



February 3, 2011

The Honourable Ms. Lisa Raitt,
Minister of Labour,
307 Confederation Building
House of Commons
Ottawa, ON K1A 0A6

Copy:

The Honourable Mr. Chuck Strahl,
Minister of Transport,
House of Commons
Ottawa, ON K1A 0A6

The Honourable Mr. Peter Vanloan,
Minister of International Trade,
Foreign Affairs and International Trade Canada,
125 Sussex Drive
Ottawa, ON K1A 0G2

The Honourable Mr. Stockwell Day
Minister of Public Safety
House of Commons,
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The Honourable Mr. John Baird
Minister of Transport, Infrastructure and Communities
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Subject: Labour Uncertainty in Canada's Ports

Dear Minister Raitt:

The Canadian International Freight Forwarders Association (CIFFA) represents some 246 Regular Member firms from the largest of global multi-national freight forwarding firms to small and medium sized Canadian companies. CIFFA member companies employ tens of thousands of highly skilled international trade and transportation specialists. As a vital component of Canada's global supply chain, CIFFA member companies facilitate the movement of goods around the world.

Last summer we wrote to your office outlining issues with the work stoppage at the Port of Montreal. Shortly afterward, we wrote to express our grave concerns with the impacts to Canada's international trade and economy of potential work stoppage at CN Rail and to urge the Government of Canada to act. Today, we are writing to underline the impacts to Canada's trade, our ports and our economy by yet another situation of labour uncertainty. The Asia Pacific Gateway and Corridor – and our premier ports at Vancouver and Prince Rupert that link Canada with the Asian powerhouses of trade - are now facing considerable damage from the current labour situation.

Canadian exporters and importers rely on the stability and continuity of service to move the goods so critical to our international trade. The long, drawn out labour negotiations at the Port Metro Vancouver have created a perception of unreliability in the international market place that will be difficult to overcome. Add to that last week's call for a strike vote by ILWU Local 500 and the increased apprehension of a possible port closure has increased the problem exponentially

Importers, exporters and the freight forwarders who facilitate the movement of Canada's trade have had to take action to ensure their goods arrive as planned. This action is invariably to divert cargo away from Canada's west coast ports to American ports. Just the threat of a strike is sufficient to cause diversion to American ports, or to more expensive or longer routings via east coast ports. The negative consequences of an uncertain labour force in Canada's ports are not restricted to increased unemployment in British Columbia. These actions drive up the cost of imported goods to Canadian consumers and they will add cost and time to our exports, hurting Canadian exporters' ability to compete in a trying era of a high Canadian dollar and recovering international markets. Decision makers in Canada and abroad perceive our British Columbia ports' labour as uncertain and take action accordingly. Uncertainty affects carriers' decisions to call here and foreign organizations to invest here.

These specific negotiations have been ongoing since March of 2010. Last fall you stated that "*the Government of Canada has made significant attempts to bring the parties together to reach collective agreements at this crucial economic hub.*" The Government of Canada must continue to take action to bring this protracted negotiation to a conclusion – while keeping Canada's ports open and cargo moving. Canadians must have certainty in our supply chains, and in the labour forces at our ports and on our railroads.

It is time the Government of Canada introduces a negotiation process for our transportation related labour negotiations that addresses the need for binding arbitration. The Government of Canada has successfully brought Canada to our present level of economic recovery. We urge the Government of Canada to take action to ensure a positive resolution to these collective agreement discussions through a neutral third party binding arbitration process that will be fair to all parties, including Canada's traders.

Sincerely,

Canadian International Freight Forwarders Association (CIFFA)



H. Ruth Snowden
Executive Director

Copy:

Mr. Marc Bibeau, President CIFFA: marc.bibeau@oecgroup.ca

CIFFA National Board of Directors

Posted to www.ciffa.com