

May 9, 2024

The Honourable Seamus O'Regan
Minister of Labour
140 Promenade du Portage
Gatineau, Quebec K1A 0J9

RE: Potential Rail Stoppage

Dear Minister O'Regan:

On behalf of our collective food and agricultural memberships, we write to urge swift action to avert a rail strike, which could begin as soon as May 22. A rail stoppage would lead to shutdowns or slowdowns of rail-dependent facilities resulting in devastating consequences to national and global food security. If a negotiated solution fails to emerge, we request that you and your Cabinet colleagues take immediate action to prevent serious damage to the Canadian and U.S. economies.

We believe rail in Canada should be designated as an essential service. Our memberships rely on freight rail to move essential products across Canada and the U.S. and a disruption to Canadian National Railway (CN) and CPKC's rail service could ripple across North America. The impact of a strike would be particularly severe as trucking is not a viable option for many shippers due to their high-volume needs and the long distances for many of the movements.

Many facilities are continuous operations that require reliable, uninterrupted rail service to produce and deliver essential products to customers. In the event of an interruption, they quickly run out of storage capacity and incur shortages of incoming raw materials. In addition, shutdowns and restarts of such facilities are complex operations, meaning that even a short-term disruption could stop production for several weeks. Impact begins before May 22 as operations are wound down in preparation for having nowhere to go with product.

Operational railroads are essential on both sides of the border for the integrated North American supply chain. While we believe a negotiated solution is always the preferred outcome, the government should be prepared to move quickly if negotiations fail. We thank you for your responsiveness to this imminent supply chain issue.

Sincerely,

Agricultural Retailers Association
Agriculture Transportation Coalition AgTC
American Malting Barley Association
American Feed Industry Association

Corn Refiners Association
Fresh Produce Association of the Americas
Growth Energy
National Aquaculture Association
National Association of Wheat Growers
National Barley Growers Association
National Cattlemen's Beef Association
National Corn Growers Association
National Council of Farmer Cooperatives
National Grain and Feed Association
National Oilseed Processors Association
National Sunflower Association
North American Millers' Association
Pet Food Institute
Specialty Soya Grains Alliance
The Fertilizer Institute
U.S. Canola Association

cc: Hon. Chrystia Freeland, Deputy Prime Minister and Minister of Finance
Hon. Pablo Rodriguez, Minister of Transport
Hon. Lawrence MacAulay, Minister of Agriculture and Agri-Food