

24 February 2021

By email

The Honourable Filomena Tassi, P.C., M.P. Minister of Labour

RE: The most recent threat of labour disruptions at the Port of Montreal

Dear Ms. Tassi

I am communicating to express the concerns of Hensall District Co-operative (Hensall Co-op) pertaining to the threatened resumption of the labour dispute at the Port of Montreal.

Hensall Co-op is Canada's largest exporter of edible dry beans and non-gmo soybeans. Each year we contract between 300,000 to 350,000 acres of higher value edible beans grown across a large swath of Canada that runs from Quebec to Alberta for value in the region of \$300 million. We have established relationships with customers in over 40 countries and those relationships act as a springboard to allow us to offer premium contracts to our growers that, on average, provide better financial returns at the farm level. Our earnings stay in our rural communities because we are owned by approximately 6,000 members. Over the past 5 years we have we have invested more than \$100 million in assets located in our rural communities. These investments were made to improve our facilities and expand our geographical footprint and they have generated good jobs. Today we employ in the region of 600 people with some seasonal fluctuations.

The worldwide market for plant-based protein and meat alternatives is projected to increase from \$4.6 billion in 2018 to \$85 billion in 2030 (source: UBS). This, along with our Canadian weather, access to arable land and water, provides a catalyst for an enormous opportunity to substantially increase our bean exports from Canada. We will be unable to take advantage of this opportunity if we cannot get our product to our customers on time. We process beans in Ontario and Manitoba and most of them are exported directly from our facilities using trucks, rail and ports.

Canadian agri-products have a solid reputation in growing markets in Asia and Europe, however, Canada's performance as a trustworthy supplier was materially impaired by the labour strife that occurred at the Port only six months ago. At that time, the diversion of rail shipments and vessels resulted in our failure to meet contract obligations with our customers, higher costs and critical supply shortages for our customers. We saw a further deterioration of this country's fragile reputation for reliable transportation. Other bean producing countries benefited from our challenges.

This makes the current threat is even more dire; another labour disruption after a short period of peace will have an exponential negative impact on our reputation. This also could be happening on top of an unprecedented shortage of shipping containers. Should this be the case, container owners and shippers will hesitate to allocate containers to exporters intending to ship through an unreliable port which will make a bad situation much worse.

We have been patient as we have waited for over 25 months for a resolution to the dispute between the Port and its workers. It is difficult to imagine that there will be a negotiated settlement. We encourage the Government of Canada to employ every available mechanism to ensure the continuation of vital value-added container trade through the Port of Montreal.

Essential Agriculture feeds the world



Brad Chandler, CEO



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Cc:

The Right Honourable Justin Trudeau, Prime Minister

The Honourable Omar Alghabra, Minister of Transport

The Honourable Marie-Claude Bibeau, Minister of Agriculture and Agri-Food

The Honourable Mary Ng, Min. of International Trade, Small Business & Export
Promotion

The Honourable Candice Bergen, MP Portage Lisgar

Mr. Dave Epp, M.P. Chatham-Kent—Leamington

The Honourable Karina Gould, M.P. Burlington

Mr. Ben Lobb, M.P. Huron Bruce

Mr. Dave MacKenzie, M.P. Oxford

Mr. John Nater, M.P. Perth Wellington

Mr. Lianne Rood, M.P. Lambton—Kent—Middlesex

Mr. Alex Ruff, M.P. Bruce -Gray-Owen Sound

Mr. Karen Vecchio, M.P. Elgin - Middlesex - London

Members, House of Commons Standing Committee on Transport, Infrastructure
and Communities

Members, House of Commons Standing Committee on Agriculture and Agri-Food