

November 11, 2024.

The Honourable Steven MacKinnon Minister of Labour Steven.MacKinnon@parl.gc.ca

Dear Minister,

We are writing to you today on behalf of <u>CIFFA</u>, which is the heart of Canada's supply chain.

In all, CIFFA currently represents some 14,000 employees of freight forwarder, drayage/port truckers, customs brokers, freight brokers and warehouse company members in Canada who manage about 80% of freight traffic, both domestic and international. They are the key players in Canada's freight supply chain.

It has been scarcely four months since the last labour disruption in the port of Vancouver, and already we are faced with another. This is just the latest in a long, lamentable history.

In 2019 a lockout – mercifully short – threatened an interruption of service. In summer of 2023 the west coast ports closed in a chaotic strike. Today new disruptions are interfering with operations in both Montreal and Vancouver.

All of these disruptions are essentially about the same issues, which seem never to be resolved. These serial stoppages damage Canadian customers much more severely than they do the disputing parties, since the ports represent monopolies in the economy, able to recoup their losses from the very customers they have abused.

Transportation is recognized in the government's National Strategy for Critical Infrastructure as an essential service, vital to the well-being of Canadians.

"Disruptions of critical infrastructure could result in catastrophic loss of life, adverse economic effects, and significant harm to public confidence."

Maintaining a steady supply of critical goods such as food and medical supplies is vital-that's why workers in some role in every stage of the supply chain from manufacturing to transport to warehousing and sales are deemed essential.

The complexity of a modern port makes it much more difficult to determine exactly what goods are especially critical to the health and safety of Canadians.

Given the current value of the Canadian dollar, we should be seeing huge volumes destined for the U.S. through Canadian gateways. But US bound cargoes through Canadian gateways are down significantly for the second month in a row as a result of the uncertainty and we are told

by shippers that these volumes are unlikely to rebound because confidence in our ports is low among shippers.

CIFFA does not take sides in these disputes. Whether the work stoppage is attributable to a strike or a lockout, the impact on our members and customers is severe. We certainly agree that workers have the right to seek higher wages and better working conditions, just as employers are entitled to constrain expenses, especially when economic conditions are unfavourable.

But in this sector the traditional approach to labour relations – private negotiations between private parties – has proven unable to create reliable, productive work environments. The cost of Canada of this adversarial approach is very high and it is chiefly the uninvolved customers and consumers who suffer. You and your Cabinet colleagues will be very aware of the deteriorating statistics on productivity and we can attest to the damage that uncertainty has done to our international reputation.

Accordingly, CIFFA urges you and your government to consider classifying the key port work forces as "essential," thereby ensuring that a different and more reliable mechanism can be employed to resolve labour/management negotiations.

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