

December 13, 2023

Standing Committee on International Trade
Sixth Floor, 131 Queen Street
House of Commons
Ottawa ON K1A 0A6

Via email: CIIT@parl.gc.ca

Study: The 2023 Strike at the Port of Vancouver: Selected Impacts, Responses and Port-Related Innovation

Committee Members,

As the Standing Committee on International Trade continues its study on the 2023 strike at the Port of Vancouver, I am writing to share the perspective of Canadian manufacturers regarding this severe economic disruption.

As you know, manufacturers are on the front-line of supply chains and some of the largest users of port services relying on them for critical inputs and access to international markets for the added-value exports that underpin Canada's prosperity.

All manufacturing sectors were affected by the 2023 strike, from automotive, to energy, to parts manufacturers and consumer goods. Canada's 1.8 million manufacturing workers, their businesses and the communities in which they operate, were forced to bear the brunt of a labour dispute that was outside of their control.

The impacts were felt by manufacturers before the strike began, starting days and weeks in advance as some slowed down production in anticipation of the stoppage. Once underway, the 13-day labour dispute cost the Canadian economy an estimated \$500 million of trade per day. This means approximately 16 per cent of the Canada's total bilateral trade was disrupted every day during the strike. In terms of direct business impacts, CME undertook a survey of affected manufacturers that pegged costs to individual businesses experiencing delays at an average of \$207,000 per day. We also estimate that one day of a port shutdown takes up to a week for manufacturers to recover, which was reflected in the time it took for our affected members to clear backlogs and recover from this stoppage.

As one of our members wrote in an [op-ed](#) related to the strike, there is a cascading effect to all of this disorder on Canadian businesses – delayed shipments, lost hours and the displacement of manufacturing investment to jurisdictions that offer more operating certainty.

Prolonged disruptions to critical supply chain infrastructure damages Canada’s reputation as a stable and reliable trading partner. This extends beyond the Port of Vancouver strike. To fully understand the business and economic impacts of this stoppage, the Committee should consider the cumulative impacts of all recent labour actions -including port, railway and seaway strikes- on Canada’s reputation. It is not lost on our supply chain partners and competitors that person-days lost to strikes in the first nine months of 2023 were up sharply over last year and more than double pre-pandemic levels. In addition to the economic and reputational impacts of these stoppages, it is important to remember that Canadians rely on these critical supply chains for access to essential products.

In recent months, we have been encouraged to hear Minister O’Regan acknowledge the need for more stability for Canadian supply chains. Conversely, we are puzzled by the introduction of Bill C-58 which if enacted, will further destabilize supply chains by reducing the ability of ports and railways to operate in strike situations. If there is evidence that a ban on replacement workers will improve the collective bargaining process, the government has not shared it with CME and our members. Existing research and lessons from British Columbia and Quebec show that replacement worker bans result in longer and more frequent strikes.

We welcome this study by the Committee, and we believe that the value of this work will be realized through its contribution to the development of new tools that can help address the root causes of disruptions such as 2023’s Port of Vancouver strike. Doing so will provide more stability and predictability to Canadian manufacturers, their employees and customers that rely on Canada’s critical transportation networks.

Sincerely,



Ryan Greer
Vice President, Public Affairs and National Policy
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CC:

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