and yard workers at both railways.

Alberta encourages the federal government to explore mechanisms that prevent costly labour disruptions in the transportation sector, such as amendments to the Canada Labour Code that would provide the federal government with the authority to compel binding arbitration prior to a work stoppage taking place.

Canada cannot afford to have further disruptions to critical infrastructure, such as class I railways, ports and airports, which are essential to the supply chain and economies of Alberta and Canada. Alberta, with Saskatchewan and Manitoba, for years has requested enhanced representation on the board of the Vancouver port authority, given the importance of this gateway to Alberta's trade with other international markets.

Finally, I would like to stress the importance of the federal government's treating supply chain disruptions in western Canada with the urgency with which it addresses similar issues in eastern Canada, where, in a one-day port strike in Montreal, back-to-work legislation was used. Here on the west coast, there was over a month of disruptions. That is why Alberta led calls for the federal government to be recalled and back-to-work legislation used in this instance.

It is critical that, moving forward, the federal government ensure labour stability and, in doing so, support a resilient supply chain to protect our economy and the Canadians who rely on it.

● (1130)

Thank you so much, Madam Chair and committee members, for the time to talk about the importance for Canada to work as a country and for the federal government to work on behalf of all Canadians.

**The Chair:** Thank you very much, Minister.

We're on to round one with our committee members, with Mr. Jeneroux for six minutes, please.

**Mr. Matt Jeneroux (Edmonton Riverbend, CPC):** Thanks, Chair, and thanks to everybody for joining us here today.

I first want to start with Mr. Kingston and Mr. Adams, just to get you on the record. What we heard about from Transport Canada last week was shipment losses of up to \$13 billion and economic losses of up to \$1 billion. Would you both agree with that dollar amount?

**Mr. David Adams:** From my perspective, that sounds about right, based on other sources that I've heard as well.

**Mr. Matt Jeneroux:** Thank you.

Mr. Kingston.

**Mr. Brian Kingston:** Yes, likewise, and we did provide input to Transport Canada as this was under way, to help with that assessment, so that sounds appropriate.

**Mr. Matt Jeneroux:** That's perfect.

As Mr. Dick indicated last week, "Businesses begin to make adjustments when they anticipate that there could be uncertainty. They don't necessarily wait for the disruption, so there have been impacts as people seek to mitigate risks when they anticipate there is a vulnerability and an uncertainty as to the outcome." I was reading from the blues from the Thursday, November 30, 2023 meeting.

What he was referencing was the collective agreement that expired on March 31, 2023. Would you agree that those numbers, albeit the numbers that you weighed in on, could possibly be even higher, considering that—as I think you said, Mr. Adams—the perception of predictability in Canadian ports is at risk these days?

• (1135)

**Mr. David Adams:** From my perspective, I think that makes sense, and I know for certain that my members did take contingency planning far before this strike occurred.

**Mr. Matt Jeneroux:** Mr. Kingston.

**Mr. Brian Kingston:** Yes, the impacts are the same. What we've seen is that companies have now reduced their dependence on the port of Vancouver. They would have planned in advance when they saw a potential for disruptions, and now volumes have gone down as a result.

I would also note, as Mr. Adams outlined, that given an upcoming potential work stoppage at the Port of Montreal, and given that disruptions have become a feature, not a bug, of the Canadian transportation system, companies will take contingency actions well in advance.

**Mr. Matt Jeneroux:** Minister Dreeshen, thanks for joining us today.

You wrote a letter dated July 11, and it was within about a week of the work stoppage. In the letter, you encouraged both the ILWU and the BCMEA to not only—

[*Translation*]

**Mr. Denis Trudel:** Excuse me, Madam Chair.

There's still a problem with the interpretation. I don't think it's the interpreter. I don't think the microphone is working properly.

[*English*]

**The Chair:** Sorry for the interruption. Could you try it again?

**Mr. Matt Jeneroux:** Minister Dreeshen, in your letter encouraging an immediate resolution to the strike, was the purpose of your letter...? In terms of your reason for writing the letter, Minister, was there a perception of a lack of leadership by the Canadian government and Canadian government officials?

**Hon. Devin Dreeshen:** We just like to see consistency. I think there was great federal leadership for the Port of Montreal strike that happened just a year prior. There was one day of strike action, and Parliament passed back-to-work legislation and made sure that the port was functioning and that the supply chain across the country wouldn't be disrupted.

We applauded that as a government, knowing that goods would continue to flow—both imports and exports. We were left dismayed, however, by the fact that the west coast's port strike was not treated with the same urgency by the same federal government just a year later. It was left to linger for over a month at Canada's number one and soon-to-be number two largest ports. When I consider the disruptions and the cascading effect that it had across the country for companies turning off shifts, ending shifts and affecting workers all across Canada, in Alberta, B.C., Saskatchewan and Manitoba, it really seems that the company was held hostage by not being able to get products to market.

I think that the urgency was appropriate in Montreal's case, but on the west coast, there were so many question marks as to why the federal government treated it differently.

**Mr. Matt Jeneroux:** That's great. Thank you for providing that.

In terms of lingering impacts you're seeing that exist today, you touched on some of the examples.

I'm curious as to whether there are more that you can provide. As indicated, the numbers we got from the transport department—\$13-billion shipment loss and \$1-billion economic loss—seem to take in a bit of the timeline of events, but obviously there's potential for other impacts in the longer term.

I'm hoping you might be able to expand on some potential examples that you're still seeing.

**Hon. Devin Dreeshen:** Sure.

There's a high level of wheat, canola, fuel, canola oil and wood from Alberta going out through west coast ports. Those are the big, main exports. They're all in the billions of dollars.



I know it's said a lot that Canada has a reputation as a reliable shipper. A lot of those impacts are behind the scenes. You have Canadian companies trying to create products here in Canada and then obviously sell them and export them around the world. When customers on the other side, around the world, are seeing that products aren't being shipped in from Canada, you're then seeing those customers choosing not to use Canadian products or purchase Canadian goods.

Then you're seeing a competitive disadvantage, where they are buying products from other places around the world that have wheat, canola, fuel, canola oil and wood, and we're seeing a price decrease for Canadian products.

There are so many different aspects to workers being affected in the country and to our competitiveness around the world in being able to sell products. It hurts on both sides when you don't have a functioning supply chain.

• (1140)

**The Chair:** Thank you, Minister.

We'll move on to Mr. Sidhu for six minutes, please.

**Mr. Maninder Sidhu (Brampton East, Lib.):** Thank you, Madam Chair, and thanks to our witnesses for taking the time to join us here this morning.

My first question will be for Mr. Kingston.

You mentioned that over 300,000 vehicles went through the port of Vancouver. A quarter of Canadian vehicle sales went through this port, as we heard. You mentioned a decrease in vehicle cargo even before this strike, over the last number of years.

What is behind this decrease when, overall, Canada's trade numbers are up?

**Mr. Brian Kingston:** Thank you.

Prior to this strike, the automotive industry, globally, was still recovering from a semiconductor shortage. We have seen that shortage impact trade volumes of vehicles in North America and around the world. There were pandemic-related shortages of semiconductors, which resulted in tens of millions of vehicles not being produced that would have originally been planned for production.

That was a big factor and a driver of the reduced volumes in sales numbers, as well as some of the inventory challenges that we saw leading up to this. That's why these disruptions in Vancouver, and also in Montreal, were so problematic. They happened right as the industry was starting to recover in terms of trade volumes, and this set production back yet again.

**Mr. Maninder Sidhu:** There was a global shortage of semiconductors that led to the decrease in these ports, even before the strike.

You mentioned a few recommendations in your opening remarks. I'm hoping you can expand on recommendation three.

**Mr. Brian Kingston:** Absolutely.

For our third recommendation, we are hopeful that the recently established supply chain office will be able to do some of this through Transport Canada. We'd like to see the federal government

enhance its leadership and coordination role with respect to critical trade infrastructure ports.

What I mean by that is identifying where those key ports and conduits are that absolutely have to be functional, and then doing risk assessment and scenario planning around disruptions. As I noted, this is becoming a feature of the Canadian economy, not an irregular occurrence, so unfortunately we need to plan for it.

We'd like to see better communications plans and coordination among all levels of government when there are these disruptions, so that industry can at least know who to call and, effectively, how to find a way around the transportation infrastructure conduit to make sure that products continue to move.

**Mr. Maninder Sidhu:** You mentioned that trade volumes are down at the port of Vancouver.

Are you seeing other ports with the same trend line?

**Mr. Brian Kingston:** Yes.

At least from an auto perspective, between the Port of Montreal and the port of Vancouver, we see that real reputational damage has been done. Companies are, as much as possible, trying to reduce their dependence on those ports to make sure that, should there be stoppages, they have a contingency plan in place.

Again, with the upcoming potential for a strike at the Port of Montreal at the end of this month, companies have to plan for that. They're routing product through the United States as much as possible. Those volumes have come down as a result.

**Mr. Maninder Sidhu:** Mr. Adams, you mentioned climate change, the impacts it's having on our supply chain ecosystems, and the importance of our addressing that—whether it's through investing \$1 billion in charging infrastructure, promoting electric vehicles or putting more funding toward research and innovation—and working with industries to help combat climate change.

You also mentioned the bottlenecks in our supply chain. Some of that is being addressed through our national trade corridors fund, with billions of dollars to help relieve some of the pressures in the ecosystems, whether we're talking about rail lines, trucking or air cargo.

What more can be done to relieve some of these pressures, in your opinion, Mr. Adams?

**Mr. David Adams:** I think we've already talked about it. It's just taking a holistic approach to the transportation infrastructure, and that's one thing we've tried to do as an association. Every year, we bring together the rail community, the truck carrier community and the ports, and we try to have a collective discussion about how to make the system work better, because one challenge is that whenever you talk to just one party, they point the finger and say, "It's not us. It's the rails, or it's the ports that are the real problem."

It harkens back to what Mr. Kingston relayed as well. We need to have a more holistic and comprehensive view of transportation infrastructure and the various components of it in our society.

• (1145)

**Mr. Maninder Sidhu:** In your conversations with stakeholders from within the ecosystem, are they looking at innovation that perhaps other countries are bringing in at their ports? Is that part of the conversation?

**Mr. David Adams:** I don't really have a line of sight into that, but I anticipate they probably are. It's like any industry looking at best practices around the world.

**Mr. Maninder Sidhu:** I have a minute left, if you want to add anything else.

**Mr. David Adams:** One thing I would say is that if you look at our ports, the reality is that most of our ports are inbound ports for automotive, primarily finished vehicles. In Canada we export very little as far as finished vehicles and even parts through our ports, so it's an import issue, really. Where the border issues are problematic for the North American industry, for our collective members, is the north-south dialogue and the border there for manufacturing and distribution in North America.

**Mr. Maninder Sidhu:** I was in Washington for APEP, where leaders from the western hemisphere convened to talk about supply chain resiliency and how we can work together to relieve some of these pressures on our supply chains. As we know, the pandemic had a global impact on many of our supply chains, so we are working with other countries. I think it's important to have those conversations, as you are having within your ecosystems, but again, it's important that we work collaboratively with all our partners.

Thank you so much, Madam Chair.

**The Chair:** Thank you very much.

Mr. Trudel, please go ahead for six minutes.

[*Translation*]

**Mr. Denis Trudel:** Thank you, Madam Chair.

My thanks to the witnesses for joining us for this important study today.

Mr. Ashton, during the strike at the port of Vancouver, many people were calling for special back-to-work legislation, but you maintained your power relationship, and it didn't happen.

What would have been the impact on workers if the government had agreed to these requests for special legislation?

[*English*]

**Mr. Robert Ashton:** Quite simply, our rights would have been taken away. We wouldn't be able to freely negotiate a collective agreement for the terms and conditions that are appropriate for our industry.

If that were to happen, you would see an absolute destruction of the relationship between the employers, the union and the workers, and that's something that can never happen. Collective bargaining is hard, 100%, but we have to be allowed to do it. We have to be able

to make gains for our members. When our employers make profits, when our employers do well, we expect to do well as well.

[*Translation*]

**Mr. Denis Trudel:** Can you tell me a little more about the gains you've made as a result of those negotiations that took place during the strike?

[*English*]

**Mr. Robert Ashton:** We were able to negotiate a fair wage increase when we looked at the interest rates that were going up and the inflation rates that were happening in the province. These inflation increases were not happening because of workers but because of other factors.

One of the biggest things we did in bargaining was get protection for our trades workers, protection for the future of our work, because our employers were refusing to upgrade our tradespeople, to train them in new technologies, or even to train them in old technologies that had changed slightly. We were losing a lot of our jurisdiction on that, and unfortunately, there was a 13-day strike, but we were able to achieve that once the employers came to the table and actually had a conversation with us. We were able to gain language that makes our employers upgrade and train our tradespeople.

[*Translation*]

**Mr. Denis Trudel:** The last strike at the port of Vancouver was in 1969. So we can say that it's quite rare to see work stoppages of this nature.

Are you confirming that?

• (1150)

[*English*]

**Mr. Robert Ashton:** That is correct. As I said, it's been generations, actually. In 2018 we were in the same position with the BCMEA, because they didn't want to bargain with us then. What we did in 2018 was to have an overtime ban at one terminal, and it was the BCMEA that chose to lock out the entire country, yet today you don't hear people in the employing class and the ruling class screaming bloody blue murder when they lock us out. What's good for the goose is good for the gander.

[*Translation*]

**Mr. Denis Trudel:** We know that Canada has a sad record when it comes to protecting workers. Special legislation has often been used.

An anti-scab bill was introduced a month ago.

What's your opinion on this bill? Do you think it's good? Could it be improved? Are there things that could be added to strengthen it?

[English]

**Mr. Robert Ashton:** Are you talking about the anti-scab legislation?

[Translation]

**Mr. Denis Trudel:** Yes, I'm talking about the anti-scab bill, which was introduced in the House of Commons about a month ago.

[English]

**Mr. Robert Ashton:** It's Bill C-58. Yes, definitely. The 18-month delay after it receives royal assent shouldn't be there. It should be enacted immediately, to protect workers' rights. The other part of it is an absolute ban on scabs in the workplace. When an employer uses a scab, it tilts the scales. It creates animosity in the workplace that really can never be repaired. If there's a strike or a lockout, we don't go to work. That workplace should be shut down completely, because that truly does force the two parties to sit down and act like adults and get a deal done for the betterment of the workplace and the workers.

[Translation]

**Mr. Denis Trudel:** In concrete terms, what would be the impact of passing this bill on the longshore workers at the Port of Vancouver?

[English]

**Mr. Robert Ashton:** We would understand completely that we wouldn't have to worry about our employers bringing in some worker to do our job to try to break us, to try to break the union, to try to break the employees' backs, to break our members' backs. This legislation probably means more to Canadian workers than a lot of us actually truly understand, because it levels and equalizes the playing field, something that should have been done generations ago, but that finally, through the hard work of the NDP and the Liberals and the Bloc Québécois, is going to be successful.

[Translation]

**Mr. Denis Trudel:** Thank you, Mr. Ashton.

[English]

**The Chair:** Thank you very much, Mr. Trudel.

We go now to Mr. Cannings.

Mr. Cannings, go ahead for six minutes, please.

**Mr. Richard Cannings (South Okanagan—West Kootenay, NDP):** Thank you to all of the witnesses for being here today. I'm going to continue on with Mr. Ashton to talk about the bargaining situation that seemed to, as you intimated, take longer because the employers weren't at the table. Instead you had the BCMEA, which, it seems, had no real direct bargaining power from the employers. Everything that you suggested to them they had to take back, and sometimes it took a week or 10 days.

I am just wondering if you could expand on that and talk about how things worked before, because as we heard, before that the last strike in the port of Vancouver was in 1969. I, at least, was alive. I don't know how many other people here were alive in those days. I

just give it to you, Mr. Ashton, to talk about the effect that has on bargaining, in terms of the efficiency at the very least.

**Mr. Robert Ashton:** Yes, you bet.

Pre-2010, we had a certain number of direct employers at the table, whether it was the board chair or a direct terminal operator. Somebody was at the table. If something came up that needed to be discussed about a terminal, that terminal representative would come.

Post 2010, we haven't seen that happen. In 2018, we were stuck on two issues that we had to get through. We requested that two separate employers show up to the bargaining table. We had to ask many times for these employers to show up to the table. The BCMEA refused to let them come. Once those two direct employers showed up to the table, we successfully fixed the issues that had to do with those employers, and we moved on to the next one. We were successful in getting a collective agreement.

In this round of bargaining, we identified key issues we saw at the bargaining table that had to do with direct employers. When we were talking about maintenance in our industry.... Every single terminal is different and has different maintenance needs. We wanted the direct employers there to speak about their maintenance needs. We can come out with a holistic plan to improve and correct the issues happening on the docks. The BCMEA absolutely and adamantly refused to allow those terminals to come to bargaining and have those direct conversations with the union. How do you discuss that with a primarily third party—which the BCMEA is, in this instance—with no terminal knowledge? How do you negotiate like that?

On my side, I have senior representatives from all of my locals who have industry knowledge and who have worked in the terminals. We can have experts there at a moment's notice. That's why it takes so long for the BCMEA to respond. When they gave us their global offers, we responded to the first one in about eight or 10 hours. We gave it back to them. It took them seven days to respond to us. The next time they responded to us, it was the same thing. We responded that day within 14 or 15 hours, but it took them 10 days to respond to us. That's 17 days. We had a 13-day strike.

Yes, I think we could have avoided the strike if they had been there to bargain.

• (1155)

**Mr. Richard Cannings:** Thank you.

We heard testimony here that suggests there's been diversion to other ports over the long term, not just during the strike. I know your union represents workers at other ports. Certainly, down in Los Angeles, Long Beach....

I'm wondering how things are different there, or perhaps they are the same. What are the prospects like there for getting fair deals for workers? How does the system work there?

**Mr. Robert Ashton:** I can't speak a lot about what the international side does, because I'm not directly involved with that.

In rounds of bargaining in the longshore industry, cargo diverts. It does. The shipping companies have no ties to any port, unless they own the terminal. They can up and bugger off. If they can find a port that's open, they're going to go there.

We saw cargo, when the ILWU was in negotiations, shift to the east coast. When we were in bargaining, it shifted to the south. It happens. Eventually, once the collective bargaining is done and we have a collective agreement, it's the responsibility of the parties to sit down and bring that work back. It's not doom and gloom in the ports of British Columbia. We're actually one of the top-producing ports in the world, in my opinion. We don't shut down. We've only had one strike in a very long time. Most of our shutdowns lately have been due to weather.

**The Chair:** You have 40 seconds.

**Mr. Richard Cannings:** Okay. I have a bit more time.

You talked briefly about how the container terminals aren't working at full capacity and said that we could fix that.

I'm wondering if you could expand on that comment.

**Mr. Robert Ashton:** Right now, the container terminals are slow in B.C., to put it politely. It doesn't have anything to do with our strike. I won't say what I was going to say, because the interpreters.... It has nothing to do with our strike—absolutely nothing. It's the world economy. Shipping is an ebb-and-flow type of situation. We've offered to go and meet our customers with our employers and have sit-downs with them and explain that bargaining is done. "We're open for business. Let's start moving the cargo again." We got responses like, "Not right now", "Maybe later" and "It's okay."

If our employers aren't willing to actually go with us to meet with customers, that's a problem as well.

**The Chair:** Thank you very much.

We're on to Mr. Martel, for five minutes, please.

[*Translation*]

**Mr. Richard Martel (Chicoutimi—Le Fjord, CPC):** Thank you very much, Madam Chair.

Thank you to the witnesses who are with us today.

When railway stations, airports and ports stop operating because of a strike, it hurts the economy terribly.

Mr. Minister, I found your comments interesting, particularly when you said that the government lacked leadership during the strike at the port of Vancouver. Special legislation was passed in

Montreal, and people went back to work. It kept the economy going.

What do you think we could do to prevent these strikes from dragging on and blocking the economy for a month or two?

• (1200)

[*English*]

**Hon. Devin Dreeshen:** I think the federal government could make changes to the Canada Labour Code and add additional tools to the tool box when it comes to these types of labour disruptions. The idea would be that the federal Minister of Labour, or the federal cabinet, could impose binding arbitration if collective bargaining fails on critical infrastructure.

I know Mr. Ashton was talking about employees, employers and unions, but when it comes to critical infrastructure, such as ports and airports, this isn't a regular employer-versus-union type of relationship. These are critical pieces of Canadian infrastructure that so many industries and workers across the country depend on to operate efficiently.

As far as the province of Alberta is concerned, obviously the collective bargaining agreement is important. There is a place for unions within Canada, but when it comes to our critical infrastructure, we need to be a country like many other countries around the world that views critical infrastructure as a priority for the nation, to make sure that goods can come in and be sold around the world. We can have good-paying jobs across the entire country and not let a union with 8,000 terminal workers, at a physical site of critical infrastructure, keep an entire country hostage when it come to exporting and importing goods.

That is something the federal government should do to make sure we can protect critical infrastructure in Canada.

[*Translation*]

**Mr. Richard Martel:** Thank you, Mr. Minister.

I don't know if you'll be able to answer me or comment on the following question, but I'll ask it anyway.

What is your opinion on Bill C-58, which would prohibit the use of replacement workers?

Could that help in terms of negotiations and speed things up?

[*English*]

**Hon. Devin Dreeshen:** When you look at Canada's competitiveness overall, we need to look at other countries and how countries that have better competitiveness markers deal with their unions and their businesses and how they operate.

As Mr. Kingston mentioned, there's always a path. Whether it's rerouting certain goods through the U.S., workflows will find a way. When it comes to labour, we want to make sure we are there for Canadian businesses, because they essentially are providing opportunities for people to feed their families. We want to make sure that, especially here in Alberta and across the country, we have a business-friendly environment that allows for good-paying jobs across the country and across Alberta, specifically. As a province, we always want to make sure that we're pro-business and pro-worker, because that will take us a long way toward finding a good quality of life in this country.

[Translation]

**Mr. Richard Martel:** Thank you, Mr. Minister.

Mr. Kingston, you spoke earlier about reputation. The last strike was in 1969. We had another strike this summer, and you're saying it's tarnishing our reputation.

How does this other strike damage our reputation?

[English]

**Mr. Brian Kingston:** It's had a real impact on our reputation, because it wasn't just the strike. We have had numerous strikes at ports and rail over the past three years. It feels as though not six months passes where CVMA is not somehow engaged in some forthcoming labour disruption in Canada. This is a real problem.

As a result, companies now have to plan to avoid, where possible, or have contingency plans in place, for Canadian ports and key pieces of transportation infrastructure that can disrupt their production schedules. It has done reputational damage, and Canada has a reputation for being an unreliable jurisdiction for moving product.

• (1205)

**The Chair:** Thank you very much.

We'll move on to Mr. Miao for five minutes, please.

**Mr. Wilson Miao (Richmond Centre, Lib.):** Thank you, Madam Chair.

First, I'd like to thank all the witnesses for being here today.

Last Friday, I had the pleasure of joining Minister Wilkinson in echoing the announcement made in Halifax by Minister Rodriguez, at the Canada Place cruise ship terminal in Vancouver. We were joined by representatives from the Vancouver port authority and the Vancouver board of trade.

Our government is introducing the creation of the green shipping corridor program, which is an investment that will help establish green shipping corridors and help decarbonize the marine sector in major shipping areas in the Pacific, the Great Lakes, the St. Lawrence Seaway and across Canada.

The importance of this green shipping corridor program is to continue our government's commitment to net zero emissions by 2050 and to invest in energy efficiency, which is key to the development of a sustainable and prosperous future for our country.

Mr. Kingston and Mr. Adams, how do you think this program will benefit the automotive sector in the future?

**Mr. Brian Kingston:** I admit that I'm not deeply familiar with the program, but I will say that as the industry transitions to electrification, one key benefit of EVs is reducing your life-cycle emissions, which includes everything from the manufacturing of a vehicle to its time on the road.

Reducing emissions throughout the automotive production cycle—including shipping and moving components and parts around the world—will ultimately make this transition have a bigger impact on emissions reductions.

**Mr. Wilson Miao:** Mr. Adams.

**Mr. David Adams:** The only thing I would add is that I think it's relevant in that shipping has been one area where, frankly, there hasn't been a lot of attention placed on reducing greenhouse gas emissions. They're hugely intense.

To Mr. Kingston's point, any effort that we can make to reduce those emissions contributes to the overall reduction of the life-cycle emissions for a vehicle and its components that are being shipped from anywhere in the world.

**Mr. Wilson Miao:** That's great.

Earlier in both of your remarks, you mentioned the impacts of the strike that happened over the summer.

What could be the long-term impact on the competitiveness of the North American automotive industry, especially with the delays in delivering automotive parts and components?

**Mr. David Adams:** I can say that from the manufacturing perspective, my two members—I think back to some of the earlier questions—had done some appropriate contingency planning and the manufacturers were minimally impacted by the strike at the port of Vancouver.

Where the impact was greater was with respect to the delivery of after-market parts, for instance, and getting the finished vehicles themselves into consumers' hands. We've already alluded to the fact—and I think everybody knows—that there have been delays in vehicle distribution. Consumers have been waiting months for vehicles, and this has only further exacerbated that situation.

I think that's the primary outcome.

**Mr. Wilson Miao:** Mr. Kingston, do you have anything to add?

**Mr. Brian Kingston:** In terms of the even longer-term impact, I would just say that the industry right now in North America is going through this technological transformation. The United States is very much trying to create a North American electric vehicle supply chain, to reduce dependence on China and other countries.

As part of that transition, Canada is uniquely positioned. We are in the tent. We are considered an ally and a partner for those critical inputs, but if we can't deliver in terms of having functional transportation infrastructure, the Americans will look elsewhere for those inputs.

I think that in the long term we have a huge opportunity, but we have to make sure that we can actually produce and deliver those inputs on time.

**Mr. Wilson Miao:** In your remarks, you mentioned some of the business being diverted to the United States.

Do you see this as a long-term solution to what was experienced due to the strike at the port of Vancouver?

• (1210)

**Mr. Brian Kingston:** Unfortunately, I do.

The example I gave is one company that reduced its volumes by 22% through the port of Vancouver. I feel as though we just came through that and now, if you look at the Port of Montreal, we're approaching yet another disruption at the end of this month.

If that's the cadence of these disruptions, then I fear that these diversions will be permanent.

**Mr. Wilson Miao:** Mr. Adams, go ahead.

**Mr. David Adams:** I think the strike was extremely problematic in terms of having members have to figure out how to off-load through different ports. However, while that was difficult, now they know how to do it, so it will be that much easier to just divert the next time there's a challenge. To Mr. Kingston's point, we're slowly devaluing the importance of our own port infrastructure through these activities.

**Mr. Wilson Miao:** Thank you.

**The Chair:** Thank you very much.

Mr. Trudel, go ahead for two and a half minutes, please.

[Translation]

**Mr. Denis Trudel:** Thank you very much, Madam Chair.

Mr. Ashton, one of the issues you raised has to do with mitigating the devastating effects of port automation. In the agreement you negotiated, was that issue resolved?

If so, how was it resolved, specifically?

[English]

**Mr. Robert Ashton:** No, it hasn't been settled, quite frankly. What we have done is to protect a part of our workforce that needed protecting, which was our trades workers. Now, when they bring in new equipment, whether it is automated or conventional, we'll be able to do the trades work on that equipment, and they won't be able to farm it out to somebody else. We still have a lot to do with the member companies.

[Translation]

**Mr. Denis Trudel:** All sectors of society are moving towards automation.

As the longshore workers' union, what do you propose to ensure that this automation has the least possible impact on jobs?

[English]

**Mr. Robert Ashton:** In the longshoring industry on the docks, we don't need to automate our terminals. You need to keep people employed. Why does auto manufacturing automate? It's so it can compete with the United States or Mexico. We don't have anybody to compete with. They come to us because we're the best on the west coast. When I say "we", I mean the longshore workforce and the employers there. We do the best jobs. When you automate away jobs, that destroys communities. If terminal operators and if all levels of government are into wiping out communities and wiping out workers' lives, then automation is the way to go, but all levels of government as well as our employers should be employing people, not trying to wipe out their jobs.

[Translation]

**Mr. Denis Trudel:** Mr. Ashton, more generally, has your union developed a strategy on the issue of automation and the integration of new technologies? We see this issue popping up all over the place.

[English]

**The Chair:** Could we have a short answer, sir?

**Mr. Robert Ashton:** A short answer—oh my goodness—is that, yes, we have a strategy that we as a union continually evolve and work on.

**The Chair:** Thank you.

Mr. Cannings, go ahead for two and a half minutes, please.

**Mr. Richard Cannings:** Thank you.

I will continue with you, Mr. Ashton, because Mr. Trudel brought up Bill C-58, the anti-scab legislation that the NDP has put forward. I'm just wondering if you could comment on the effect that having anti-scab legislation would have in a situation like yours in the port of Vancouver. Would it lengthen disruptions? Would it shorten disruptions? I can understand perfectly well how it would benefit workers, but can you maybe expand on how it would benefit the worker/employer ecosystem as a whole?

**Mr. Robert Ashton:** Anti-scab legislation would force our employers to the table, so they couldn't keep working and they couldn't keep earning a profit. It's about everybody feeling a little bit of pain to get the job done more quickly.

• (1215)

**Mr. Richard Cannings:** Have you had situations in B.C. ports in which scabs were used during disruptions, or is this a rare situation in your industry?

**Mr. Robert Ashton:** For the longshore sector, the last time that I know of when scabs were used—and from 1935 to 1976 I wasn't alive, so bear with me here—was at what we call the Battle of Bal-lantyne, where the government and the police force used tear gas on the public for the first time ever, and they beat my people and murdered my people.

Just as one more thing on strikes and the anti-scab legislation, and I'll be quick, the reason there are so many strikes and lockouts happening right now in Canada is that workers are pissed. Workers are pissed off that the employing class will not share the profits that it's making and will not give the working class the due that they deserve for making those profits for their employers. If Bill C-58 had actually been in use for the last couple of years, all these lockouts and these strikes, where the employers have been using scabs and have drawn it out, would have been a lot shorter.

**Mr. Richard Cannings:** In British Columbia we've had anti-scab legislation for some time. Is that what you're referring to, that things have been working more smoothly since that legislation came in?

**Mr. Robert Ashton:** I believe so, yes.

**The Chair:** Thank you very much, Mr. Cannings.

We're on to Mr. Baldinelli for five minutes.

**Mr. Tony Baldinelli (Niagara Falls, CPC):** Thank you, Madam Chair. Thank you to the witnesses for being here, particularly Mr. Adams and Mr. Kingston.

Mr. Kingston, you talked about trade volumes being down at the ports of Vancouver and Montreal.

Mr. Adams, in your comments you talked about the reasons, that perhaps the suppliers are avoiding these ports and moving products through the U.S. because they're looking for certainty rather than that lack of predictability that you mentioned.

For the sectors that you represent, Mr. Kingston and Mr. Adams, how many workers would that be in Canada, for example?

**Mr. Brian Kingston:** Auto manufacturing directly is about 138,000 Canadians, and then if you add in all the suppliers, dealerships and so on, that's another 500,000 Canadians.

**Mr. Tony Baldinelli:** There are half a million Canadians, on top of the 138,000.

**Mr. Brian Kingston:** Yes. That's give or take.

**Mr. Tony Baldinelli:** Just for everybody's information, I had the pleasure of working at General Motors for four summers.

Mr. Adams, how many workers...?

**Mr. David Adams:** Well, we're all part of the same number.

**Mr. Tony Baldinelli:** Oh, so you're all part of that grand total.

Could I just ask, what would your opinions be as regards to Bill C-58, the anti-scab legislation that's being proposed?

**Mr. Brian Kingston:** We don't have a strong opinion on it either way. Our view is that a negotiated solution is always the best outcome, and when it applies to the ports and the labour disruptions that we've seen there, we'd like to see more effort early on to encourage parties to come to a negotiated solution.

**Mr. David Adams:** I would add that what seems evident in a lot of the strikes that we've witnessed beforehand is that a strike is almost a forgone conclusion before it ever even happens, so there's something else afoot that needs to be addressed in terms of labour relations between unions and management. As I mentioned in my remarks, my hope would be that it's something Mr. Dick, with the supply chain office, can look at addressing.

**Mr. Tony Baldinelli:** You talked about the strike itself, that it added about 60 days to delivery times.

**Mr. David Adams:** Yes, and as I said, it's a whole system. When you combine the strike with, then, the knock-on effects to the rail system, when there's already a shortage of railcars and you have to get the whole system back up and running again, yes.

**Mr. Tony Baldinelli:** Mr. Kingston, would it have resulted in some temporary job layoffs at some of the production facilities, primarily located in Ontario?

**Mr. Brian Kingston:** We were not aware of any production shutdowns in Ontario due to the port of Vancouver specifically, but yes, when there are disruptions like at the Ambassador Bridge, which went on for much longer, there are immediate shutdowns and job impacts.

**Mr. Tony Baldinelli:** Now I'd like to share some time, if I could, Madam Chair, with my colleague.

**The Chair:** You have two minutes.

**Mr. Kyle Seeback (Dufferin—Caledon, CPC):** Thank you, Madam Chair. Thanks to my colleague.

Madam Chair, I'm going to move the motion that I put on notice earlier—on Friday, I believe. It is as follows:

Given that:

(a) the Senate is expected to vote on Bill C-234 to remove the carbon tax from grain drying and barn heating;

(b) Canadian farmers have called upon the Senate to pass this important legislation;

(c) Bill C-234 would save farmers \$1 billion and help lower food prices for Canadians; and given

(d) the special importance of agricultural exports to Canada's international trade profile and reliability as a trading partner with our key allies;

The committee call upon senators who are delaying the passage of the legislation to stop playing political games with the livelihoods of Canadian farmers, recognize the decision of the elected House of Commons, and pass Bill C-234 into law without further delay.

Madam Chair, I'd like to now speak to that motion as well.

Madam Chair, the Senate has had this bill since March 30, 2023, so that would, by my estimation, mean that we're now into almost nine months of this bill being in the Senate after having been passed.

• (1220)

**The Chair:** Mr. Seeback, I apologize for interrupting, but I have to indicate to you as the mover of the motion that I have reviewed it and discussed it with the clerk, and I'm ruling that the motion is out of order.

For us to direct the Senate is similar to how we would resent the Senate dictating to us. I have reviewed it and, as the chair, I'm ruling it out of order, sir.

**Mr. Kyle Seeback:** Madam Chair, we will challenge the chair, then.

**The Chair:** Okay.

**The Clerk:** The question is, shall the ruling of the chair be sustained?

(Ruling of the chair sustained: yeas 7; nays 4)

**The Chair:** Thank you very much. I have never had so many times that the chair has been challenged. Thank goodness we have some very sensible people here who manage to keep it going.

We're back on to Ms. Fortier, please, for five minutes.

**Hon. Mona Fortier (Ottawa—Vanier, Lib.):** Thank you, Madam Chair, and thank you, witnesses, for being here today and bringing your thoughts on the port of Vancouver strike.

I wanted to start by saying, let's remember that when there were issues at the Port of Montreal, it was after two years of not having a contract and a lot of disruption that the government, as a last resort, brought the back-to-work legislation. There was no other opportunity to bring workers back.

Let's not say it's a day. It was almost two years of disruption, and I think it's important that we get back to understanding that the government really believes that collective bargaining is done at best at the table.

That is also, I believe, what was done during the port of Vancouver collective bargaining issue. I know that Minister O'Regan was present for the whole time, working with parties, trying to work and bring parties together, and making sure that the long-term effects of these discussions would be giving the port of Vancouver a way of functioning again.

I'm trying to understand something.

Maybe, Mr. Ashton, you would have some remarks, or others would, on this. Knowing that we wanted to bring both parties to a fair settlement—quickly, of course, but to a fair settlement—without doing anything that would upset the balance at the bargaining table, what was the effect or the impact of the minister's referral to recommend a settlement with the Canada Industrial Relations Board? Can you give us a bit of insight on that, Mr. Ashton, and then maybe others, if they have any comments?

• (1225)

**Mr. Robert Ashton:** Let me back you up for a second. I don't represent the members in Montreal, but I will say that the two-year struggle those workers went through was forced upon them by the Maritime Employers Association and their screwing around at the CIRB. It had nothing to do with the workers doing anything nasty. That was all on the shoulders of the MEA, in my humble opinion.

As for the CIRB, out here with the west coast port strike, when we entered the room with the employer and the chair, our employer had no intention of negotiating with us at that time. It was their go-to all through bargaining. I said at that meeting that we were going to get a deal by the end of the night, because a negotiated settlement was the only settlement that's appropriate for workers, and we got it done that night. We ended up getting a deal within hours after being there, because the parties finally realized we should get a deal done.

Binding arbitration, or however you want to say it, when it comes to workers' rights and labour relations in the future, kills everything. It should not be accepted by anybody, because it drags out ill will in the parties and gives the employers the upper hand. The employers will just sit back and do absolutely nothing. They won't have to do anything, because they have this special law that they can put in place.

**Hon. Mona Fortier:** Did anybody else want to comment on that?

Minister Dreeshen, you've spoken today about the economic impacts of the port of Vancouver strike, and you've been very vocal in calling for increased government interventions to mitigate those impacts. How do the impacts of the Vancouver port strike compare to the economic impacts of the illegal closures of the Coutts border crossing and the Ambassador Bridge in Windsor? Do you also believe the federal government has a role to play in ending those illegal blockades and occupations, or do you prefer federal intervention only when it comes to labour?

Thank you.

**Hon. Devin Dreeshen:** To an earlier comment about how the Port of Vancouver and the west coast Canadian ports don't have to compete with anyone, I would like to remind all the members of the container port performance index, a global ranking of container ports across the world. Vancouver ranks 347th, second-last on the index. We do compete as a country to make sure we can ship our products around the world, but I wanted to put that into context.

Again, I heard other testimony that shippers are deciding to permanently move away from Canadian ports. That results in not investing in Canadian companies—

**Hon. Mona Fortier:** Could you answer my question, though, Mr. Minister, please?

**Mr. Kyle Seeback:** I have a point of order.

**The Chair:** The member asked the question, and the witness can take the time to answer in whichever way. The members have a very limited time, Minister, as you know from the work that you do, so if you could answer the member, it would be appreciated.



**Hon. Devin Dreeshen:** Thank you for that, Madam Chair.

To quickly finish that thought, if every shipper moved away from Canadian ports, there would be no jobs at Canadian ports, just to put that in context.

To the member's specific question about any type of disruption, whether it be rail, our border with the U.S. or at ports, we take it very seriously as a provincial government. Those are federal jurisdictions, and that is why we've been calling on the federal government to bring in some changes to the Canada Labour Code so that the federal government.... These are federal jurisdictions, and we in Alberta stay in our lane when it comes to jurisdiction.

On Bill C-69, the Supreme Court ruled that the federal government was unconstitutional in allowing a federal impact assessment into provincial jurisdiction. Even if, as a transport minister, I had wanted to have a provincial road built, it would have fallen under the federal impact assessment, but thankfully the Supreme Court ruled that it was unconstitutional.

We're staying in our lane, which is why we've been calling on the federal government, whether it be on border crossings, on issues

with rail or on critical infrastructure at the ports, to make sure it takes that seriously.

Again, to the point of the Montreal port, it was one day, and the same federal government introduced back-to-work legislation. We called for that same urgency to be used on the west coast port strike this last summer.

• (1230)

**The Chair:** Thank you very much, Minister.

Thank you very much to all of our witnesses.

We will be going in camera to deal with the draft report on non-tariff barriers.

I will suspend for a moment while our witnesses exit.

Thank you.

*[Proceedings continue in camera]*

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