

# 2021

# ANNUAL REPORT



BC Maritime  
Employers Association



# A JOINT MESSAGE FROM THE PRESIDENT & BOARD CHAIR

This last year will forever be remembered for its hardships. Record floods, heat domes and wildfires delivered unimaginable challenges to British Columbians and its waterfront workforce as the ongoing COVID-19 pandemic grew worse. The history books will focus on the devastating impact on humans, livestock, supply chains and the widespread uncertainty it created. But there is a chapter we must not forget. It is a story of commitment, perseverance, innovation and resiliency. It is the story of B.C.'s waterfront, the BC Maritime Employers Association, its members, waterfront workers and partners and the coastal communities we serve.

In the pages ahead, you will see how the BCMEA and its partners overcame adversity to become a stronger, safer and more strategic customer-focused organization.

Clearly, the COVID-19 pandemic and climate-related crises continued to impact everything we do, fundamentally changing the way we work. Fortunately, our ability to adapt, collaborate and respond to the constantly shifting landscape has only helped to enhance our ability to further protect our people and supply chains. We've been able to do this through enhanced integration of our organization's many highly-skilled teams, finding areas of internal collaboration whenever possible. By realigning resources and staff, we served to increase our efficiency and cost effectiveness to our membership.

As a people-focused organization, the last year has seen many positive advancements to the waterfront culture. In partnership with the International Longshore and Warehouse Union Canada and Ending Violence Association of B.C., we launched the renowned Be More Than a Bystander program that has served to provide the critical tools our workforce needs to eliminate violence, harassment, bullying, racism and discrimination. This training is ensuring everyone can work in a safe and inclusive environment.

Meanwhile, we continued to prioritize programs and initiatives that enhance diversity, equity and inclusion on the waterfront, with the aim of fostering a respectful workplace for all. By now, it is well understood that encouraging diverse, inclusive workplaces is good for people and business.

These initiatives, among many others, contributed to BCMEA being recognized as one of British Columbia's Top 100 Employers in 2021. It is an honour to have our shared efforts at employee engagement, alignment and common purpose acknowledged.

While our organization made great gains internally over the last year, we also strived to give back to our communities on behalf of our members. The communities where our waterfront workforce call home deserve to be supported. That's why we contributed to important causes across British Columbia including the flood relief humanitarian campaign, an affordable housing project assisting women fleeing violence, support for indigenous residential school survivors, a men's addiction facility and programs helping children, families and seniors remain healthy, connected and engaged.

As for our data journey—in 2020, we focused on making data-driven decisions. This truly came to life in 2021, with the volume of requests for data analysis at BCMEA doubling, and the complexity of those requests continuing to grow. This means we're

making better decisions at all levels, and across all departments to improve the service we provide to members—most notably through harmonization between Dispatch, Training, and Data Analytics. We now have a vision to continue this progression, having recently completed a three-year Data Strategy Roadmap to align the Data Analytics Program with the strategic direction set out by BCMEA's Board of Directors. A significant effort over the coming years will be to build data literacy, which will enable a common language around data and reinforce the partnership between BCMEA and members needed to leverage the opportunities digitization is bringing to our industry, with the shared goal of ultimately improving the availability and certainty of labour through the use of Data Analytics.

In turn, our members' investments in innovative terminal infrastructure and expansion projects have amplified our collective ability to keep workers healthy and safe while reducing our environmental impact. These strategic investments have helped to attract and grow our workforce by 46% over the last decade—proving that technology not only creates efficiencies and makes us more productive, but generates well-paying family-supporting jobs and gives Canada a critical competitive edge.

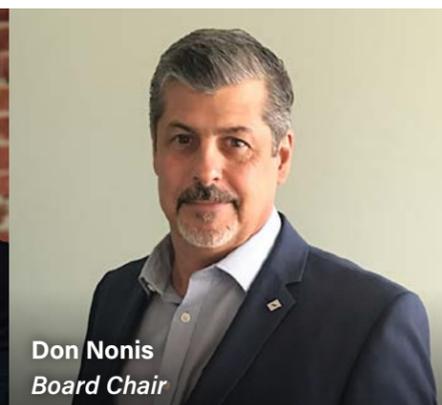
As an association, we have been nimble in responding to rapid and evolving situations. But all the while, we remain focused on our strategic priorities—serving our members by improving cost efficiency and labour availability while always ensuring a safe work environment.

We extend our sincere gratitude to our Board, our waterfront workforce, stakeholders and partners, and to staff of BCMEA and our dedicated membership of ocean carriers, marine terminals and agents, for their unwavering ability to overcome challenges while strengthening this organization. But the industry has more than demonstrated its resilience and is ready for the opportunities and challenges ahead.

*Sincerely,*



**Mike Leonard**  
President & CEO



**Don Nonis**  
Board Chair



**It's a story of  
commitment,  
perseverance,  
innovation  
and resiliency.**



# RESILIENCY OF THE SUPPLY CHAIN

At no time in modern history has the maritime industry been forced to adapt to so much change in so little time. During 2021, the shockwaves from the COVID-19 pandemic were made that much worse with record heat waves, raging wildfires, devastating floods and crippling damage to British Columbia's transportation supply chains.

But throughout the turmoil, this industry remained resilient, quickly adapting to rapid change. Resilience has always been a strength of the maritime sector—the ability to adjust operations following disturbances or change. But few could ever have imagined the level of disruptions our industry would endure in recent times.

## Collaboration was the key to our sector's success.

BCMEA, our members and our partners, worked together to quickly adapt to the shifting health landscape. Together, we continually updated waterfront industry prevention and response protocols, including a temporary remote dispatch system to keep workers safe, and successfully advocated for essential waterfront workers to receive priority access to vaccines, all while adapting to ever-changing policies, regulation and supply chain disruptions.

These measures and many others helped keep our waterfront operations functioning continuously—and the economy performing. Every day, Canadians depend on our West Coast ports for vital trade connections with the world and our workers, carriers, ships agents and marine terminals fulfilled their expectations.

Despite constant challenges, trade volumes remained strong. We commissioned an independent Economic Impact Study of B.C. Maritime Employers Association member operations for 2020 and found that, on average, our members facilitated the movement of \$180 billion in goods, moving shipments to and from B.C. destinations and around the world. That amounts to approximately \$500 million in cargo every day.

The study further affirmed the notion that B.C.'s maritime employers are integral job generators and stewards of Canada's economy. Employing 9,400 direct jobs here in B.C., our members provide critical employment while handling 16% of Canada's total trade in goods alone.

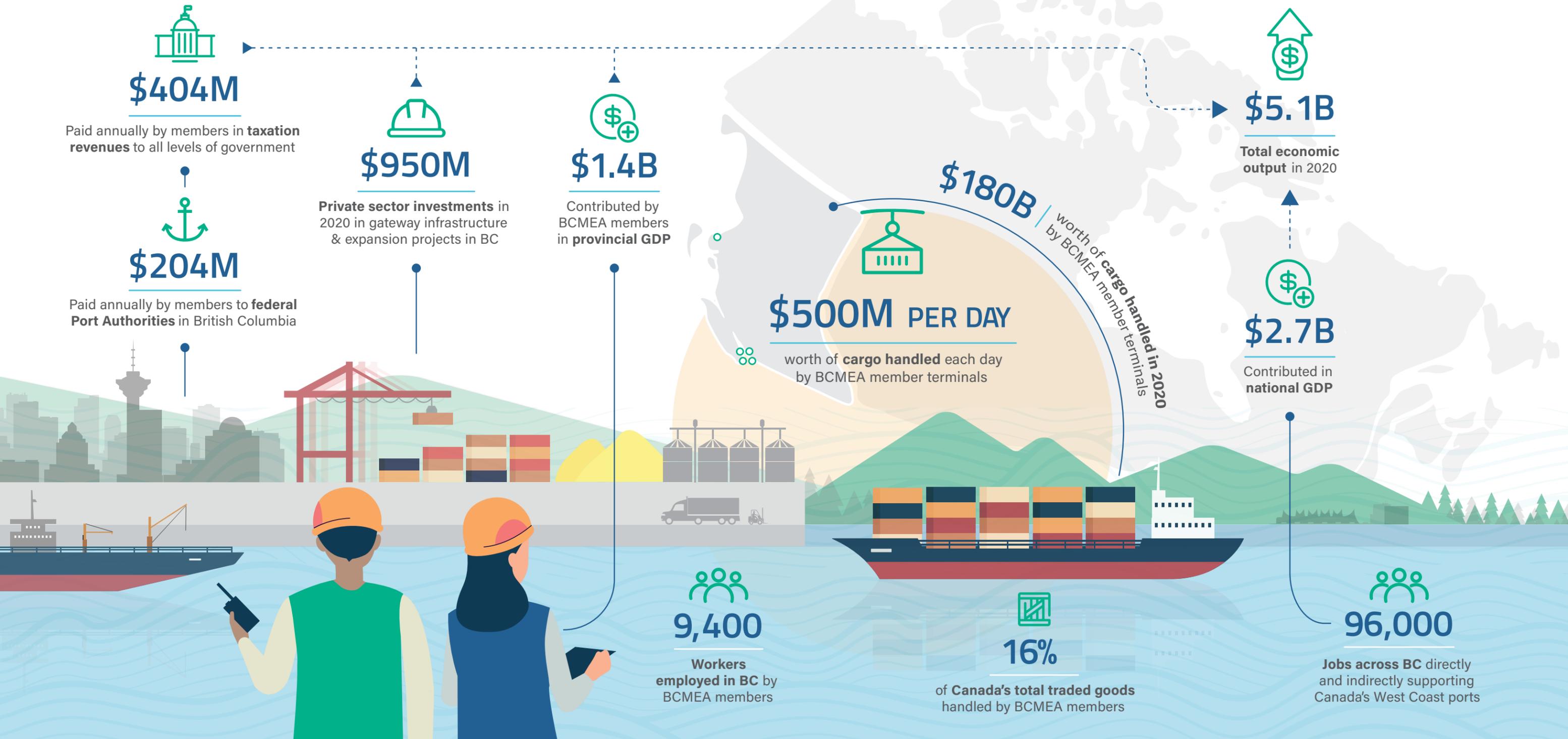
Resilience is not a single trait—it is when collective talent and abundant effort come together to overcome adversity and get the job done. And that is exactly what BCMEA and our member companies did this last year.

That resilient approach continues as we learn from experience, respond efficiently to actual events, monitor short term developments and anticipate long term challenges or opportunities.

Together, we have proven we can respond efficiently to hardships and keep the supply chain operating for the benefit of all British Columbians and Canadians.

# BCMEA MEMBERS

## Canada's Vital Trade Link to the World\*



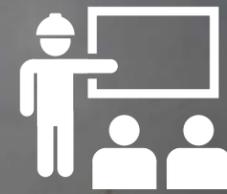
# YEAR IN NUMBERS

More Jobs.  
More Skills Training.



558

TOTAL LONGSHORE & TRADES RECRUITED



7,332

TOTAL LONGSHORE & TRADES TRAINED



10,413,586

TOTAL LONGSHORE & FOREPEOPLE  
HOURS WORKED



3,451

TOTAL ILWU AND NON-ILWU EMPLOYEES  
TRAINED IN THE VIOLENCE AND  
HARASSMENT PREVENTION PROGRAM

# SUPPORTING SUSTAINABLE COMMUNITIES

There are 9,400 people who work on British Columbia's waterfront, loading and unloading ocean carriers, operating dock gantry cranes, driving heavy lift-trucks or working in operations supervision and administration offices.

BCMEA believes it is important to support our shared workforce on site and at home, wherever they live on our coast. That's why we continue to prioritize charitable investments to assist and enrich coastal communities.

It's about supporting children, families, seniors, Indigenous communities and vulnerable populations. We know that when they succeed, we all succeed.

On behalf of our member organizations, in 2021 we donated more than ever before to important causes aimed at enhancing the health and wellbeing of our workforce and strengthening their communities. Some of our initiatives targeted specific regions, such as our support for a housing project for women fleeing violence and other vulnerable populations in the Fraser Valley, or assisting in aftercare transition programming at a recovery house in Prince Rupert for clients struggling with addiction.

Other initiatives span communities across B.C. including our efforts to support Indigenous peoples, minorities and women in the workplace. The places where we work need to be as diverse as the communities where we live. That's why we are assisting organizations that provide employment and job training to Indigenous communities, residential school survivors, racial minorities and other under-represented groups. Through our partnership with Minerva BC, we are helping to advance women in the workplace through education on equality, inclusion and equity.

Clearly, 2021 was unlike any other year when it came to the hardships presented by wildfires, heat domes, floods and the devastation of important transportation links. Throughout this very difficult year, we focused on supporting emergency services for those facing unprecedented need. Alongside our employees and our labour partners, we were able to provide significant contributions to the Red Cross' Flood and Extreme Weather Appeal along with the United Way's Wildfire Recovery Fund.

By supporting these causes, we uplift each other, neighbour helping neighbour.

As you take stock of the organizations and images on this page, be proud in knowing that this kind of generosity is integral to making the fabric of British Columbia stronger.

Our greatest strength is our people.





Supporting the workers of today... and tomorrow.

# CULTURE SHIFT ON THE WATERFRONT

The waterfront earned a reputation for its rough and tumble environment where bullying and harassment were commonplace and only certain kinds of workers could cut it. This unacceptable behaviour needed to change. In 2021, with the assistance of nearly \$4 million from the Employment and Social Development Canada, the BCMEA partnered with the International Longshore & Warehouse Union Canada and Ending Violence Association of B.C. to launch a training program aimed at preventing workplace violence and harassment. This initiative is the first of its kind on B.C.'s waterfront and is one of the most comprehensive workplace violence and harassment prevention training programs ever undertaken in the federal sector. Guided by the renowned "Be More Than a Bystander" program, we were successful in training over 2,000 longshore workers, almost 600 forepeople and over 800 terminal non-union and BCMEA staff this last year and with the remainder of the workforce slated for completion in 2022. Additionally at the start of the year, we came to an agreement with the ILWU to implement a criminal record check policy—the first of its kind on B.C.'s waterfront and an important step to ensuring a safe workplace.

First and foremost, it is about doing the right things to support a safe, inclusive work environment for everyone. It is our belief that if we want to enhance our sector's ability to grow and compete for more cargo, we need to be able to attract the workers of the future. That means creating an inclusive and respectful workplace that includes safe spaces for more women, more Indigenous peoples, more racialized Canadians, and more workers with differing abilities.

We also leveraged this positive momentum by playing a key role in establishing the Waterfront Diversity, Equity and Inclusion Council. Comprised of senior industry leaders, this group is tasked with advancing diversity and inclusion at their terminals and across the waterfront. One initiative that was released this year is the auditing tool to be used as a means to identify areas of improvement and opportunity for individual employers and at an industry-wide level. Employers will contribute to benchmark data and year-over-year progress data, allowing for an accurate appraisal of DEI needs within the waterfront community.

Our focus on creating a well-supported workplace did not go unnoticed. For the second year in a row, BCMEA was recognized as one of B.C.'s Top 100 Employers. From prioritizing employee safety during COVID-19, to our financial support for new families and organ donors, to ongoing in-house training options and generous tuition subsidies for sector-related courses, we have shown that creating a supportive work environment for employees is formative to organizational success.

Transformational culture change is never easy and there is still much more to be done. But working together, with shared goals for a more equitable and diverse workplace, we are doing the right things for the workers of today... and tomorrow.



# SMART DECISIONS. DATA DRIVEN.

At the heart of nearly every important decision is data—a rich, complex and thorough analysis using real-time technology. Members use it every day to improve operational efficiency and reduce waste.

BCMEA increasingly uses data analytics to make informed decisions. This past year saw a marked increase in the volume and complexity of data and analysis requests from BCMEA staff and members.

This data and analysis is now facilitating initiatives at BCMEA aimed at process improvement, dynamic planning, labour supply and demand visibility, data integration, predictive capabilities, and systems improvements necessary to better support the current and future needs of BCMEA's members.

In late 2021, this trend necessitated the development of a three-year Data Strategy Roadmap to align the Data Analytics Program with the strategic vision as set out by BCMEA's Board of Directors. This roadmap is intended to streamline key decisions, business partnerships, and team capabilities.

## This year also saw a variety of project-level successes which include:

- The Training Plan Management System that now provides a robust foundation to the Training, Safety and Recruitment department's core planning and program management activities.
- The launch of the Horizon Forecast Collection system which provides BCMEA with central access to employer-submitted cargo and hours forecasts, driving efficiency and dynamism to critical training, recruitment, finance activities and decision-making.
- Progress in the multi-year Vancouver Dispatch System Redevelopment project. Functionality continues to improve across a broad spectrum of applications, and the BCMEA Programming team is finalizing applications aimed at streamlining maintenance requirements.
- The execution of the Six-Week Vessel Schedule, which relied on the expertise of all BCMEA membership classes. This operational tool, which is now distributed across the waterfront, provided a central source of information to the Provincial Health Services Authority to aid in the vaccination of seafarers. It also established new capabilities that individual customers have leveraged to improve their own internal processes.

Standardizing data streams in regions outside of Vancouver has also been a significant focus for BCMEA and our members. This project helped BCMEA identify gaps and uniformity issues which will lead to a comprehensive analysis in 2022, allowing us to compare actual performance with desired performance thereby enabling us to take proactive steps to address identified areas requiring further action.

As we increasingly move toward a more global economy, the demand for operational efficiency will grow. By fostering advanced data processing techniques we are ensuring BCMEA, our members and our workforce remains at the forefront.



At the heart of every important decision is data.



# FINANCIAL STATEMENT

December 31, 2021, with comparative information for 2020

## STATEMENT OF FINANCIAL POSITION

|  | 2021          | 2020          |
|--|---------------|---------------|
| <b>Assets</b>  |               |               |
| <b>Current assets</b>  |               |               |
| Cash   | \$143,926,629 | \$146,668,136 |
| Accounts receivable and other assets                                   | 16,824,408    | 19,569,865    |
|  | 160,751,037   | 166,238,001   |
| Property and equipment   | 36,981,995    | 37,743,665    |
| Intangible assets  | 49,851        | 589,366       |
|  | \$197,782,883 | \$204,571,032 |
| <b>Liabilities and Net Assets</b>                                      |               |               |
| <b>Current liabilities:</b>  |               |               |
| Accounts payable and accrued liabilities                               | \$22,276,853  | \$26,492,482  |
| Accrued longshore vacation pay   | 45,700,789    | 42,483,390    |
| Accrued Container Gainshare liability                                  | 58,490,861    | 55,798,262    |
| Deferred revenue   | 2,769,070     | 2,780,947     |
| Current portion of Post-employment benefit liability                   | 29,663        | 33,160        |
| Current portion of Modernization and mechanization allowance liability | 6,816,000     | 7,030,000     |
|  | 136,083,236   | 134,618,241   |
| Post-employment benefit liability                                      | 1,659,932     | 1,918,626     |
| Modernization and mechanization allowance liability                    | 51,830,000    | 53,190,000    |
| Asset retirement obligation  | 120,240       | 116,063       |
|  | 189,693,408   | 189,842,930   |
| <b>Net assets</b>  |               |               |
| Investment in property and equipment and intangible assets             | 37,031,846    | 38,333,031    |
| Deficit  | (28,942,371)  | (23,604,929)  |
|  | 8,089,475     | 14,728,102    |
|  | \$197,782,883 | \$204,571,032 |

## STATEMENT OF OPERATIONS

|  | 2021          | 2020          |
|--|---------------|---------------|
| <b>Revenue</b>   |               |               |
| Payroll assessments  | \$151,358,307 | \$140,772,449 |
| Hourly assessments   | 46,540,736    | 44,587,224    |
| Cargo assessments  | 45,822,824    | 43,948,506    |
| Investment income  | 645,029       | 946,183       |
| Container Gainshare levies                                       | 58,279,158    | 55,466,053    |
| Vancouver Island Gang Interchange                                | 661,235       | 434,231       |
| Lower Mainland Interchange                                       | 541,570       | 396,998       |
| Government of Canada violence & harassment program contributions | 914,575       | 448,681       |
| Other income   | 111,241       | 54,478        |
|  | 304,874,675   | 287,054,803   |
| <b>Expenses:</b>   |               |               |
| Payroll related labour fringe benefits                           | 147,321,545   | 132,601,205   |
| Hourly related labour fringe benefits                            | 48,500,025    | 44,961,153    |
| Cargo related expenses   | 58,224,810    | 48,477,554    |
| Container Gainshare contributions                                | 58,490,861    | 55,798,262    |
| Vancouver Island Gang Interchange expenses                       | 661,235       | 434,231       |
| Lower Mainland Interchange expenses                              | 541,570       | 396,998       |
| Government of Canada violence & harassment program expenses      | 914,575       | 448,681       |
|  | 314,654,621   | 283,118,084   |
| Excess (deficiency) of revenues over expenses                    | \$(9,779,946) | \$3,936,719   |

# MOVING TOGETHER TOWARDS A BRIGHTER FUTURE

This report is a testament to the resiliency of the maritime industry. Faced with such unprecedented challenges, the people of this sector stepped up, engaged and help put Canada on the economic road to recovery.

For all of the hardships the COVID-19 pandemic has delivered, as well as the many other natural disasters, they have opened the door to stronger systems, more robust decision making and technological advancements that will benefit our communities, our province, our country and the global supply chain.

All of us, as waterfront employers and workers, have weathered these storms and achieved milestones through collaboration, determination, and hard work. It's about reaching our objectives and living our values. Put together, it's what gives British Columbia its competitive edge. It would not have been possible without the extraordinary efforts from the BCMEA Board, our customer members, our Executive team, our Senior People Leaders and dedicated staff.

