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• (1140)

[English]

The Chair (Hon. Judy A. Sgro (Humber River—Black Creek, Lib.)): I call the meeting to order.

Welcome to meeting number 88 of the Standing Committee on International Trade. Today's meeting is taking place in a hybrid format pursuant to the Standing Orders; 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 the witnesses and members.

Please wait until I recognize you by name before speaking. For those online, please mute yourself when you are not speaking. I remind you that all comments should be addressed through the chair, and if any technical issues arise, please inform me immediately, as we may need to suspend to ensure that interpretation is properly restored before resuming proceedings.

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

Given the fact that we were delayed by 40 minutes in starting our meeting and that it's important for us to hear from our witnesses, I would suggest to the committee that we continue on, as Mr. Baldinelli suggested, with an additional 40 minutes. We'll have an hour from 11:40, so our meeting will go until 12:40.

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 Barry Eidlin, associate professor of sociology from McGill University by video conference. From the Canadian Chamber of Commerce, we have Robin Guy, vice-president and deputy leader of government relations; and, from the Canada West Foundation, we have Carlo Dade, director, centre for trade and trade infrastructure.

Welcome, all.

We will start with opening remarks and then proceed with rounds of questions.

Mr. Guy, you have up to five minutes, and I turn the floor over to you.

Mr. Robin Guy (Vice-President and Deputy Leader, Government Relations, Canadian Chamber of Commerce): Good morn-

ing, Madam Chair and honourable members. Thanks for having me back again today.

The Canadian Chamber of Commerce is the country's largest business association, with an active network of over 400 chambers of commerce and boards of trade representing nearly 200,000 businesses of all sizes in all sectors and regions of our country.

As a trading nation, our infrastructure matters more to Canada than to many other countries around the world. In fact, \$2 of every \$3 that Canada makes relies on moving goods. This is significantly higher than the OECD average of just over 50%. When Canadian businesses can't import or export goods reliably, we undermine our ability to grow our economy.

Our west coast is Canada's largest gateway to the world, handling over \$800 million worth of cargo, from agri-food and potash to critical minerals and household necessities every single day. That accounts for a quarter of Canada's total trade.

This summer, we saw over 35 days of uncertainty and disruption to our west coast gateways, including Vancouver and Prince Rupert, that caused major delays for Canadian businesses in virtually every sector across the country. Twenty-five per cent of our total trade stopped.

This meant that Canadian potash had to cut production and sales during the strike, causing those who rely on Canada for fertilizer to look elsewhere to ensure that they could continue to grow crops. This meant that businesses looking for replacement parts to fix machinery were delayed, causing production to slow or stop. It meant that fruits and vegetables that we bring to Canada were left to rot in containers as opposed to being on shelves for consumers to enjoy. Plain and simple, it meant that goods were going to become more expensive for Canadians and fuel inflation.

I will stress to the committee that the damage from a strike does not take place during the days when workers are picketing. Businesses need certainty. They need to know that, if they're importing or exporting goods, they will get where they need to go when they need to be there. If not, suppliers will go elsewhere, and it is not guaranteed that they will return.

When looking at Canada's record, many of our trading partners are beginning to question if Canada can reliably get goods to market. We saw this shortly after the west coast port strikes with the St. Lawrence Seaway, and we see this with the uncertainty that is looming at the Port of Montreal.

I must state that the Canadian Chamber respects the right to collective bargaining. We believe sincerely that the best deals are reached at the table, but when negotiations break down and meaningful bargaining is no longer possible, the Canadian business community expects the government to show leadership and act in the best interest of the country.

The Canadian Chamber called on the government to use all of the tools it had in its tool box to prevent a strike and then to solve it. We applauded the Minister of Labour for directing the senior mediator to recommend terms of a settlement to reach a fair deal. Unfortunately, we did not see that action until nearly two weeks into the port strike, when significant damage to the Canadian economy and Canada's reputation had already taken place. That dragged on for further weeks while the union failed to ratify the agreement.

The review initiated by the Minister of Labour under section 106 of the Canada Labour Code is a key opportunity to do this to equip the government with more tools to be able to avoid labour disruptions while protecting the public interest. We need to make sure that the government has the ability to force the two sides together and form a binding resolution. We can't have the government waiting on the sidelines for two weeks before action is taken.

Canada's supply chains are only as strong as the weakest link. Government can't solve all of our supply chain issues, but it must look to enable policies that will enable trade and strengthen our supply chains. Less than a month ago, the Minister of Labour told Canadians that our credibility as a trading nation depends on the stable operation of our supply chains and that we must do everything we can to preserve that stability. We couldn't agree more.

However, the introduction of Bill C-58, which aims to prohibit the use of replacement workers during strikes, suggests that the government wants to move away from preserving stability. It is, in fact, doubling down on Canada's being seen as an unreliable and unstable trading partner.

We need our leaders to engage in an honest dialogue that will provide our government with a tool to address our labour challenges while allowing employers and employees to bargain the way they should. For the sake of the economy, I would urge all parties to vote against this legislation.

Thank you for your time, and I look forward to answering your questions.

The Chair: Thank you very much, Mr. Guy.

We'll go on to Mr. Eidlin, please.

I invite you to speak to the committee for up to five minutes, please.

• (1145)

Professor Barry Eidlin (Associate Professor of Sociology, McGill University, As an Individual): Good morning, and thank

you for inviting me to speak with you today about the 2023 strike at the Port of Vancouver.

My name is Barry Eidlin, and I am an associate professor of sociology at McGill University, where I have taught since 2015.

My expertise is in the study of labour movements, politics and policy. I have published extensively on the formation and development of Canadian and U.S. labour regimes, trying to understand why two policy regimes that started out so similar evolved along different paths, with Canada protecting labour rights over time while the U.S. allowed them to erode.

So far, the committee has received detailed reports from many witnesses about the devastating impacts that the two-week strike, starting on July 1, had on Canadian businesses large and small. What the committee has heard less of is how we got to July 1, but that's important because we need to understand strikes as part of the collective bargaining process, not just as specific events to deal with on their own.

As you know, negotiations for the port agreement began on February 16. After more than a month, on March 20, the ILWU declared an impasse and asked for a conciliator. There were then 60 days of conciliation, followed by a 21-day cooling-off period. Then there was a strike vote. The ILWU then gave a 72-hour strike notice, and then finally, on July 1, workers went on strike.

What we see is that there are plenty of mechanisms already in place in the collective bargaining process to reduce the likelihood of strikes. That's what conciliation and cooling-off periods are for.

It's also important to recognize that workers, themselves, rarely want to go on strike. They go on strike because they have to, because it's the last resort after all other attempts to get their employers to address their concerns have failed.

The question we need to ask is this: Why, given all these mechanisms already in place, did we see a strike at the B.C. ports? Why did the process break down?

Here, ILWU president Rob Ashton's testimony before this committee earlier can provide some clues. As you recall, Mr. Ashton noted that the BCMEA has shifted its bargaining strategy since 2010. Instead of engaging in meaningful negotiations, it has dragged its feet while waiting for government intervention to impose a settlement in the name of preventing economic catastrophe. The BCMEA is not alone in this. Rather, it is part of what scholars Leo Panitch and Donald Swartz call Canada's regime of "permanent exceptionalism".

Under that regime, Canadian governments and employers consistently declare their support for collective bargaining rights while repeatedly finding reasons to circumvent those rights “just this once”. As a result, Canadian federal and provincial governments have been some of the heaviest users of back-to-work legislation among G7 countries, and the top violators of international labour rights in that group. Indeed, between 2002 and 2019, Canada accounted for 54% of complaints against G7 countries of violations of labour rights filed with the ILO’s committee on freedom of association.

While each individual intervention might seem reasonable, as it might here with the B.C. ports, over time these interventions have a corrosive effect on the collective bargaining process. That’s because repeated interventions reduce employers’ incentives to bargain since they can just sit and wait for governments to impose settlements, or use the threat of government intervention to get their way. It is not healthy to have a knee-jerk reaction of resorting to government intervention after the fact rather than committing to the process.

If we’re serious about maintaining a robust system of collective bargaining, we must have a system that includes strong incentives to reach negotiated agreements, backed by a meaningful right to strike. There is a reason that the Supreme Court described the right to strike as an “indispensable component” of workers’ collective bargaining rights. Trying to solve labour disputes through ad hoc government intervention may solve the short-term problem, but it creates bigger problems down the road.

Thank you for your time.

The Chair: Thank you very much, sir.

We will move on to Mr. Dade for up to five minutes, please.

● (1150)

[Translation]

Mr. Carlo Dade (Director, Centre for Trade and Trade Infrastructure, Canada West Foundation): Thank you, Madam Chair and members of the committee.

[English]

Thank you for the invitation to join you from Treaty 7 territory here in Alberta.

The Canada West Foundation has worked for 50 years to ensure a strong west in a strong Canada. For the last decade, we have devoted particular attention to in-depth study of Canada’s trade infrastructure, the system and assets that move goods, people, money and ideas to and from markets.

The committee has heard much about the importance of trade—the chamber’s 66% figure was just mentioned—and we understand the importance of trade, but less well known in Canada is the perception globally of our trade infrastructure. This has come up repeatedly in testimony before the committee. It’s been raised as a tangential issue, but it is, in fact, essential to understanding the significance of the strike and in understanding and evaluating any potential responses.

Very quickly, I’ll give you some of the indicators of the plummeting perception of the quality of Canada’s trade infrastructure that

initiated our work and that drove and gave us some impetus in what we do.

The World Economic Forum’s global competitiveness survey had Canada in the top 10 globally for trade infrastructure a decade ago. The last time the World Economic Forum ran the numbers, we were 32nd, right above Azerbaijan.

The World Bank’s logistics performance index, which looks at a country’s top five trading partners, found that our trading partners’ perception of our trade infrastructure has declined precipitously in recent times.

Domestically, WESTAC’s compass survey of Canadian stakeholders has consistently found that worries about the quality of the management of our trade infrastructure rank as a top concern. We hear this abroad. The Canadian Chamber of Commerce in Japan has backed our study and our work, citing the perceptions and worries in Japan about the quality of our trade infrastructure.

Why is this important when thinking about the impact and significance of the strike? Other countries, other trade systems and other economies have strikes. They have blockades. They have environmental issues that impact trade. The difference in Canada is not the perception but the knowledge of our trading partners that we do not have what every other major trading and exporting nation has, what the other G7 countries have and what most of the OECD countries have—namely, a permanent system and institutions to conduct ongoing analysis and collection of data and turn that analysis and information into information that can be used to inform decisions by all stakeholders.

You heard Transport Canada mention that in response to the strike, they rushed to set up something like this, something that our competitors have had. The issue for us in Canada is that when we do have a blockade or we do have a strike at the port, we start from a position with our customers and with our competitors where we are already in a hole. There are already doubts about our ability to manage the system. Therefore, things like strikes have a greater impact in Canada.

In response, based on research that we’ve done looking at international best practice, we’ve designed a system to enable Canada to adopt what our competitors have—a national trade infrastructure with a planning system that is permanent and in partnership with the private sector. This call has been backed by the private sector, the chamber, the Business Council of Canada and others. It was also backed by the premiers this summer at the Council of the Federation in Winnipeg. All 13 of the nation’s premiers issued a call for Canada to move towards national trade infrastructure planning.

In terms of responses to the strike, you can whack the current mole that's popped up in trying to deal with the strike and legislation, but if you don't deal with the underlying systemic issues, any moves you make will be starting from a position of weakness and will not have credibility abroad.

With that, I'll conclude my remarks. I am also happy to take questions about the first question the committee had about the World Bank index study.

Thank you.

The Chair: Thank you very much, Mr. Dade.

We will move now to Mr. Baldinelli for six minutes, please.

• (1155)

Mr. Tony Baldinelli (Niagara Falls, CPC): Thank you, Madam Chair.

Thank you to our witnesses for joining us today.

Mr. Guy, I'm going to start with the Canadian Chamber.

In your comments, you talked about the notion that \$2 out of every \$3 that Canada makes relies on us moving goods and doing so efficiently. The Port of Vancouver strike had a direct economic impact on Canada. We're talking not only about \$800 million in shipments a day—I think it was \$10.7 billion in total shipments—but as you mentioned, 25% of our trade was stopped.

We had a previous witness, David Adams of the global auto manufacturers, who had mentioned that the strike added a 60-day window to additional delays in the supply chain. I think that was verified by other witnesses, who said it backed things up by about three weeks in total. The whole supply chain was impacted. I don't think there's an economic figure that we can put on that.

Then there's also the reputational damage that was done to Canada. We've heard from our witnesses that businesses are looking for certainty. This strike, if anything, has led them to question Canada and the use of certain ports. Then we had a strike at the St. Lawrence Seaway as well. Now there's the potential of a strike at the Port of Montreal.

You had talked about the government and the notion of leadership.

Can you elaborate perhaps on how the government can get involved earlier on in the process to assist? I'm mindful of trying to balance the interests of both business and labour, but how can the government get into the process earlier?

If you look at the timeline, the employers asked to negotiate going back to the winter of 2022. It still resulted in a strike on July 1.

How can we bridge those differences in between in a way that we can get settlements to avoid this?

Mr. Robin Guy: We started talking about the possibility of a work stoppage on Canada's west coast. I'll stress that it's important to mention the Port of Vancouver, but also the other ports that were affected during this. We raised this about seven months before the strike happened.

I think when we talk about leadership, what we really see is a need to be addressing this before there's a work stoppage or a walk-out.

I think it's important for us to look at not just before a strike, but also after and actually review what's taking place. I know the government's doing this with the section 106 review.

We really need to make sure that the minister has the tools that he needs to solve these. We don't want the minister sitting on the sidelines during a work stoppage. We really want the minister to drive an outcome, bring parties together, force a deal or hold them to the table without stopping a strike or a lockout.

Mr. Tony Baldinelli: Mr. Guy, thank you for your comments and some of your suggestions.

Have you shared those directly with the government or the Minister of Labour? He's undertaking a review currently.

The government's also established a supply chain office. Perhaps they're looking for suggestions on what it can do. Have you made any suggestions to them as well?

Mr. Robin Guy: We've responded to the government's open consultation on section 106. I'll say we've welcomed the review. We've made some suggestions. We've suggested some questions for the two co-chairs doing the review to look at.

My concern is a little bit with the size and scope of what they're looking at. I'll also say it was a little bit confusing that the government tabled the Bill C-58, which is anti-replacement worker legislation, before the results of the review. That's a bit of a concern on our side.

Yes, we've raised it through the formal consultation mechanism.

Mr. Tony Baldinelli: Thank you.

Mr. Dade, I will go to you on some of the work of the Canada West Foundation.

You had mentioned the container port performance index, for example. The Port of Vancouver currently ranks 347 out of 348 ports. That study was done by S&P Global Market Intelligence for the World Bank Group.

You have some suggestions in regard to the whole issue of infrastructure. To your knowledge, has the government approached your organization, for example, or S&P Global Market Intelligence to get input on doing an examination?

How can the Canadian government examine things such as our ports so that it can make improvements to our infrastructure to avoid some of the issues we're now facing?

• (1200)

Mr. Carlo Dade: I have two quick notes. On the port study, it's a really complex undertaking, what S&P and the World Bank have done, and you really need to have an in-depth explanation. The rankings are somewhat nuanced.

In terms of the response, interestingly, when Australia first got the World Bank report, they approached S&P and the consultant, engaged them and produced a study, working with them, on how to address issues found.

Canada hasn't done that—talked extensively with the consultant, who developed the methodology and who runs the study. As of July, Canada hadn't done what Australia had done, which was reach out and approach them. That's certainly an area of low-hanging fruit where we could take advantage of five years' worth of work by the World Bank and S&P to try to improve performance.

The Chair: Thank you very much, Mr. Dade.

We're on to Mr. Arya for six minutes, please.

Mr. Chandra Arya (Nepean, Lib.): Thank you, Madam Chair.

Mr. Dade, welcome back to the committee. I did read your article in June 2023 in *The Globe and Mail* on this issue of the world rankings.

On the question of the quality of trade infrastructure, there are two components: the first one is internal to port authorities; and the second is external. Quickly, how much of this problem is due to the internal issues of the port authorities?

Mr. Carlo Dade: That work would have to be done in terms of a deeper analysis of the ports. The World Bank and Standard & Poor's study has microdata at the port that you can use to make a judgment in that regard.

I would say, though, that the larger issues are systemic. When you look at the fall and rankings for Vancouver, you see that part of the issue—

Mr. Chandra Arya: Mr. Dade, I'm sorry. I have a few more questions for you and limited time.

In your article, you did mention two things—the funding and the planning. On the funding side, the federal government, as you may know, has committed quite a large amount of funding under our trade and transportation infrastructure funding, about \$10 billion. The funding is there. Why has it not been used? What are the responsibility points as to why it does not get translated into a better investment in infrastructure?

Mr. Carlo Dade: First, I don't think anyone from the private sector and the analysts would agree that that's enough money. The government has consistently put more money into non-productive assets. Trade infrastructure is how we fund housing, education and health care. Certainly the money that goes to trade infrastructure is not concomitant with its importance nor with need.

Second, without the ability to do national planning, we do not know where to make investments that will improve fluidity and functioning of the entire national integrated system. More money is needed, but it's not sufficient. Without national planning, we lack the ability to do what Australia, the U.K., the U.S. and others do: make investments that are shovel-worthy, not just shovel-ready, which is our current approach.

Mr. Chandra Arya: Again in the article, you mentioned the Manitoba premier's plan to create a long-term national trade infrastructure and transportation corridor.

Have you heard whether there is any movement on that?

Mr. Carlo Dade: This was the Council of the Federation, so all 13 premiers were involved. Premier Stefanson gave some leadership, but it's a continuing resolution by the council.

We have not heard any response from the federal government to the call from the premiers or the call from the private sector, the Business Council, the chamber, Manufacturers & Exporters, the Construction Association. There's a long list of private sector organizations that have aligned with this call.

• (1205)

Mr. Chandra Arya: We have signed lots of free trade agreements with so many countries across the world, but we don't have free trade within Canada itself. There's no free trade amongst the provinces.

How much do the provincial responsibilities cause these trade and transport infrastructure problems?

Mr. Carlo Dade: Lack of alignment with jurisdictions along economic corridors has been an issue. There has been improvement. The prairie provinces—Manitoba, Saskatchewan and Alberta—have signed a memorandum of understanding to do what's called for in the national planning: co-operate on data collection, co-operate on analysis and co-operate on joint planning.

There is one sign of hope in Canada. It's the Prairies where that work is being tested.

Mr. Chandra Arya: There are two specific initiatives or specific funds: the Asia-Pacific gateway and corridor initiative and the national trade corridors fund. Do you know of any movement on those things?

Mr. Carlo Dade: The government is conducting a review of the NTCF, the corridors fund. That review certainly can go a long way to correcting issues, but it has to be, again, part of a move to national planning. These are systemic issues. Unless you engage in a long-term, permanent systemic response, you're going to have sub-optimal outcomes.

Our competitors have moved to do this. We have not. Until we address that issue, everything else will be stopgap, will last through the election cycle and will be suboptimal.

Mr. Chandra Arya: You mentioned systemic problems several times. You implied there is something like, "let's privatize the ports". I don't think that will solve any problems. Is that right? It's systemic and it's the entire trade infrastructure.

Mr. Carlo Dade: Correct. You may solve problems in the short term, but in the longer term, you have not dealt with the systemic issues. You are at a comparative disadvantage against jurisdictions that compete with us and that have done this. Again, you're getting suboptimal outcomes.

The evidence on this is clear. International best practice, cross-country comparisons and the decade of research that we and others have done has shown this very clearly.

The Chair: Thank you very much, Mr. Dade.

We will move on to Madame Larouche for six minutes, please.

[*Translation*]

Ms. Andr anne Larouche (Shefford, BQ): Thank you very much, Madam Chair.

Filling in for my colleague Mr. Savard-Tremblay, I will turn to Mr. Barry Eidlin for this round of questions.

Mr. Eidlin, during the strike, a number of economic players, including the Canadian Chamber of Commerce, one of whose representatives is present, asked the government to introduce special legislation forcing strikers back to work. That did not happen, but we know that Canada has a sorry record when it comes to the forced return of workers through special legislation.

Can you tell us about the impact of back-to-work special legislation on workers' rights?

Prof. Barry Eidlin: Thank you very much for your question.

First, as I said in my remarks, Canada's use of special legislation to force people back to work is quite exceptional. It is not normal, internationally, to see this kind of special legislation used as frequently as it is in Canada. This is troubling because it does not promote a healthy labour relations system. When you force people back to work, you are not solving the problem that led to the strike. You are simply postponing the problem.

What we've learned, looking at the history of the development of labour relations in Canada, is that the government's response in the 1930s and 1940s was to restrict the right to strike. That didn't work. It was only by trying to reform these laws on a number of occasions that the authorities realized that they should instead establish a process to resolve the problems that led to the strike, and not simply eliminate the possibility of going on strike.

As our labour relations system has developed, we have seen, during strike waves, that the government's response was to strengthen workers' rights, not to eliminate them. The government has learned that only by strengthening these rights can it create a labour relations system that can work well.

• (1210)

Ms. Andr anne Larouche: Thank you, Mr. Eidlin.

At the last meeting, we also heard from a representative of the longshoreman union in the port of Montreal, who stated that one of the sources of the difficulties that led to strikes, particularly in Vancouver and Montreal, was the lack of real decision-makers at the bargaining table. He was talking about marine carriers.

Do you share that observation? What are your comments on that?

Prof. Barry Eidlin: Yes, absolutely. I would say that this is a consequence of the habit we have in this country of trying to solve these problems through special legislation.

In such a context, employers are not encouraged to resolve problems at the bargaining table, but rather to wait for an intervention or special legislation.

That's why there are no real decision-makers at the table. The people who take their place do not make real decisions because they think those decisions will be made later, after special legislation is imposed or after discussions are held. The existence of special legislation prevents problems from being resolved at the bargaining table.

Ms. Andr anne Larouche: Thank you.

An anti-scab bill was introduced in the House very recently, in early November. The Bloc Qu b cois and our NDP colleagues have been asking for this for a long time. I would first like to hear your comments on this bill.

Do you think it's necessary? If so, why?

Prof. Barry Eidlin: Yes, it is absolutely necessary, for the same reason that special legislation must be avoided. Employers need to be incentivized to resolve issues at the bargaining table. If special legislation or strikebreakers are used, it prevents workers from trying to resolve problems at the bargaining table. It undermines the power relationship at the bargaining table.

If we want to have a healthy labour relations system and if we want to respect the right to negotiate and the right to strike, we must avoid the use of strikebreakers and special legislation.

[*English*]

The Chair: Thank you very much.

We'll move on to Ms. Zarrillo for six minutes, please.

• (1215)

Ms. Bonita Zarrillo (Port Moody—Coquitlam, NDP): Thank you so much, Madam Chair.

Mr. Eidlin, I really appreciated your testimony at the beginning when you talked about how these are not singular events, and how it is important to understand how we got here.

I actually visited some of the workers during the strike in my riding of Port Moody—Coquitlam, and Anmore and Belcarra. They were talking about this ability to directly negotiate with the employer. The BCMEA was the intermediary.

When the chamber of commerce talks about all the tools in their tool box, how is the employer using tools such as BCMEA, and how does it either enhance or undermine the process with workers in negotiating?

Prof. Barry Eidlin: For starters, I want to say that I think that having employer associations is a good thing. You want to have coordinated systems of bargaining because you want to have coordinated standards across the board. It's not a good system to have each employer trying to cut its own deal with the union.

The problem is not the existence of the BCMEA per se; the problem is who's at the table and who has the actual power to make decisions.

If you have an employer association that actually has real decision-making power and is familiar with the facts on the ground and has the power to enter into negotiations with the goal of reaching an agreement, then that's a healthy thing.

The problem in the case of the BCMEA is, as we heard previously from Mr. Ashton and others, that they're not sending people with decision-making power to the table. That, as I said earlier, is because the incentive structure is such that they don't have an incentive to reach an agreement at the bargaining table, so they just need people who serve as placeholders essentially. That undermines the overall collective bargaining process.

Ms. Bonita Zarrillo: I think this was also what my Bloc colleague was interested in, that is, whether decision-makers are coming to the table in these negotiations.

The goal of this study is to understand the economic impact of the Vancouver port strike. It seems to me that that also involves how it affects families on the ground. If I think about my riding of Port Moody—Coquitlam, there were many workers from my riding who were impacted, who were fighting against the rising cost of rents, homes and food.

I wonder if you could just share your thoughts, or even recommendations to this committee, on how it affects workers when negotiation is limited and there is no ability for them to have fair collective bargaining.

Prof. Barry Eidlin: In terms of how it affects collective bargaining, when we set these precedents of, okay, we support collective bargaining except when it doesn't work out the way we want it to, it really undermines workers' leverage.

The whole purpose of collective bargaining is to level the playing field. The Canadian labour relations system starts from the recognition that there's a structural power imbalance between employers and workers, and that you need a system of collective bargaining to level the playing field.

What things like return-to-work legislation, like strikebreakers, do is essentially put the thumb on the scale of the employer, and that undermines the overall system.

Like I said earlier, when I was replying to your Bloc colleague, sweeping the problem under the rug doesn't make the problem go away. The problems at the port, and the problems that we've seen in other strikes across the country this year, are problems that are affecting a wide swath of Canadians, with wages not keeping up with

the cost of living, with housing costs, with automation and how those problems are going to affect people's jobs.

We need a system of collective bargaining where these issues can be brought out into the open and dealt with in a public forum in a way that can actually address workers' concerns, because just trying to make them go away doesn't actually resolve the problem and it just kicks the can down the road.

• (1220)

Ms. Bonita Zarrillo: Thank you for that.

For my last question, I am thinking about workers and the fact that there is a resurgence right now of workers coming forward saying that they haven't been compensated fairly. I think about women in the care economy, nurses, frontline workers, those in emergency response and those who haven't been adequately compensated.

When we talk about having a study around the economy, how do we get a fair voice for workers in studies like this to understand that this also impacts families and people on the ground here in Canada?

Prof. Barry Eidlin: I think your point here is crucial that when we talk about the economy, we can't just talk about numbers on a spreadsheet.

When we talk about what a prosperous society looks like, it has to be a society where prosperity is shared across the entire population. We can be developing an economy that's going gangbusters and the GDP is through the roof, but if that's not actually changing the lives and improving the lives of workers, that's not a healthy economy. I think we need to understand that the broader vision of the economy is what we need to be striving towards, not just what the GDP is looking like.

The Chair: Thank you very much.

Mr. Martel, please go ahead for five minutes.

[*Translation*]

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

I thank the witnesses who are here.

Mr. Guy, some of my colleagues and some witnesses have said that ports are not essential. But I think that ports and railways are the backbone of the economy.

Strikes can lead to business closures. I won't go so far as to say that it can even lead to suicidal ideation, but a business going bankrupt can cause a lot of problems. That's significant.

What do you think of the statement that ports are not essential?

[English]

Mr. Robin Guy: I think the word “essential” is always a tricky one as there's a legal meaning to it, especially when we're talking about an essential federal service. I would say, as a trading nation that relies on the movement of goods to and from Canada, yes, our ports are critical to being able to grow our economy.

When we're talking about essential federal services, I think it's a little bit of a trickier conversation that we need to have. I think what we really need to do, again, is make sure that the Minister of Labour has the tools that he needs to be able to solve these things, before a strike or a lockout.

[Translation]

Mr. Richard Martel: I would like to hear you talk about scabs. This is a subject that we sometimes hear about, especially with the anti-scab bill.

In your opinion, what is the effect of scabs?

[English]

Mr. Robin Guy: That's a very critical question to be talking about, especially in this context.

I'll make a counter-argument to the comment that there is a push of the thumb on the scale towards one side or another. I would say this is doing the exact same thing, and pushing it towards the one side.

We've seen successive governments work to maintain a carefully constructed balance between the employers and employees. Really, the federal government's own discussion paper on prohibiting replacement workers concluded that when provinces prohibit replacement workers it leads to more frequent strikes and lockouts.

I will also say the replacement worker conversation is awfully misunderstood, I think. We're not talking about somebody like myself going and running a crane at a port, we're talking about people who are often managers at organizations, working to keep the lights on. For example, if there's a rail strike in the country, that could actually impact commuter services in Canada's largest cities. It means that propane might not be able to get to hospitals or homes to heat. It means that grain feed might not get to cattle, so it's a massive piece that I think is bad policy, and I think it's playing politics as opposed to good governance or policies.

● (1225)

[Translation]

Mr. Richard Martel: Thank you. That's interesting.

Mr. Dade, I'm looking at a report on port infrastructure. Japan, which was way behind in 2008-2009, has come a long way since then. Canada has done the opposite.

What has Japan done better than Canada for its ports? What has happened to cause Canada's infrastructure to deteriorate to this extent?

[English]

The Chair: Who would you like to answer that question, sir?

[Translation]

Mr. Richard Martel: My question is for Mr. Dade.

Mr. Carlo Dade: I'm sorry, I thought you were asking other witnesses.

[English]

Mr. Richard Martel: Did you understand my question?

Mr. Carlo Dade: What Japan has done well is they've done what all of our competitors have done: the national planning, the ability to get their data across integrated supply and production chains, the ability to make investments that are based on data and data informed by decision-making.

That is the major difference. Time and time again, you see this across the board.

[Translation]

Mr. Richard Martel: Thank you.

[English]

The Chair: Now we have Madam Fortier for five minutes, please.

[Translation]

Hon. Mona Fortier (Ottawa—Vanier, Lib.): Thank you, Madam Chair.

I'm sorry, my voice is weak, but I hope you'll hear me.

What interests me at the moment is once again the whole issue of workers and collective bargaining. The witnesses today all seem to agree that the best negotiations are done at the bargaining table. However, I'm also hearing that the government needs tools, particularly to ensure that this kind of situation does not happen again. So I heard you talk about what we should not do, but not what we should do.

Mr. Guy, you do not agree with the approach we are proposing in Bill C-58. Are there any solutions or tools that you think we should be using? I still think this bill is a very important measure to implement, but you may have other ideas.

Then I will turn to Mr. Eidlin to see if he can also suggest tools that could be used in situations like this.

Go ahead, Mr. Guy.

[English]

Mr. Robin Guy: I think what we're looking for are tools that would bring parties together. We're really looking for the ability to force a deal or hold them to the table in advance of a work stoppage. The challenging question is that it's not really a one size-fits-all approach, but some options that I think have been suggested to the government include binding arbitration or cabinet powers to be able to, again, hold the parties to the table and get a deal done.

[Translation]

Hon. Mona Fortier: Mr. Eidlin, do you have any comments?

Prof. Barry Eidlin: Yes.

I would say that a structure must be created that encourages employers to come to an agreement at the bargaining table.

Historically, we have seen the government intervene to do so. That is why, in general, the labour relations structure in Canada is better than in the United States. In Canada, there was a desire to force employers to negotiate. However, now, with the use of special legislation and scabs, we are moving away from that approach, which worked for a number of years.

So the government should look at ways to encourage employers to enter into agreements at the bargaining table.

• (1230)

Hon. Mona Fortier: Thank you.

Mr. Eidlin, based on your experience, your knowledge and the studies you have done, are there examples or models elsewhere in the world that Canada could draw inspiration from in situations like this?

Prof. Barry Eidlin: My knowledge is mainly focused on North America, but I am somewhat familiar with other labour relations systems. We could draw inspiration from the methods used in Europe, for example, where there are joint action systems. We need a much more robust system that recognizes the rights of workers and the importance of collective bargaining, and that does not use these kinds of constraints to undermine collective bargaining. We could look at the joint action systems in Sweden and Germany, for example.

Hon. Mona Fortier: Thank you very much.

[*English*]

The Chair: We'll go on to Madam Larouche for two and a half minutes, please.

[*Translation*]

Ms. Andr anne Larouche: Thank you very much, Madam Chair.

Mr. Eidlin, I would like to come back to the anti-scab bill that was recently introduced in the House of Commons.

What do you think about the 18-month period before the bill comes into force, if it receives royal assent?

Prof. Barry Eidlin: I have a hard time understanding this logic because if there is a problem now and we have to give ourselves the tools to solve it, why not give them to us now?

If it can work in 180 days and it already works in British Columbia and Quebec, why wouldn't it work immediately at the federal level, across Canada?

I don't think that makes sense.

Ms. Andr anne Larouche: Recently, in CBC interviews, you pointed out that there have not been as many labour disputes lately as during historic periods of labour unrest. Their frequency has nevertheless increased in recent years. You have identified a number of factors to explain this, including the pandemic, which has exacerbated certain trends, including the erosion of wages, the growth of inequalities, the unpredictability of schedules and job security. You also predicted an increase in the number of labour disputes. On

social network X, you said that you were grateful for the labour movement that is developing here and in the United States.

Can you tell us more, in a few seconds, about the factors that you think explain this increase in labour disputes?

What are your recommendations to reduce the frequency of these disputes?

Prof. Barry Eidlin: As I said in the media, there are a number of factors. In particular, there is the deterioration of working conditions—that is to say the growth of inequalities, the stagnation of wages, the reduction of benefits, and so on. The pandemic brought this to light in a way that we hadn't seen before. It is not that these problems did not already exist, but that we became aware of them in a new way.

After the pandemic, the labour market got a bit better. That gave the workers a little more bargaining power. Now that we are in a period with more labour disputes, there is a demonstration effect. People are saying to themselves that this is an option they have to solve their problems at work.

We have a long way to go to resolve this. All of these problems developed over 40 years. The power of workers has been undermined by power relationships over the years. There is some catching up to be done.

• (1235)

[*English*]

The Chair: Thank you very much, sir. I'm sorry to interrupt, but the time is up. We have to go to the next questioner.

I will now go to Madam Zarrillo for two and a half minutes. That will bring us to the appropriate time to finish this part of our meeting.

Ms. Bonita Zarrillo: Thank you, Madam Chair.

Mr. Eidlin, you made some comments earlier about how important it is to look at the whole economy and at how people are doing, how workers and families are doing, in an economy. There has been much discussion that strikes like this can potentially impact the economy in a negative way. I'm wondering if you could share, from your knowledge and career, the benefits that have been won by unions that have improved the Canadian economy and the life of Canadians.

Prof. Barry Eidlin: First of all, I want to say that we need to place the disruption of strikes in the broader context as well. That is the day-to-day disruption of the status quo, meaning that when we're in a world of stagnating wages for workers who can't get enough hours, or who are being forced to do too many hours, or who are forced to work too many jobs, or who don't have a pension, or who don't have job security, that creates crises and disruptions on a day-to-day basis. They don't make the headlines, but they're very real problems for many Canadians. When we see these strikes, what they're doing is they're bringing some of this private disruption out into the open. That's the first thing.

The second thing, responding more directly to your question about what unions have won, is that much of the standard of living that Canadian workers take for granted today—maybe not take for granted, but enjoy today—is the result of labour struggles. The weekend, the eight-hour day, the health care system we have—these are all things that unions fought for. The postal workers strike of 1981 was critical in bringing paid family leave to the fore as a critical issue for Canadian families.

I could go on, but I think we'd run out of time. I think it's important to recognize that what we think of today as the things that make Canada a prosperous society are not things that were just given. They were fought for. They were fought for by workers and their unions.

Ms. Bonita Zarrillo: Thank you so much.

I have one last question for you. This study is about the economic impacts of the strike at the Vancouver Fraser Port Authority. Is there data on the economic impact on workers and families in the region?

Prof. Barry Eidlin: Unfortunately, I'm not equipped to answer that question. I could follow up later.

The Chair: You can follow up on Madam Zarrillo's question, and send it to the clerk. That would be appreciated.

Prof. Barry Eidlin: I would be happy to.

The Chair: We've completed the hour we had agreed to. I'm not seeing any other business here at the table.

The meeting is adjourned.

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