

MARINE TRANSPORT

Sector Profile



Sector Facts and Figures, 2016

Total GDP <i>Share of Canadian GDP</i>	\$1.5 billion 0.1%
Total Exports*	\$3.2 billion
Total Imports*	\$11.8 billion
Foreign Trade Balance* <i>Inflation-adjusted change since 2007</i>	-\$8.6 billion +73%
Total Employment	23,100
Productivity Growth 2007-2016	-6%
Greenhouse Gas Emissions (Kilotons, 2014) <i>Share of Canada's total industrial emissions</i>	4,454 0.7%
Union Coverage Rate (Approximate)	64%
Unifor Members in the Industry	2,300
Share of Total Unifor Membership	1%
Number of Unifor Bargaining Units	24
Average Bargaining Unit Size	95

Source: Cansim; Unifor Research Department.

*2015 data.

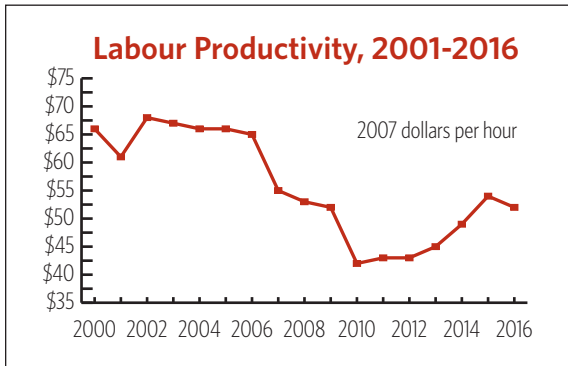


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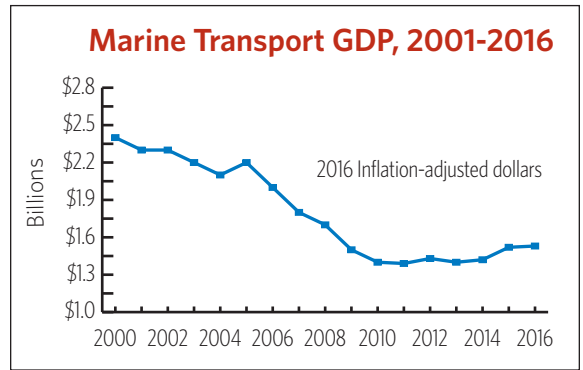
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Current Conditions

Canada's marine transport system plays an important economic role in the movement of people across the country's numerous waterways, and in the shipment of goods for domestic and international trade. Canada's National Port System consists of 590 major ports and 18 Port Authorities. Canada's Port Authorities handle approximately 60 per cent of all maritime exports, totalling over \$400 billion in goods.



Despite its strategic importance from the standpoint of tourism and trade, total GDP in the marine transport industry amounted to just \$1.5 billion in 2016, which was 14 per cent lower than in 2007. Between 2005 and 2011, economic output in the marine transport industry shrunk by nearly 30 per cent. Part of the reason appears to be the lopsided trade relationship Canada has with its trading partners: in 2015 Canada sold \$3.2 billion in marine transport services to the rest of the world and it purchased \$11.8 billion in marine transport services.



The trade deficit in this industry was an astonishing \$8.6 billion in 2015—nearly twice as large as the deficit in 2007. Strict U.S. regulations that prohibit Canadian vessels from transporting cargo between two U.S. ports have certainly contributed to limiting Canada's ability to maximize marine shipments to its largest trading partner.

While 2016 Statistics Canada figures indicate that more than 23,000 workers are employed in Canadian marine transport (up 10 per cent compared with 2001), the Association of Canadian Port Authorities notes that 250,000 workers are employed in the industry both directly and indirectly. And while wage data are unavailable, labour productivity figures indicate that, between 2005 and 2010, productivity contracted by nearly 35 per cent. The reasons for this are unclear, but under-investment and an inflated loonie may have played a causal role. Between 2010 and 2016, labour productivity recovered somewhat, having risen by 23 per cent.

In 2014, there were 65 ferry operators in Canada with a fleet of 259 ferries. Together, these vessels transported nearly 54 million people and more than 19 million vehicles. Ferry establishments employed nearly 10,000 workers. In both the 2016 and 2017 federal budgets, the government announced investments to support and upgrade ferry services in the Maritimes and British Columbia to better serve surrounding communities.

in the industry, including Marine Atlantic, the St. Lawrence Seaway Group and Coast Guard Marine Communications.

Moving Forward: Developing the Marine Transport Industry

Canada continues to fail to reach the full potential of the Great Lakes region for short sea shipping of goods, despite the fact that marine transport remains the most environmentally friendly and cost-efficient mode of transportation. Expanding short sea trade would allow for greater employment opportunities in the sector. Flags of Convenience are also an issue that Unifor has rallied against, as they result in cheap registration fees, low or no taxes and the freedom for marine firms to employ cheap labour.

Unifor in the Canadian Marine Transport Industry

Select Unifor Employers	Approx. # Members
Marine Atlantic Group	755
St. Lawrence Seaway Group	510
Coast Guard Marine Communications	350

Unifor's 2,300 marine transport members, who together make up one in ten workers in the Canadian marine transport industry, are spread across 24 bargaining units. Unifor's membership work in seven Canadian provinces spread across the Atlantic and Pacific coasts and the Great Lakes region.

Unifor's marine transport members are employed in a variety of occupations, including ferry workers, seafarers, shippers and members of the Canadian Coast Guard. More than half the membership work for one of the three largest employers

In November 2016 the federal government hired a financial services company to assess the feasibility of privatizing Canada's 18 federally-run port authorities. While no decision has been made as of yet, there are growing fears that moving port authorities into private hands or to international firms would limit both transparency and the future investment needed in port infrastructure to maintain existing servicing capacity.

Transport Canada recently announced that it will begin entering into 20-year long-term contracts with private companies to provide owner-operated ferry services in three Maritime provinces. While Unifor supports the decision to move from short, one-year contracts to more stable long-term contracts (to enhance job stability), the union is urging companies to respect workers' rights to good jobs by maintaining current employment levels and existing collective bargaining agreements.

Major Sector Development Issues

- Revitalization of Canadian marine transport through public investment in ports and vessels, which are badly need to reduce Canada's trade deficit and the CO2 emissions associated with commercial transport.
- Resist privatization of Canadian ports, which will put further downward pressure on employment, compensation and working conditions.
- Expand unionization in this sector with a view to elevating compensation, job security and other labour standards.



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