I come back to my acronym of there being a razor blade in an apple because we can see clearly the anti-union bias in Bill C-24, and the signals which have gone to the Maritime Employers Association as a result. I think we want to be sure that not only the referee but the inquiry commissioner in particular must be and must be seen to be without bias in dealing with this highly contentious provision on containers in Article 26.05.

I would like to refer Hon. Members and those people who are interested to the Larson Report. Page 48 deals with both the Vancouver and Prince Rupert areas with respect to the packing and unpacking of containers at the docks and in warehouses, and I quote:

That requirement is emminently defensible based on the fact that a consolidated cargo must be packed or unpacked in any event in order to dispatch it to the several consignees to which it is destined or to consolidate it for shipping to a single destination.

Mr. Larson continues on this same point on page 54. He refers specifically to the container clause and why it is so important that the Minister move with extreme care in whom he choses and what is the attachment of related matters to that industrial inquiry:

There can be no doubt that the container clause constitutes a legitimate mechanism to secure and preserve bargaining unit work not unlike provisions against contracting out or non-affiliation clauses under other collective agreements.

Mr. Larson next says the following on page 56:

The employers expect that the profit from the one operation may be equal or greater than the profit from the other but for the employees who are presently loading and unloading containers it is a virtual certainty that only a few, if any, have the potential to be trained to operate cranes and even if all could be trained, there would not be enough work for them to do because the cranes are not labour-intensive.

Mr. Larson then goes on to say at page 57:

It has only been in the later stages of the negotiations that the Union has refused to bargain about the elimination of the container clause and I take that refusal to stem more from the failure of the Association to devise an acceptable guarantee than a firm decision that the clause not be eliminated under any circumstances.

Mr. Larson studied this in considerable detail and he gives us some idea of where to go in terms of the "container clause". I think some considerable study is required because, as we have learned from this debate, in the United States, following a number of very lengthy and protracted court procedures, the container clause is being reinserted on the West Coast of the United States because it was found that for many of those commodities it is more cost effective for them to be destuffed the way they did in the past.

In terms of the referee, who I understand from the Minister will come from Labour Canada, and in terms of the industrial inquiry commissioner, it is very important that not only myself, but other Hon. Members of the House not give the Minister carte blanche to wander off unwatched when we in this House are giving such powerful tools in Bill C-24 as those particular clauses.

I would like to look at some of the very important points raised by the ILWU in the release by Dan Cole, the Secretary-Treasurer of the ILWU, just in the last 48 hours. I quote from one of his documents:

Our Union understands the Port and its issues as well as anyone. We know that eliminating the Container Clause and crossing your fingers in the hope of increased business will cost us jobs without ensuring one more container moves through Vancouver.

Vancouver cannot compete with Seattle or Tacoma, not because of the Container Clause, but more imporantly due to inferior facilities, lack of local planning and control, and ineffective marketing of port operations.

The Port of Seattle has invested over $90 million in the past two years in building new facilities or upgrading existing ones. A comparison of container crane capability shows Vancouver with 5 cranes while Seattle and Tacoma combined have 31 cranes.

In my area on the north coast of British Columbia, there are several hundred longshoremen, about 150 full-time operating out of Prince Rupert and many more working part-time. We have 40 to 50 working regularly out of Stewart and 40 to 50 working regularly out of Port Simpson. We do not handle or deal with a lot of containers, it is principally raw logs being loaded for export to Alaska and to the Orient, wood in its sawed form coming principally by rubber and by rail to Prince Rupert, pulp, some explosives, grain and some other commodities. In Vancouver it is a much more complex fabric in terms of the work undertaken by the ILWU.

I want to spend another moment on Article 26.05, the container clause, because it has been touted by the Maritime Employers Assocation as being the big issue which is holding back development of the Port of Vancouver, but I believe it is more complicated than that. I quote from the background paper provided by the ILWU:

• (1220)

The container clause—Article 26.05 of the I.L.W.U.—B.C. Maritime Employers Association Collective Agreement—establishes a 90-mile radius around Vancouver (east to Hope, south to the U.S. border and west to Vancuover Island). Any container destined to a location outside the radius goes directly to that location. Any container destined to a location within the radius going to one owner, also goes directly to that location. Only containers with goods going to more than one destination and/or owner within the radius must be unpacked and loaded onto trucks or railway cars by longshoremen.

As Table 1 shows, the container clause affects less than 15 per cent of all containers which pass through the Port of Vancouver.

The report has this to say about container traffic:

Container traffic through the Port of Vancouver has been increasing: Since 1982 inbound container traffic has increased by 44 per cent and outbound by 64 per cent. The problem is that container traffic through American ports has increased even faster. In 1972, Vancouver container volume was 9.5 per cent of total U.S. West Coast volume. By 1985, Vancouver volume was only 4.8 per cent of the West Coast total.

You can see, Mr. Speaker, that it had been basically cut in half. The report continues:

There are several factors accounting for different growth rates: In 1985 Tacoma more than doubled its container traffic as a result of the move of Sea-Land, one of the major shipping companies, to Tacoma from Seattle. Seattle suffered a corresponding decline.

A major comparative study of West Coast ports concluded that the ports which showed the most growth—Long Beach, Los Angeles, Tacoma—were those where the local Port Authority had been the most aggressive in marketing and