

Hon. Omar Alghabra Minister of Transport House of Commons Ottawa, ON K1A 0A6

Hon. Seamus O'Regan Minister of Labour of Canada House of Commons Ottawa, ON K1A 0A6

June 30, 2023

Dear Ministers,

On behalf of the Canadian fresh fruit and vegetable sector, I am writing to express our deep concern about the possible threat of a labour disruption at the ports in British Columbia. While we respect the right to collective bargaining and believe that the most effective agreements are written at the negotiating table, we strongly encourage the government to work urgently with all parties to avoid the significant potential negative impact a labour disruption will have on our already fragile supply chain and already elevated food prices.

The Port of Vancouver is Canada's largest port and the third largest in North America by cargo tons. Vancouver's port enables the trade of \$305 billion in goods with more than 170 world economies; port activities sustain 115,300 jobs, \$7 billion in wages, and \$11.9 billion in GDP across Canada. In addition to the congestion that would result at BC's ports in the case of a work stoppage, there is also significant concern that such a disruption would aggravate backlogs in other shipping modes and could potentially create congestion at other marine ports.

It is of utmost importance that the Government of Canada use every tool at its disposal, including binding arbitration, to avoid job losses, increased food insecurity, and higher food prices, all of which could result from a labour disruption.

While all industries would be severely affected by a labour disruption, the high perishability of fruits and vegetables puts our sector at even greater risk, as longer dwell times at ports and delayed delivery can often mean product spoilage. During the 13-day labour action at the Port of Montreal in August 2020, our members felt significant impacts, as outlined in the attached infographic:

- \$12 million in fresh produce lost or spoiled;
- \$13 million in lost product and additional port charges;
- 230 containers were impacted, many "held hostage" at the Port;
- 450–500 jobs were lost, and customers cancelled orders;
- A 10-14 day delivery delay for product diverted through other ports;

- A 300% increase in container traffic at the Port of Halifax and a 600% increase in volume at the Port of Saint John, causing serious backlogs;
- 3 months before operations fully returned to normal, with members reporting greenhouse equipment stalled at the Port into the fall.

We strongly urge the federal government to use all available resources to facilitate reconciliation between these two parties and to ensure that our essential and perishable goods can continue to reach Canadians. In addition, we request that the government implement a formalized process, as it has done for grains, to allow the movement of fresh produce in the event of a labour or other disruption.

Sincerely,

Ron Lemaire

President, Canadian Produce Marketing Association