TRANSPORTATION

UNIFOR

Transport Canada

Unifor has 46,000 members in the broader transportation sector, concentrated in federally regulated air (12,000), rail (11,000) and marine transportation (3,000). We have an additional concentration of membership in road transportation (20,000), operating under both federal and provincial regulation. Our members are employed by some of the largest firms in this sector, including Air Canada, Nav Canada, Marine Atlantic, CN Rail, CP Rail, VIA Rail and Coast Mount Bus Company, among others.

Unifor priorities

The federal government's approach to developing the transportation sector has, in recent decades, centred on privatization of state assets, deregulation of labour and safety standards, and potentially, trade and investment liberalization (Open Skies). This policy orientation has contributed to heavy job losses in this sector, as profit-hungry firms look to cut labour and regulatory compliance costs. For those workers who have managed to hold onto their jobs, chronic downward pressure is exerted on the conditions and compensation of their work. An alternative development strategy would seek to make the transportation sector a site of good jobs. There is an urgent need for the federal government to develop a national transportation strategy that would be underpinned by the principles of fairness, environmental sustainability and community safety.

Specific issues and recommendations

Air Transport

In air transportation, chronic excess capacity in airlines drives down profits, wages and working conditions—a situation which would worsen if Canada were to enter into an 'Open Skies' agreement. Canada's airports are operated by non-share, not-for-profit authorities which have constantly sought RFPs (request for proposals). This competitive bidding process creates chronic instability for workers. In practice, RFPs mean that the compensation and benefits scale for workers is overturned every 3 to 5 years. Among airlines, the flight attendant ratio is currently one attendant for every 40 passengers. Canadian-based airlines have been asking the Ministry of Transportation for an exemption to fly at a 1:50 ratio. Unifor believes that reducing the ratio would jeopardize passenger safety and reduce employment. Unifor recommends:

- Canada already experiences an international trade deficit in air travel. Open Skies should be resisted both because it would put downward pressure on employment, working conditions and compensation in this vital industry, and because it would exacerbate Canada's trade deficit (and thus dampen GDP growth).

- Contractual language around outsourcing needs to be changed so that employees can take their contract with them (a practice instituted in Europe). This would reduce the ability of airlines and air transportation support companies from shopping their contracts around to low-cost bidders. Air Canada, for example, is contracting out regional work that was traditionally done by Jazz to non-union carriers such as Sky Regional and Regional 1 (Air Georgian). The fear is that it could extend this practice to other regional carriers in the future.

- Many countries in the world are moving back toward public ownership of their national 'flag' carriers. Canada should consider the value of holding an important, or majority, public equity stake in a national 'flag' carrier.

Funding problems with Air Canada's pension plans have caused uncertainty for the company, its workers and its retirees. We need a more stable and secure airline industry if improvements in the conditions and compensation of work are to be achieved in this sector.

Rail Transport

In freight rail transport, CN Rail and CP Rail are constantly pushing for less regulation. And while railways have been enormously profitable, conditions have not improved for workers. Downward pressure continues to be exerted on staffing levels and work practices in pursuit of an ever-lower 'operating ratio'. The Lac-Mégantic tragedy highlights the need for a new approach to regulating transportation by rail, which would put more emphasis on the health and safety of railway workers and the communities through which rolling stock travels.

On the passenger rail side of things Via Rail has, since the 1980s, been chronically underfunded. This underfunding has helped create a vicious circle of declining ridership, shrinking revenues and, because the operation is not deemed economically viable, calls for further funding cuts. And while other countries invest in high speed rail (China, South Africa, and Brazil, for example) Canada's transport infrastructure lags behind. Economic studies show a high-speed system would be economically feasible in Ontario and Quebec. The government could use ultra-low interest rates to finance this project, which would be enormously beneficial to the national and regional economy. This efficient and environmentally friendly transport option would not only modernize Canada's transportation mix, it would also help Canada meet its climate goals. Unifor recommends:

- The federal government to develop a national rail strategy.
- In freight rail, stricter enforcement of safety standards is required and there is a need for more personnel operating the trains.
- Via Rail's funding be restored to pre-1988 levels.
- Develop and fund a publicly owned and operated national high-speed rail option in the Montreal-Ottawa-Toronto corridor and in other high-traffic routes.

Marine Transport

In marine transport, there are not enough locations for seafarer/marine transport mandatory training. There is also a lack of political will to utilize the full potential of Great Lakes and short sea shipping capacity. Marine transport remains the most environmentally friendly and cost efficient mode of transportation compared to air, rail and road. Flags of Convenience (FOC) are also an issue insofar as they result in cheap registration fees, low or no taxes and freedom to employ cheap labour. Unifor recommends:

- The elimination of the FOC system and the establishment of a regulatory framework for the shipping industry.
- The provision of industry support to: (i) encourage youth to pursue career in the ferry industry; (ii) establish greater training in a wider geographical area; and (ii) attract new shipping business to the St. Lawrence and the Great Lakes.

Road Transport

There are a range of sub-sectors within Canada's broader road transport industry (e.g., long-haul trucking, couriers, armoured car and secure logistics, school bus and charter), each with its own unique economic challenges and needs. But there are important cross-cutting policy issues that can help foster sector development, the preservation of jobs, safe workplaces and contribute to Canada's overarching sustainable growth priorities. Unifor recommends:

- Instituting fleet-renewal programs for the in-hire private and owner-operator freight trucking industry to offset costs and speed transition to much more fuel efficient vehicles;
- Better regulating the entry of new firms into trucking to limit the negative effects of over-competition (as has been the source of recent disputes at the Port Metro Vancouver), coupled with stronger standards for labour practices and safety to prevent competition from driving down work standards.
- Full stakeholder consultation and industry impact assessments in the development of new fuel efficiency and greenhouse gas (GHG) emission regulations for heavy-duty vehicles, as well as the introduction of automated (i.e. driverless) trucks.
- A commitment to undertake direct enforcement of maximum hours of work rules as identified in *Motor Vehicle Operators Hours of Work Regulations*. The federal government must prioritize, in its national five-year Road Safety Strategy (RSS), greater driver and employer compliance of existing regulations, and work towards the full elimination of road traffic accidents among motor carriers caused by work-related driver fatigue.

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