

September 28, 2005

Mr. Michael Henderson
Regional Director General
Transport Canada
Suite 1100, 800 Burrard Street
Vancouver, B.C.
V6Z 2J8

**Re: Federal/Provincial Task Force on Truckers Dispute at Lower Mainland Ports (the
“Task Force”)**

Dear Mr. Henderson:

I am writing to the Task Force on behalf of the Canadian Association of Importers and Exporters (I.E.Canada).

I.E.Canada has over 700 members representing a broad cross-section of the trading community throughout Canada, including importers, exporters and service providers. The trucking dispute in Vancouver has had a serious impact on our members across the country and was and continues to be a cause for grave concern. The past few years have seen several transportation and inter-modal disruptions that seriously complicate the process of getting goods to market via Vancouver. During the most recent disruption, having incurred great inconvenience, lost sales and high costs, our members were forced to make alternative arrangements for the transportation of their goods, either by redirecting shipments to U.S. ports on the Pacific Northwest coast or having ocean containers transported to inland ports for trans-loading. These new arrangements are not easily reversed – assuming companies would even want to given the on-going uncertainty about whether the current agreement will hold – and therefore the negative impact on B.C.’s lower mainland ports, and the country generally, will be long-lasting.

I would like to point out at the outset that while I.E.Canada, like so many other organizations, called on the federal government to intervene in the trucking dispute, our members are deeply disturbed by the manner in which the interim agreement was imposed. The failure of police and government authorities to deal with the lawlessness and violence surrounding this dispute and the imposition of an agreement that appears to accede to the demands of the truckers, gives the appearance at least of rewarding those who failed to respect the law and their service agreements. While we have sympathy with some of the truckers’ grievances, movement of containers in and out of ports on the B.C. lower mainland is essential to the economy of the entire country, and while the truckers have the right to refuse to work, steps have to be taken to ensure that in any future dispute they are not allowed to prevent access to the ports.

The association was heartened, however, by the creation of this Task Force, and the recognition that the causes underlying this dispute go well beyond the cost of fuel and remuneration for the drivers and to inherent inefficiencies in the operation of our ports. We note, however, the very broad mandate of the Task Force and the many complex issues it is intended to address in such a brief period of time. While we hope and fully expect that the Task Force will render a useful and constructive report, we suggest that one of the Task Force’s recommendations be that a

mechanism or body be created for on-going consultations among all of the stakeholders with an interest in the optimal operation of our ports, including government, port authorities, terminal operators, dray brokers, truckers, other service providers, importers and shippers. One of the concerns raised by our members is that stakeholders, such as terminal operators, frequently implement changes to procedures or infrastructure without prior consultation with other stakeholders. Clearly in order for the recommendations of the Task Force to be implemented and for future changes and developments to be addressed, on-going consultation and input from all interested parties will be required. I.E.Canada and our members are certainly prepared and interested in participating in such consultations.

We also note that one of the issues to be addressed by the Task Force is 24-hour service at the ports. We understand that the Port of Vancouver has been interested in moving to 24-hour service for some time, but has experienced resistance from truckers and businesses. However, in this highly competitive global environment and with other ports around the world providing service 24/7, Canadian ports have no choice but to at least move in this direction and expand the use of extended gates. We suggest that the Task Force examine the experience of the Port of Los Angeles, which has some of the same challenges as the Port of Vancouver, particularly in terms of its location close to downtown and the need for trucks to travel through residential areas, to learn from its experience in moving to 24-hour service.

Some other comments and suggestions that have come from our members for consideration by the Task Force include the following:

Reservation Systems:

- Rather than containers having to be on the ground before reservations can be made, it should be possible to book reservations while the containers are still on the ship so that pre-cleared containers can be immediately picked up and removed from the terminal;
- A uniform reservation system needs to be implemented by all of the terminal operators at all of the lower mainland ports. Only those with a reservation should be able to enter the terminal and those that enter the terminal without a reservation or who fail to honour a reservation should be penalized; and
- The number of reservations that a given carrier can make during peak periods should be based on the volume of that carrier.

Extended Gates

- There currently does not appear to be sufficient volume to justify 24-hour service. Assuming this is the case, consideration should be given to at least providing two eight-hour gates. Each port should also have the flexibility of determining on which days they will provide extended gates, depending on the volume of containers. Large volume importers should also have the option of requesting their own extended gate times. However, if they reserve a gate time to pick up a certain number of containers, they should based on that number of containers even if they pick up fewer containers.

Pick-up of Containers:

- Drivers work for a limited number of companies. Rather than being assigned to pick up a specific container only, depending on the service contracted for by the customer, consideration should be given to allowing drivers to pick up a substitute container, or a container for any one of a list of customers as the container is off-loaded or becomes available for pick-up.

Return of Empty Containers:

- It is our understanding that each carrier has a daily allocation of the number of empty containers that can be returned to a terminal. If a trucker arrives at the terminal and this allocation has been met, the driver must wait until the following day to return the empty container. This situation needs to be rectified. Truckers should not be left with empty containers.

Infrastructure:

- The concern has been expressed that the provincial and federal governments are not effectively addressing the infrastructure needs, including equipment and technology, at the ports or leading to the ports in order to optimize their efficiency.

Rail Capacity:

- Members have also raised the chronic problem of inadequate rail cars between Montreal and Vancouver for intermodal freight, although the recent decision by CN to increase its capacity by 20 percent is seen as a step in the right direction.

Canada is one of the largest trading nations in the world. The health of our economy and our standard of living are inextricably linked to trade. Given our reliance on trade, we should be one of the most efficient nations on earth in terms of our port operations, our transportation systems, our supply networks and our logistics systems. What the trucking dispute in Vancouver has brought home to us dramatically and painfully, however, is that we are not. It is our sincere hope that the work of this Task Force will begin the process of rectifying this unfortunate situation. We all have a stake in fostering a vision of this country as the most efficient trading nation in the world and working together to make that vision a reality.

Yours very truly,



Mary Anderson
President