

Written submission as part of the HUMA
study on the definition of "work" and the
use of section 107



Canadian
Chamber of
Commerce
Chambre de
Commerce
du Canada

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Introduction

The Canadian Chamber of Commerce welcomes the opportunity to participate in the House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities' study of the definition of "work" and the use of section 107 in the Canada Labour Code.

Our recommendations reflect the view of Canada's largest and most activated business network — representing over 400 chambers of commerce and boards of trade and more than 200,000 businesses of all sizes, from all sectors of the economy and from every part of the country.

The generational economic shock caused by the U.S. Administration's tariffs has created unprecedented uncertainty, and recent policy initiatives notwithstanding, Canada is experiencing a troubling redirection of capital flows. In the second quarter of 2025 alone, Statistics Canada reported a [net outflow of \\$43.7 billion](#) in portfolio investments, bringing the total for the first half of the year to \$85.9 billion, which is reflective of both foreign and domestic investors electing to allocate their resources to other jurisdictions.

Investor confidence is contingent on predictability. Where stability cannot be assured, capital is reallocated without hesitation; at a time when the United States is actively deploying tax and regulatory instruments as competitive levers and global investors are scrutinizing jurisdictions for relative advantage, Canada cannot afford to fall behind.

Canada's productivity challenge is eroding our international standing. As of 2023, the Organisation for Economic Co-operation and Development ranked Canada [second lowest among G7 nations](#) in GDP per hour worked, in contrast to the United States, who leads the group by generating \$24 more in GDP per hour per worker than Canada. Should this remain unaddressed, launching and growing a business in Canada will be done from a position of relative weakness, thereby incentivizing global enterprises to seek more competitive environments elsewhere.

An inability to address the ongoing uncertainty created by repeated labour disruptions will ensure we do not have the stable and efficient supply chains needed for Canada to deliver the goods. We need to see leadership that ensures trade can flow uninterrupted for the Canadian businesses, and the workers they employ, who are counting on it.



Supply Chain Challenges

Canada is a trading nation, with trade accounting for [two thirds of Canada's GDP](#) according to the World Bank, and so reliable supply chains are non-negotiable.

Over the years, we have seen the list of challenges that impact our supply chains, yet sit outside of our control, continue to grow: the COVID-19 pandemic, extreme weather events such as wildfires or floods, Russia's invasion of Ukraine, attacks on merchant vessels in the Red Sea, and historic drought in the Panama Canal.

Despite the importance of trade, we have allowed labour disputes to considerably increase over the past years. Our [Business Data Lab's analysis of Employment and Social Development Canada data](#) revealed that in 2023, we lost the most working days to labour disruptions since 1986.

Context: 2023 saw the most days lost to labour disputes since 1986



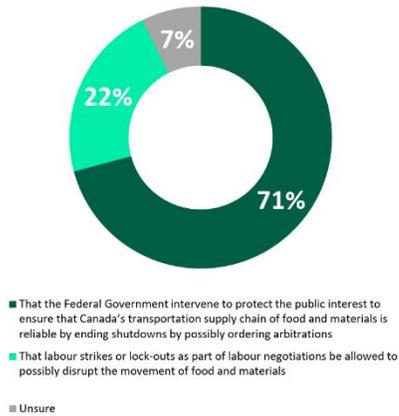
In 2024, the Canadian rail network ground to a halt, and then later, our largest East and West Coast ports shut down simultaneously. Looking back to the summer of 2023, major stoppages that can be added to the list include Vancouver grain terminals, the St. Lawrence Seaway, two major airlines, and the B.C. ports (again), along with an overwhelming strike mandate from Canada Border Services agents.

If we cannot ensure labour stability and the predictable movement of goods, we simply cannot ensure businesses can keep the lights on and cut the paychecks Canadian workers use to provide for their families.

This has not gone unnoticed, and Canadians are concerned. A [survey conducted by Nanos Research](#) last year revealed that Canadians are over 11 times more likely to say that the federal government is doing too little when it comes to ensuring labour stability and reliability of our nation's critical supply chain, while a majority of respondents are concerned about the impact of labour disputes on the affordability and availability of goods.



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*Weighted to the true population proportion.
*Charts may not add up to 100 due to rounding.

Q – What is more important in the case of a labour dispute at a port or with a railway where negotiations and meaningful collective bargaining have failed? [ROTATE]

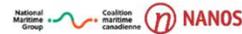
Preference for government intervention in labour disputes at ports or with railways

7 in 10 Canadians

say it is more important, in the case of a labour dispute, that the Federal Government should intervene to protect the public interest to ensure that Canada's transportation supply chain of food and materials is reliable by ending shutdowns by possibly ordering arbitrations.

Older Canadians aged 55 plus are more likely to say it is more important that the government intervenes in the case of a labour dispute (80%) than younger Canadians aged 18 to 34 (59%).

Source: Nanos Research, RDD dual frame hybrid telephone and online random survey, November 4th to November 6th, 2024, n=1010, accurate 3.1 percentage points plus or minus, 19 times out of 20.



Additionally, Statistics Canada's Canadian Survey on Business Conditions revealed that in Q2, exporters, usually among the most optimistic businesses, were trailing other firms, with the drop reflecting supply chain disruptions, tariff anxieties, higher costs, and softening demand.

The Bank of Canada has raised the pressing need to increase productivity, noting in its assessment that our nation has trade agreements granting us better access to global markets than almost any country in the world. Along with that access comes opportunity as the world increasingly needs what Canada can provide; we have the resources to meet the world's demand for food and energy security, but we risk squandering that opportunity if we don't act with urgency.

Impacts overseas are important to note as well. A country's crop seasons mean potash shipments are time-sensitive in nature, and these disruptions have a direct impact on global food production. As an example, Indonesia is the world's 5th largest potash consumer, and potash is the largest Canadian export to that country. Following the B.C. Ports strike, however, Russia replaced Canada as Indonesia's leading potash supplier.

Looking at where we are today, free flowing trade with the United States is no longer a given. The Prime Minister has stated his objective of doubling Canada's non-U.S. exports over the next decade, and while speeding up our ability to build trade-enabling infrastructure projects is critical, so is convincing our international trading partners that we can deliver the goods.

Economic Impact

The Greater Vancouver Board of Trade estimated that \$10.7 billion of trade was disrupted during the 2023 BC Ports Strike, covering a wide range of products from manufacturing, autos, forestry, agriculture, energy as well as consumer items and apparel. The 13-day strike resulted in exports from British Columbia ports falling 23 percent in July, hitting their lowest point since the COVID-19 pandemic began.



Further, CN stated that 13 days into the strike, 170,000 feet of box cars were left sitting, unable to move, while the Association of American Railroads reported a 46 percent drop in freight rail traffic entering the U.S. from Canada.

When the strike resumed on July 19 after a brief pause, leading potash exporter, Canpotex, announced they were [withdrawing all offers for new sales](#) until they could rely on supply chain predictability through the Port of Vancouver, which handles 70 percent of their exports.

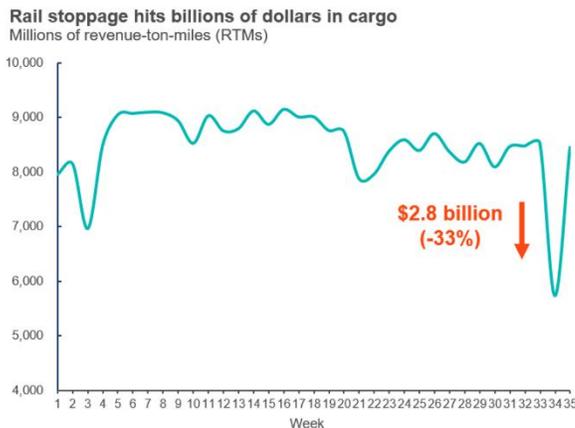
These disruptions were felt well beyond ports on Canada's West Coast. The backlogs created by the strike rippled through supply chains, causing work disruptions and congestion across the transportation system for in-land rail and trucking connections, with delays and higher costs for businesses and consumers — not only those in Canada, but in the United States and several Asian-Pacific countries.

Later in the fall, another strike shut down the St. Lawrence Seaway. With [\\$46.8 billion in economic activity per day](#), estimates were that by the end of the week, the impact reached a staggering figure of nearly \$900 million.

Moving to 2024, the shutdown of Canada's rail network stopped the movement of goods across the country. According to the Railway Association of Canada, our two freight railways transported a total of more than [\\$380 billion worth of goods in 2022](#), and approximately half of the country's exports.

The 2024 rail stoppage, the largest in recent Canadian history, had a significant impact according to our Business Data Lab, disrupting nearly \$3 billion worth of revenue-ton-miles for major carriers CN and CPKC.

Nearly \$3 billion in cargo disrupted by largest rail stoppage in recent Canadian history.



The recent rail stoppage, the largest in recent Canadian history, had a significant impact, disrupting nearly \$3 billion worth of revenue-ton-miles for major carriers CN and CPKC.

With embargoes ensuring a safe and orderly shutdown beginning 10 days ahead of the stoppage, and most activity halted for four days, there was considerable impact on our supply chains and economy.

Fortunately, both companies quickly resumed operations, allowing them to recover weekly volumes just in time for the critical harvest season.

Notably, the high-frequency rail container data within the [Business Conditions Terminal](#) picked-up the impact quickly. When shocks like this occur, the need for real-time insights becomes crucial. That's where the Canadian Chamber's Business Data Lab (BDL) comes in. Our tools can help you track business conditions and economic shocks as they unfold.

Sources: Business Data Lab analysis; CN & CPKC data.

Canadian Chamber of Commerce | Business Data Lab

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Looking to the Port of Montreal later in the year, close to [\\$400 million worth of goods pass through every day](#), meaning significant disruption when strike action began, this time



happening at the same time as a shut down of our West Coast ports for the second year in a row. To quantify this further, Transport Canada had carried out an [analysis of the impact of a shutdown in 2021](#), and results indicated net losses to GDP of \$40 million in the first week, rising rapidly to \$100 million thereafter.

Finally, grain terminal elevators at the Port of Vancouver also went on strike that year, a considerable concern given they receive just over half of all grain produced across Canada. They handle and export most of the grain that farmers in the prairies grow, and this strike stopped nearly 100,000 metric tonnes of grain that flow through these terminals daily, resulting in a [loss of \\$35 million in potential exports every single day](#).

Recommendations

Trade is built on trust; if Canadian companies cannot get their goods to market, we risk losing those markets while compromising efforts to diversify our trading relationships.

At various points since the summer of 2023, more than 125 chambers of commerce and board of trade representing communities across the country, as well as almost 115 industry associations spanning nearly all sectors of the economy, signed on to letters signaling to government the critical nature of keeping supply chains moving.

Given all the potential for economic damage, in addition to fueling ongoing uncertainty, ensuring labour stability does not shut down major supply chains must be a priority if we are to truly diversify our trade partnerships and increase capacity for trade.

The Canadian Chamber recommends that the federal government:

- **Amend the Canada Labour Code to provide new dispute resolution tools for all federally regulated trade infrastructure, as well as establishing the authority for the federal cabinet to act when collective bargaining fails.**
- **Enable a B.C.-wide geographic certification to provide certainty to bargaining and align Canada's West Coast with the rest of the country's ports, as well as our major competitors in the United States.**