

# Vancouver, Prince Rupert face protracted port strike as talks stalemate



*ILWU Canada began a strike Saturday at the ports of Prince Rupert (pictured) and Vancouver owing to a contract impasse. Photo credit: Ivan Kuzkin / Shutterstock.com.*

**Mark Szakonyi, Executive Editor | Jul 4, 2023, 5:23 PM EDT**

The ports of Vancouver and Prince Rupert, barring some unlikely breakthrough in longshore labor negotiations, face a protracted strike at the country's largest and third-largest ports, gateways for a quarter of ocean borne imports to and exports from Canada. That is put the onus on Parliament to return to Ottawa and pass back-to-work legislation, but there is no guarantee that will happen.

Negotiations between the British Columbia Maritime Employers Association (BCMEA) and the Canadian affiliate of the International Longshore and Warehouse Union (ILWU Canada) were paused Tuesday afternoon, pending discussions with federal mediators. Employers refuse to give ILWU Canada more maintenance jobs, while the union is

digging in its heels on expanding its jurisdictional remit and demanding significantly higher pay.

“The federal government must stay out of our business,” Rob Ashton, president of ILWU Canada, told reporters Sunday, as reported by Reuters. “If the BCMEA gets their way, and their way is to let the [federal] government make the collective agreement for them, there will never be labor peace on the waterfront.”

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Port employers said in a July 3 statement, “ILWU Canada went on strike over demands that were and continue to be outside any reasonable framework for settlement. Given the foregoing mentioned, the BCMEA is of the view that a continuation of bargaining at this time is not going to produce a collective agreement.”

Prime Minister Justin Trudeau’s government is pushing both sides to remain at the bargaining table with the help of federal mediators. But there is little hope in the Canadian shipping industry that Trudeau will deploy enough political capital to drive the union and employers to make a deal.

Trudeau, whose political party is in a coalition with one very supportive of labor, has been cautious in responding when containerized supply chains were significantly disrupted over the past three years owing to labor dispute and protests. For example, it took back-to-work legislation in May 2021 to end more than four weeks of sporadic strikes at the Port of Montreal.

At the start of the strike on Saturday, the Canadian Chamber of Commerce and the Retail Council of Canada urged Parliament to order port workers back to work. But there is no guarantee of swift passage of the required legislation for Parliament to do so. It will likely take a coalition from Trudeau’s Liberal Party and the Conservative Party to overcome the Democratic Party’s objections to any back-to-work legislation.

US business groups may also eventually weigh in, given that US shippers use Vancouver and Prince Rupert through connecting rail networks.

Whether exporting grain out of the US Midwest or moving auto parts through Prince Rupert to Chicago, US shippers have far more routing options than their Canadian counterparts. The International Longshoremen’s Association, which represents longshore workers on the US and East Coasts, has already pledged to not handle any diverted cargo from Vancouver and Prince Rupert.

In another show of solidarity, Willie Adams, president of the ILWU in the United States, went to Vancouver to meet with Ashton, his Canadian counterpart. The ILWU and US West Coast employers reached a tentative deal on June 15 after more than a year of on-again-off-again negotiations, thanks to some degree to pressure from the Biden administration, which sent acting Labor Secretary Julie Sue to the West Coast in the final days of talks.

Longshore unions in North America negotiate separately and have little history of coordinating to enhance their leverage. The unions have, however, seen how much leverage they enjoy in keeping the containerized supply chain moving — as they did during the COVID-19 pandemic — or not moving.

And each union wants to get as good a deal for its members as the others. The ILWU in June secured a 32% salary increase over the life of a tentative six-year contract at US West Coast ports, which is pending ratification from the rank and file. ILWU Canada wants a bump of at least 15% in salary over the life of a two-year contract, according to two sources familiar with the negotiations. During the prior contract that expired at the end of March, the median salary of an ILWU Canada longshore worker was C\$136,000 per year, according to the BCMEA.

Longshore wages in British Columbia have risen by one-third to C\$48.23 per hour over the last decade, according to a *Journal of Commerce* analysis of the two most recent BCMEA-ILWU collective agreements. In a 13-year period, Vancouver's consumer price index expanded 30%, while longshore wages rose 40%.

*Contact Mark Szakonyi at [mark.szakonyi@spglobal.com](mailto:mark.szakonyi@spglobal.com) and follow him on Twitter: [@markszakonyi](https://twitter.com/markszakonyi).*

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