

A CALL TO ADDRESS CANADA'S TRANSPORTATION SUPPLY CHAIN CRISIS: FINAL REPORT

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On January 31, 2022, the federal Minister of Transport hosted a [National Supply Chain Summit](#). By March 25, 2022, [the Minister appointed a National Supply Chain Task Force](#) and announced its formation as a government priority:

Global supply chains continue to be disrupted by the COVID-19 pandemic, growing impacts of climate change, and recent sanctions against Russia. Ensuring that Canadian supply chains are resilient and fluid is a priority.

The Task Force has been tasked with making recommendations on “actions that could be taken by all levels of government and industry to improve Canada’s supply chain.”

Last Wednesday, October 6, 2022, the Task Force released its [final report](#).

Commendation to the Federal Government: McMillan’s Transportation Group commends the Minister and the Federal Government for addressing the crisis that Canadians have been witnessing. With product shortages, impacts on jobs and well-being affecting Canadians everywhere, and now a downturn in the economy, the Federal Government’s willingness to listen to hard messages and act on the most obvious solutions in a timely manner, must be a high priority despite entrenched opposition.

Canadian Trade: Canada is a trading nation, with a vast geography, and its population depends on efficient movement of goods. As the Task Force notes, the value of Canada’s “international merchandise trade (imports and exports) was \$1.07 Trillion in 2020.” Canada’s role in global supply chains is vast and multi-faceted, including the movement in and out of the country of raw materials and finished goods. Construction materials, household necessities, foods, critical minerals, and other materials transit around the world in various stages of production on Canadian transportation networks, a significant portion of which transits on rail, interfacing with trucking and marine modes.

Focus on Rail: The Final Report makes numerous recommendations affecting the air, rail, marine (including ports and terminals), and trucking modes. McMillan has a longstanding and large footprint in representing

businesses that ship by rail, dealing with unique challenges in an environment that often lacks competitive alternatives and requires significant commercial, economic and legal support to succeed. In the coming weeks, the McMillan Transportation Group intends to analyze the Final Report, focusing on rail.

The Task Force underscores what rail shippers are facing: the Canadian transportation network is under stress. Stakeholders who rely on Canada's rail networks are aware of a longstanding need for modernization, especially a modern regulatory framework and a need for intervention where competitive forces are lacking. McMillan's Transportation Group recognizes these needs and looks forward to working with its clients and government to realize the benefits of the Task Force's recommendations. Stay tuned...

by [The McMillan Transportation Group](#)

A Cautionary Note

The foregoing provides only an overview and does not constitute legal advice. Readers are cautioned against making any decisions based on this material alone. Rather, specific legal advice should be obtained.

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