



19 October 2023

Honourable Seamus O'Regan
Minister of Labour
Ottawa, ON

Honourable Pablo Rodriguez
Minister of Transport
Ottawa, ON

POTENTIAL WORK STOPPAGE IN THE ST. LAWRENCE SEAWAY

Dear Ministers,

We are writing on behalf of the Shipping Federation of Canada, which is the national association that represents the owners, operators and agents of the ocean-going ships that carry Canada's exports and imports to and from world markets. Our members represent over 200 shipping companies whose vessels make thousands of voyages between Canadian ports and international markets every year, a significant number of which operate in the St. Lawrence Seaway and its connecting ecosystem.

We are writing to express our strong concern over the potential for a full labour disruption in the St. Lawrence Seaway, which could begin as early as 0100 hours on October 22nd, following the recent issuance of 72-hour strike notice by the union representing Seaway workers. Given the Seaway's role as an essential trade route and contributor to the Canadian economy, we cannot overstate the disastrous consequences that a work stoppage would have - not only for the many Canadian producers and shippers who rely on this vital waterway to deliver their goods to domestic and overseas markets, but also for the manufacturers and importers who depend on the Seaway for vital inputs to their operations.

A work stoppage will place these and other industries at serious risk, while also inflicting further damage on Canada's international reputation as a reliable and competitive trade gateway. As you are undoubtedly aware, that reputation has already been called into question due to a variety of factors, the most notable of which are the supply chain challenges caused by the Covid pandemic and a number of previous labour conflicts, including the recent longshore strike at Canada's west coast ports. The fact that longshore workers at the Port of Montreal will be in a potential strike position as of this January will only serve to amplify the reliability concerns that already exist.

To make matters even more concerning, the strike would occur during the Seaway's busiest shipping period, when multiple ships enter and exit the system in order to fulfill contractual commitments to their customers before the Seaway closes for the winter at the end of December. This is without a doubt the most challenging period during which a work stoppage could possibly occur, which will only serve to exacerbate its impacts on wide swaths of the Canadian economy and on Canadians overall.

SHIPPING FEDERATION OF CANADA

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In view of the foregoing, we urge the government to do everything in its power to ensure that the parties reach a negotiated agreement that avoids a work stoppage, and to be prepared to act immediately in the event that the current negotiating process breaks down. We also urge the government to take the necessary steps to ensure that section 87.7(1) of the *Canada Labour Code*, which provides for the continued operation of grain vessels in the event of a labour disruption, can be immediately implemented should a strike occur, as this will at least ensure the ongoing movement of this critical commodity.

Before closing, we take this opportunity to reiterate the absolutely essential role that the St. Lawrence Seaway plays in enabling Canadian producers and exporters to access world markets at competitive prices and facilitating the import of critical manufacturing inputs and other goods. Given this role, it is imperative that the government use every tool at its disposal to ensure the continuity of Seaway operations and avoid a work stoppage that will have disastrous consequences on key industrial sectors and the Canadian economy as a whole.

Yours truly,

A handwritten signature in black ink, appearing to read 'CH Hall', is positioned above the typed name.

Chris Hall
President and CEO
Shipping Federation of Canada