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GCT Deltaport Expansion – Berth Four Project



**Submission
By**

**International Longshore and Warehouse Union – Canada
(ILWU Canada) – March 30, 2023**

Attention: Assessment of the GCT Deltaport Expansion – Berth Four Project
Submitted by Email: deltaport@iaac-aeic.gc.ca
Impact Assessment Agency of Canada / Government of Canada
160 Elgin Street, 22 Floor
Ottawa, Ontario, K1A 0H3

~ INTRODUCTION

Global Container Terminals (GCT) proposes the construction and operation of a new berth to extend its existing marine container terminal located at Roberts Bank in Delta, British Columbia, approximately 35 km south of Vancouver. The proposed berth, to be located next to the existing Delta Port and Westshore Terminals, would provide additional container capacity at Roberts Bank.

The International Longshore and Warehouse Union Canada (ILWU Canada) through its Locals has provided labour to the marine ports of British Columbia for over 75 years.

Members of ILWU Local 502 have worked at GCT Delta Port terminal since the terminal's inception in 1997. Over the years, we have developed a good working partnership with the current terminal operator, that has delivered economic benefits to all concerned: the company, the workers, and, through the good middle class supporting jobs that resulted, the communities in which we live.

Most marine sector enterprises in BC rely on ILWU to supply the labour they need daily. ILWU achieves this through the operation of a hiring hall which dispatches longshore workers to each workplace as required. In addition, ILWU and its Locals play a central role in recruiting new people when the overall workforce needs to be replenished. This partnership has worked well for both workers and the enterprises which need their labour.

ILWU members have contributed directly to the success of the ports of BC through their hard work and dedication. The Union and the workers it represents, are partners in the success of this enterprise. Accordingly, assessment of any new development such as this must include meaningful consultation with labour and the Union that represents these workers.

~ EMPLOYMENT AND ECONOMY

We will focus our comments on matters related to the employment and economic considerations of this project. In this respect ILWU Canada:

1. Supports sustainable port development that delivers benefits to Canada and our communities.
2. Believes automated operational processes in the marine sector should only be adopted with prior consultation with the workers and their representatives and after careful consideration to ensure that communities, workers, and shareholders share any benefits that may result.
3. Further believes that the net economic impact of this project must be carefully and independently assessed by the panel, particularly as it relates to the impact of automation on our industry and our communities. Further, it is our view that stated benefits of the project must be independently verified.

For all these reasons, we are pleased that the joint review of the proposed GCT DP4 proposal will include an assessment of the social and economic consequences of this project.

An economic analysis commissioned by ILWU Canada found that ILWU members working at the current GCT Deltaport alone represent almost one quarter (23%) of high-income earners in the City

of Delta and 11% of middle-income earners. These good paying jobs provide broad support for the middle class in Delta. A substantial loss of these jobs would have far-reaching consequences on the community and the provincial economy as a whole.

¹ [Economic Impact Study of Digitization and Automation of Marine Port Terminal Operations in British Columbia, PRISM Economics and Analysis, July 2019.](#)

Accordingly, great care must be taken during the review of such a significant driver of the economy especially since, in our view, this project carries with it the potential for widespread automation of terminal operations that would have an extremely negative impact on jobs.

The economic consulting firm Prism, whose work is referred to above, found that partial automation of marine container operations in the City of Delta could result in the net loss of more than 2,100 jobs, while full automation could result in the net loss of more than 3,800 jobs. Either of these scenarios, were they to come to pass, would deliver a crippling economic blow to the City of Delta with ripple effects reverberating province wide.

Our automation concerns about the new berth four project are speculative at this point because nowhere in the many hundreds of pages of documents submitted by the GCT for this process has the proponent explained it's intentions when it comes to automation.

What is very clear is that when marine transportation enterprises around the world embrace automation the impact on employment is bleak; fully automated terminals operate with workforces reduced by as much as 90% compared to pre-automation.

This kind of massive disruption is happening right next door at Long Beach where two terminal operations – the TraPac terminal in Los Angeles and Long Beach Container Terminal's (LBCT's) Middle Harbor facility are highly automated already. Our colleagues there report very significant job losses. Some new employment may have been created but we submit that the net effect on employment has been negative, as demonstrated by the Prism forecast.

The proponent may argue that automation delivers productivity improvements, but this argument is open to question.

Recent studies have shown that automation does not consistently improve port performance and that manual terminals often outperform automated terminals.

<https://www.mckinsey.com/industries/travel-logistics-and-infrastructure/our-insights/the-future-of-automated-ports>

Given the high stakes for all concerned, we urge the assessment panel to require GCT to fully disclose its plans for automation related to the new terminal and its operations in the near and long term.

We further urge the panel to require GCT to put limitations to automation.

~ INDIGENOUS BENEFITS

We applaud GCT for its stated commitment to partner with First Nations communities which are affected by this development.

ILWU trusts GCT in all of its actions and commitments, but we will verify through a process of due diligence before any ink is dry. Therefore, we urge the panel to conduct its own independent analysis of the net economic effects of this project in order to verify the proponent's projections. In particular, we urge the panel's independent analysis to consider the effect on employment of various levels of automation according to GCT's plans.

~ SECURITY REGULATIONS

Transport Canada is currently updating the Marine Transportation Security Regulations which stipulate that longshore workers must obtain a Security Clearance to be able to do certain jobs on the waterfront. Security Clearances can be denied arbitrarily on the flimsy grounds of "reasonable suspicion" to anyone who has had even the lightest brush with the law (i.e., one does not have to have been charged with a criminal offense to be denied). Given that Indigenous people are disproportionately targeted by Canada's justice system, the ILWU is concerned that many Indigenous people will be unfairly restricted from taking advantage of the proposed employment opportunities that may arise from this project.

We ask the panel to take this concern into account and, should the panel conclude it has merit, to consider possible steps take to bring this issue to the attention of Transport Canada.

~ CLIMATE CHANGE

ILWU supports efforts and plans to mitigate the harmful impact GCT's operations have on the climate. These plans should not be seen as an opportunity to replace equipment that currently requires an operator with equipment that can be operated autonomously.

We encourage the panel to take this opportunity to urge GCT to avoid placing the legitimate need to reduce its CO2 emissions against the economic need of our communities. Zero emission equipment is available that can be operated by our members. This will help meet Canada's climate commitments while at the same time preserving many family supporting jobs. GCT in their submission to the review panel on RBT2 stated that VFPA must require the terminal operator for the project to negotiate the mode of their operations directly with labour in order to limit their impact on job creation. We believe that GCT would agree that this should be the process with their proposal as well.

In conclusion, we thank you for considering this submission. We are happy to provide any additional information or clarification that you may require.

Yours truly,

<Original Signed By>

Rob Ashton,
President, ILWU Canada

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