



BC Maritime
Employers Association

2023 Annual Report



A Joint Message From...

Don Nonis, Board Chair, British Columbia Maritime Employers Association

Mike Leonard, President and CEO, British Columbia Maritime Employers Association

Over the last few years, external events have dramatically reshaped our world and our industry. From the pandemic to extreme weather, international conflicts and labour unrest, the challenges have been unparalleled and sparked unprecedented change. This year was regrettably no different, characterized by ongoing disruptions, new geopolitical conflict, lower cargo volumes and hours of work for the industry's workforce, all against the backdrop of increased costs and competition. Now more than ever, our supply chain is starving for stability and reprieve from the unpredictable and difficult landscape ahead.

Global supply chain challenges have come under intense scrutiny since 2020, with no exception for B.C.'s maritime industry this past summer. The International Longshore and Warehouse Union Canada (ILWU) strike action in July catapulted Canada's largest ports into the international spotlight. It was a challenging chapter for Canadians and B.C.'s waterfront, but we firmly believe we cannot let the disruption define us or overshadow our progress. Rather, it confirmed the unmistakable alignment of our membership and empowered us to forge ahead towards a more resilient future.

In the end, we achieved a negotiated settlement with the support of the Canada Industrial Relations Board. However, in the process, the ILWU strike action deeply damaged the Canadian economy, impacting an estimated \$10.7 billion worth of cargo, and with it, our global reputation. It is now time to act on the lessons learned, rebuild trust, our reputation and steady a path forward. Led by our Board of Directors, work is well underway within the BCMEA to do our part in ensuring our membership and industry can continue to be competitive, resilient and contribute to

the stability and reliability of the country's supply chain that Canadians and its trading partners are seeking.

Strengthening the supply chain and ensuring stability must be a driving priority for the Government of Canada. At the national level, there are some key opportunities to be thoughtfully considered. The launch of the National Supply Chain Office provides a convening forum and opportunity for key supply chain stakeholders, and all levels of government to collaborate to optimize operations, reduce disruptions and ensure stability. Similarly, the review under Section 106 of the *Canada Labour Code* that looks to examine the structural issues underlying the 2023 ILWU Canada strike action and similar disputes in ports across Canada has the potential to fundamentally change the structure of labour relations in our sector, again with the goal of improving stability during the renewal of expired collective agreements. To be effective, it is our belief that these initiatives must include new dispute resolution tools. These tools need to be balanced in their approach, and meaningfully account for all supply chain stakeholders' interests, including the public interest, in maintaining a stable and reliable transportation network from coast to coast.

At the BCMEA, we continue to build partnerships with stakeholders and public policy leaders to ensure we are working toward a common purpose to materially improve the seamless and reliable movement of goods where ship meets shore. Our members are critical partners in the global supply chain, but it is important to recognize that no one aspect of the supply chain can act alone. There is the imminent need for broad alignment with all those who help to maintain the safe free flow of

cargo and people, including terminal operators, marine carriers, labour, port authorities, the trucking and rail industries, marine pilots and so many more.

Last year also marked noteworthy advances in safety and training priorities through workforce planning and enhanced data analytics. As a part of our broader strategic data governance plan, the BCMEA's WaterfrontWorks program gained considerable momentum in its pursuit to utilize forecasting and predictive modeling to better address labour demand and supply requirements for terminal and vessel operations. In prioritizing the development of this initiative, we are doing our part to drive innovative digital solutions to enhance the reliability of Canada's supply chain.

While the BCMEA improved upon our internal systems and capacity, longstanding initiatives continued to drive our priorities. Our commitment to ensuring safe and respectful workplaces strengthened as we looked to advance diversity, equity and inclusivity practices and enhance supports for the health and wellbeing of the shared workforce and our employees. This year marked our second as a Presenting Partner of the BC Lion's Be More Than a Bystander Program, ensuring its continued delivery to thousands of students across B.C.'s high schools. From classrooms to the waterfront, the BCMEA and our members are steadfast in our belief that harassment should never be tolerated and that we can all be positive agents of change when we stand up and speak out against bullying. In remaining steeped in our values that a strong, supportive workplace is the key to operational excellence, we were once again recognized as one of British Columbia's Top 100 Employers for 2023. It is heartening

to see such acknowledgement for our efforts to create a professional, supportive workplace where employees are valued and uplifted.

Looking ahead, the only certainty is uncertainty, which will continually challenge us to reassess the landscape, to be nimble and adapt to emerging situations to optimize the positioning of our membership. With that, we extend our sincere gratitude to our Board and membership of ocean carriers, marine terminals and agents for their unwavering support and invaluable contributions to the BCMEA over this past year. Remaining unified, and driven by common purpose, we can overcome the changing tides.

Sincerely,



Waterfront Training Centre: 10 Years of Growth

It began with a simple vision: to create a safe training site for the waterfront workforce of the future.

In 2023, the BCMEA's Waterfront Training Centre (WTC) celebrated a remarkable 10 years of achievement, investment and growth as the driving force behind our industry's progress. Completely funded by our membership and operated by the B.C. Maritime Employers Association, it is the premier training hub for B.C.'s waterfront workforce and the envy of leading ports worldwide.

From new recruits to veteran workers seeking new skills, the WTC is a state-of-the-art, award-winning facility where they can practice on real, full-scale equipment in a safe learning environment, without the pressures of operating at active terminal sites.

Since the WTC was first envisioned and constructed in 2013, the BCMEA's members have provided \$35 million to develop and upgrade the facilities and introduce new equipment. Ten years later, with over three million hours of dedicated training, our members continue to prioritize the waterfront workforce with over \$180 million invested into training and upskilling.

Located along the Fraser River on Mitchell Island in Richmond, the location has proven ideal in ensuring over 6,600 workers have been able to safely learn vital skills for successful waterfront operations. Working in partnership with the International Longshore and Warehouse Union, the BCMEA is responsible for delivering over different 130 training programs at the WTC and province-wide—with over 69,000 training days run in the last decade.

The 10-acre training site is equipped to teach recruits how to handle nearly every type of commodity that moves through Canada's largest ports. It is also home to some of the world's few dock gantry and pedestal cranes specifically designed for training purposes. This year, the WTC's unique Crane Training Program was awarded the Safety Innovation Program of the Year Award by the National Maritime Safety Association, an association that is dedicated to promoting health and safety in the marine cargo handling industry.

From learning to drive tractor trailers, to lashing containers and operating forklifts, front end loaders and other heavy-duty equipment designed for the efficient movement of cargo, recruits are provided comprehensive and unique hands-on training.

At the BCMEA, we believe investments in worker safety and training help drive productivity and innovation. Thanks to our members and our labour partners, we have been able to deliver specialized programs that prioritize safety and efficiency.



Enhancing Services to Train the Workforce of Tomorrow

In 2023, the BCMEA focused on enhancing reliability and seeking efficiencies in the services we offer to our members, and in our role in the Canada-Pacific Gateway. With the goal of setting up 2024 for training success, the BCMEA underwent a detailed review of internal processes and operating costs and implemented significant improvements. Our teams worked closely with member-employers on improving the collection of forecast accuracy, while advancing our data analytics programs to develop efficiencies that are to quantitatively impact the delivery of workforce training moving forward.

This year was also marked with improvements in training delivery, operations analysis and instructional design. The Waterfront Training Centre underwent critical upgrades, including site enhancements, classroom upgrades and implemented key shifts in the recruitment processes that resulted in significant cost savings. Further highlights from the operations analyst team include payroll process improvements, marking a reduction of more than 7% in time with a correlated increase of nearly 40% in productivity. By the end of the year, total ratings and capabilities surpassed 8,800 over 51,926 individual paid training days.

In the pursuit of ensuring the reliability of labour, the BCMEA has been incrementally implementing improvements to mitigate labour shortages across the province. At a time of escalating demand for labour in recent years, the BCMEA and our members have played a significant role in working to address shortages, in part due to focused investments into longshore training in 22–23.

These systemic shifts and related gains in the delivery of training are thanks to the enhanced cooperation and close linkages that our training team has forged with our members. Looking into 2024, the BCMEA is well positioned to continue to adapt to our members' operations to ensure continual improvement in our service offerings.

Year in Numbers



737

Total active forepersons



598

total longshore and trades recruited



\$128,464

median salary for union longshore



7,302

Total active longshore



\$30.4

million invested in training



\$225,977

median salary for foreperson



3,083

total longshore and trades trained across 191 training programs including:

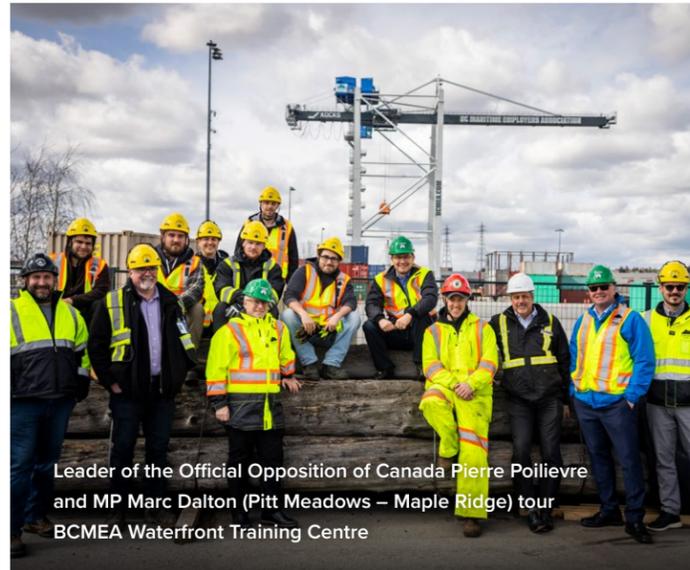
- 1,448 total ratings obtained*
 - 6,127 total capabilities*
- *per unique individual

By the end of the year, the BCMEA and our members employed 8,038 active longshore and forepersons, translating to a 35% increase in the number of well-paying jobs on the waterfront since 2012.



Deepening Relationships for a Stable & Inclusive Waterfront

The BCMEA operates at a unique nexus for B.C.'s supply chain operators. As a shared resource and service provider to our member companies, we are charged with interacting and advocating for their interests with public policy leaders, port authorities and labour. In this role, we have opportunities to both build upon and forge new partnerships to support our members in all that they do to keep Canada's supply chain competitive and resilient. This year was characterized by deepening the critical partnerships that are illustrative of our commitment to establishing an innovative, inclusive and competitive waterfront.



Leader of the Official Opposition of Canada Pierre Poilievre and MP Marc Dalton (Pitt Meadows – Maple Ridge) tour BCMEA Waterfront Training Centre



Honourable Lisa Raitt with Members of the National Maritime Group

Kicking off the year, we hit the road to represent our members alongside the BC Lions as they continued the delivery of the renowned Be More Than a Bystander (BMTAB) program to high school students in Vancouver Island, Prince Rupert, and across the lower mainland. This year marks the second for the BCMEA as a Presenting Partner of the BMTAB program, which focuses on gender-based violence through teaching participants how to create safe, inclusive environments and empowering those that witness harassment to be positive agents of change. Becoming a Presenting Partner was the next natural step for the BCMEA, as we completed the delivery of one of the most comprehensive workplace violence and harassment prevention training programs ever undertaken in the federal sector for over 9,000 of B.C.'s waterfront workforce last year. From the waterfront to the classroom, the BCMEA and our members are steadfast in our commitment to supporting safe, respectful environments and communities, free from harassment and bullying.

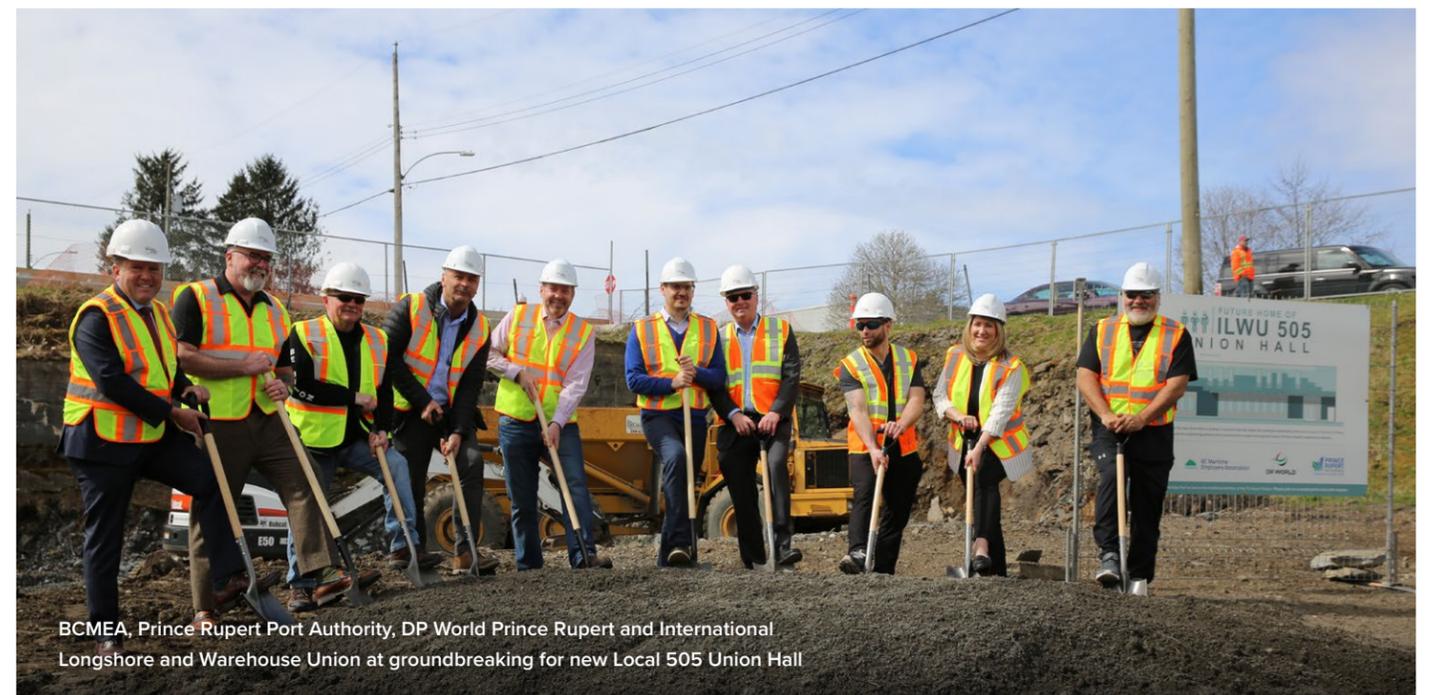
In April, we joined the International Longshore and Warehouse Union, DP World Prince Rupert (DPW) and Prince Rupert Port Authority (PRPA) in announcing the construction of a new ILWU Local 505 Union Hall in downtown Prince Rupert. This redevelopment project is led and funded by the ILWU Local 505, with contributing partners, the BCMEA, DPW Prince Rupert and PRPA, providing \$2.6M in support. On behalf of our membership, the BCMEA has been empowered to strategically invest in the future of Prince Rupert that will enable the vital, sustainable growth of the waterfront workforce and the port industry.

Finally, in its first operational year, the National Maritime Group (NMG), representing nearly 100 private maritime employers and brought together as a collaborative coalition amongst BC Maritime Employers Association, Montreal Employers Association, Halifax Employers Association and Port of St John Employers Association, continued to raise awareness on the important need for resilient and stable supply chains, a competitive economy, smart regulation, Canada's reputation as a trade partner and modernized governance of port authorities.

The NMG engaged in several legislative and regulatory initiatives, such as on Bill C-33, Strengthening the Port System and Railway Safety in Canada Act. Bill C-52, the Enhancing Transparency and Accountability in the Transportation System Act, the establishment of the Supply Chain Office and more. The coalition connected with public policy leaders and toured several member facilities from coast to coast and through the St. Lawrence in an effort to educate decision makers on what the coalition does, why it's important and how it impacts Canada's economy and quality of life. Capping off the year, the coalition met to set priorities for 2024 and engage with decision makers to ensure resilient supply chains for the next decade.



BCMEA representatives (Richard Chappell, Marissa Chan-Kent) and BC Lions (Sukh Chugh, Jamie Taras, Peter Godber) with high school representatives during a Be More Than a Bystander presentation on Vancouver Island



BCMEA, Prince Rupert Port Authority, DP World Prince Rupert and International Longshore and Warehouse Union at groundbreaking for new Local 505 Union Hall

Changing the Tide on the Waterfront

Implementing inclusive practices and prioritizing diversity of thoughts and backgrounds requires a comprehensive approach. Supporting our employees to remain engaged and feel empowered to develop their professional skills is deeply important to the BCMEA. This year, the BCMEA focused on listening intently to our employees and taking proactive steps to retain and attract diverse talent to the waterfront.

Earlier this year, we highlighted the BCMEA's approach to stay interviews—a unique and successful employee engagement practice. These interviews are conducted with current employees and have been a critical tool for the BCMEA to understand how our employees feel about their work and what they need to excel. After a brief pause during the pandemic, the BCMEA re-introduced stay interviews as a strategic practice to enhance employee satisfaction and the workplace by addressing process inefficiencies. We received valuable feedback on improving services for employees, which we took to heart and navigated investments to better support staff. This approach, in actively understanding what it takes for staff to remain passionate and committed in their work, has paid off. The BCMEA reached our highest employee engagement scores to date, with 78 per cent of employees feeling enthusiastic about their work.

Keeping our employees engaged also means investing in their professional growth. This year, we were proud to have supported two staff members in enrolling in the Greater Vancouver Board of Trade's Engaged Leadership Program (ELP). Focused on providing

resilient leadership training, mentorship and community engagement opportunities, the ELP supports participants to develop strong skills and values necessary to becoming future leaders.

With the activation of the Accessible Canada Act, a federal law aiming to make Canada barrier-free by 2040, the BCMEA has been proactive in leveraging this opportunity to advance inclusive practices on the waterfront. This year, we developed a comprehensive, publicly available accessibility plan in alignment with the principles of the Act and made significant strides in implementing initiatives that foster a more equitable environment for all. The BCMEA remains dedicated to the ongoing process of improvement and will continue to provide updates on our progress in this space.

Throughout the year, the BCMEA continued supporting the efforts of the Waterfront Diversity, Equity, and Inclusion (DEI) Council, including uplifting and amplifying our members' efforts in driving their individualized DEI initiatives. From equipment and facilities upgrades to systemic updates of human resource policies and practices, Council members are not only ensuring compliance but have been proactively deploying multitudes of changes to ensure a comprehensive approach to integrating DEI principles into operations. Building upon last year's momentum while reflecting on the challenging landscape of actioning inclusive practices ahead, the Council held several strategic sessions to re-focus the collective industry's efforts in identifying our unique role within the waterfront.



Wendy Ebbs (Manager, TSR Operations Support) & Saeed Ahmed (Manager, Workforce Operations) at the Greater Vancouver Board of Trade Engaged Leadership Program

Would You Tell Your Boss How You Really Feel About Work? That's the Point of 'Stay Interviews'

When someone quits a job they often share valuable insight into what caused their departure—something one HR expert says should be mined earlier

↳ Heather Wright introduced stay interviews to the BCMEA in 2019 (photo: Heather Wright)



Andrew Barnes (Director, Data Analytics) with daughter at Bettie Allard YMCA event

Strengthening the Social Fabric of Coastal Communities

Nothing is more rewarding than supporting the communities that our waterfront workforce calls home. It's where relationships are built, and bonds forged. On behalf of our membership, the BCMEA is empowered to invest in the social fabric of coastal communities across British Columbia. Our giving is focused on helping to keep families and youth active, people with diverse backgrounds uplifted, and ensuring the most vulnerable are receiving critical supports. From amateur swim meets to cultural organizations and addiction recovery programs, the BCMEA is committed to becoming a meaningful partner in fostering healthy communities across B.C.

This year, we were honoured to support a variety of youth sporting activities across the province, including the annual basketball championship Junior All-Native Tournament (JANT) in Nanaimo, Kidsport Vancouver, and the 2nd annual BCMEA Invitational Swim Meet in Prince Rupert. The 2023 JANT was regarded as an overwhelming success with 91 teams playing a remarkable 188 games in seven different venues. In his closing address, Snuneymuxw Chief Mike Wyse summed it up best: "JANT was a momentous experience that benefited so many," he said. "It's a testament to the power of sport to unite and inspire." We also celebrated our contributions to the development of the Bettie Allard YMCA in Coquitlam, which has been an invaluable resource to the wider Tri-Cities community. For generations, the YMCA has brought lasting social change to communities, allowing children, families and seniors to grow and belong and we have been proud to be a part of their legacy.

As a continued advocate and participant in the Kidney Foundation's Living Donor Centre of Excellence program, alongside Fibreco, we were thrilled to welcome Global Container Terminals to take part in this life-changing initiative this year. Every year, hundreds of people in Canada selflessly donate an organ to save the life of another person. Through this program, our organizations commit to support the lost wages of living organ donors, removing a key barrier to living organ donation. Together, we are showing leadership and demonstrating what is truly important. We encourage other companies to embrace this initiative.

Building on our dedication to supporting diverse communities, the BCMEA embarked on a new partnership this year with the Chinatown

Foundation, a charitable organization that works to honour the culture and community of Vancouver's Chinatown. Chinatowns all over the world have historically been iconic neighbours of the maritime sector, sharing space and facing challenges that come with operating at the heart of major port cities. Vancouver's Chinatown is exemplary of this dynamic, and as such, made for a natural fit for the BCMEA and our member companies with operations in Vancouver's downtown to support the Foundation's efforts in revitalizing the area and ensuring citizens and businesses can continue to thrive.

Another downtown Vancouver Eastside neighbour of the BCMEA and our membership includes Mission Possible, a social enterprise organization that seeks to support people to overcome barriers, build sustainable livelihoods and reintegrate into the workforce. This year, we continued our support the many services of Mission Possible—including giving to their Employment Readiness Program and volunteering to prepare meals for the neighbourhood through their Power Breakfasts.

Finally, we entered our second year of sponsorship of Trinity Recovery House's addiction recovery aftercare program in Prince Rupert. The program offers leading-edge recovery tools which allow clients to create individual wellness plans which map and track their road to recovery after leaving the House. The program has seen incredible success—with more than 140 participants to date, and expansion this year to include more support services, such as employment readiness, life skills and Indigenous cultural assistance.

When we donate resources or volunteer time, the benefits to community are clear. But this kind of giving holds just as much value to the BCMEA's employees, our membership and union partners: It boosts morale, encourages community engagement and builds bonds that help strengthen workplace culture. When our communities are stronger, we are stronger.



BCMEA representatives (Andrew Barnes, Shayne Daum, Rob MacKay-Dunn, Marissa Chan-Kent), Tracy Price (YMCA), Global Container Terminal representatives (Marko Dekovic, Jen Kim) and Steve Kim (Coquitlam City Councillor) at Bettie Allard YMCA event celebrating BCMEA and GCT sponsorship



BCMEA staff volunteering at Mission Possible Power Breakfast



BCMEA head office staff participate in Orange Shirt/Truth & Reconciliation Day



Dan Hendrickson (Manager, Training) at medal ceremony for the 2nd Annual BCMEA Invitational Swim Meet hosted by Prince Rupert Amateur Swim Club



Driving Digital Solutions for Canada's Supply Chain Stability

The maritime industry stakeholders and public policymakers are increasingly prioritizing using data digitalization to strengthen Canada's supply chain. Canada's economic growth depends on a resilient supply chain to provide jobs and goods, while maintaining affordability. Digitalization is critical to this process, which includes enhancing information sharing to become more efficient.

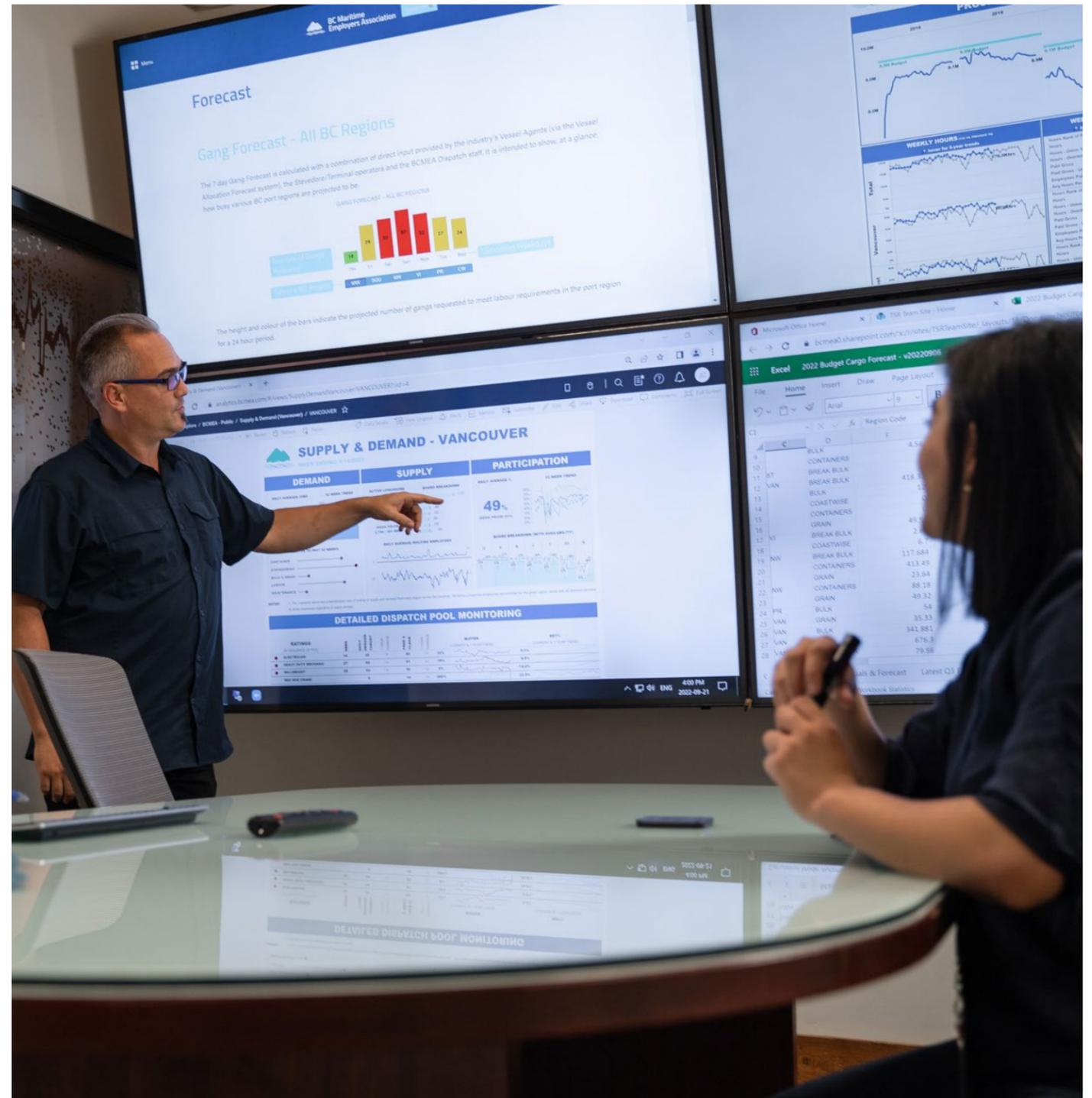
At the BCMEA, we have been driving progress to best support workforce planning and training for our member's operations, while doing our part to contribute to the stability of Canada's supply chain. This year marked our second in our three-year Data Strategy Roadmap. We prioritized developing a data governance program and 6-week labour demand prediction as a part of the WaterfrontWorks program, a seven-element technological solution that a multi-disciplinary BCMEA team developed for optimizing workforce planning.

Throughout the last decade, the increasing complexities of longshore labour supply and demand requirements, including the growth of the Asia-Pacific Gateway, have made it challenging to ensure the reliable availability of trained longshore labour. WaterfrontWorks offers a viable solution by providing advanced data analytics to predict and identify

short, medium and long-term labour shortages—allowing the BCMEA to invest in workforce training and recruitment to mitigate shortages and maintain smooth supply chain operations.

Supported by the BCMEA's data analytics program, WaterfrontWorks seeks to revolutionize the waterfront through improving asset and operations management, coordination, planning and optimization of supply chains to help alleviate bottlenecks through the matching of labour supply and demand. The project addresses a critical supply chain pinch point and will generate substantive benefits by allowing for targeted improvements to address labour challenges at Canada's West Coast ports, which have been impacted by extreme weather, economic turmoil and global supply chain disruptions.

WaterfrontWorks expands on the BCMEA's recent efforts to improve visibility and data exchange mechanisms between stakeholders at Canada's West Coast ports. Already well underway at the BCMEA, WaterfrontWorks will bring together the BCMEA, our members and critical supply chain stakeholders in our shared commitment to investing in the future of Canada's West Coast longshore workforce, leading to improved reliability, efficiency and affordability for Canadians and supply chain operations.



Financial Report

December 31, 2023, with comparative information for 2022

Statement of Financial Position

	2023	2022
Assets		
Current assets		
Cash	\$106,928,499	\$144,039,377
Accounts receivable and other assets	20,648,064	18,846,449
	127,576,563	162,885,826
Tangible capital assets	38,692,620	37,009,984
Intangible assets	131,022	—
	\$166,400,205	\$199,895,810
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	\$36,127,407	\$23,890,417
Accrued longshore vacation pay	48,835,991	49,284,073
Accrued Container Gainshare liability	46,734,185	57,838,019
Deferred revenue	3,846,509	752,063
Current portion of Post-employment benefit liability	33,819	34,140
Current portion of Modernization and mechanization allowance liability	6,171,000	5,447,000
	141,747,911	137,745,712
Post-employment benefit liability	1,468,718	1,117,102
Modernization and mechanization allowance liability	56,563,000	48,238,000
Asset retirement obligation	127,951	124,096
	199,907,580	187,224,910
Net assets		
Investment in property and equipment and intangible assets	38,823,642	370,009,984
Deficit	-72,331,017	-24,339,084
	-33,504,375	12,670,900
	\$166,400,205	\$199,895,810

Statement of Operations

	2023	2022
Revenue		
Payroll assessments	\$154,933,232	\$161,487,437
Hourly assessments	42,270,053	47,950,570
Cargo assessments	58,881,210	57,630,329
Labour surcharge assessment	12,082,830	—
Investment income	3,833,760	2,290,299
Container Gainshare levies	45,472,855	57,157,645
Vancouver Island Gang Interchange	340,327	470,135
Lower Mainland Interchange	506,040	913,669
Government of Canada violence & harassment program contributions	108,571	2,330,091
Other income	84,409	103,622
	318,513,287	330,333,797
Expenses		
Payroll related labour fringe benefits	164,512,506	159,667,667
Hourly related labour fringe benefits	45,152,128	48,681,711
Cargo related expenses	69,514,615	63,057,923
Container Gainshare contributions	46,734,185	57,838,019
Retroactive pay	31,212,376	—
Vancouver Island Gang Interchange expenses	340,327	470,135
Lower Mainland Interchange expenses	506,040	913,669
Government of Canada violence & harassment program expenses	108,571	2,330,091
	358,080,748	332,959,215
Deficiency of revenues over expenses	-39,567,461	-2,625,418



The Future of Canada's Supply Chain

At no time in our history has the B.C. Maritime Employers Association been battle tested as often as it has in the last few years. From the worldwide pandemic to extreme weather events and the damage wrought by labour disruptions, our organization has found strength in unity to meet these challenges and emerge stronger and more resilient.

If recent history is a guide, uncertainty is the only certainty we can prepare for. Economic instability, geopolitical tensions and the pace of inflation are just a few of the current challenges we must navigate.

Although we are limited in our influence of global issues and dynamics, we find ourselves in a strengthened position, founded upon unprecedented collaboration, to nimbly respond to shifting landscapes. Strategic investments in people, safety, training and innovative technologies set us apart, allowing us to deliver more for our members. And when our members benefit from these operational efficiencies, so too does our entire West Coast supply chain.

The heart of our business is people and our successes are a credit to the dedicated BCMEA membership of ocean carriers, marine terminals and agents and the waterfront workforce. The support and leadership from the BCMEA Board of Directors has been nothing short of exemplary and we extend our sincere gratitude for their continued dedication and hard work during trying times.

Together, we are tried, tested and trusted—as we continue to deliver for Canadians.