



**Canadian Vehicle  
Manufacturers' Association**  
Association canadienne  
des constructeurs de véhicules

March 15, 2022

The Honourable Seamus O'Regan Jr., P.C., M.P.  
Minister of Labour  
Employment and Social Development Canada  
140 Promenade du Portage  
Gatineau, QC K1A 0J9

222 Queen Street  
Suite 1404  
Ottawa, ON K1P 5V9

Tel: 416-364-9333  
info@cvma.ca  
www.cvma.ca

## **Re: Potential work stoppage at Canadian Pacific Railway**

Dear Minister O'Regan:

On behalf of the members of the Canadian Vehicle Manufacturers' Association, Ford Motor Company of Canada, Limited, General Motors of Canada Company, and Stellantis (FCA Canada Inc.), we are writing to express our concerns about the potential Canadian Pacific Railway (CPR) work stoppage.

The Canadian economy is undergoing a fragile economic recovery from the pandemic and associated global supply chain challenges. Railways are crucial to this recovery, responsible for an estimated \$91.3 billion – or 15.4 percent – of Canada's international trade exports in 2019. Rail service disruptions at this time would be devastating to the Canadian economy.

The automotive industry has faced numerous supply chain and logistics disruptions over the past two years. The industry relies on efficient and reliable railway infrastructure for the delivery of parts and components. Labour action will strain already weakened supply chains and could result in significant job losses. This will be particularly damaging given the limited alternatives to rail transportation and severe driver shortages in the trucking sector.

Canada's reputation as a reliable jurisdiction for the production and movement of goods is at risk. The Ambassador Bridge blockade amplified the narrative that the United States cannot depend on Canada as a reliable supply chain partner. Given protectionist sentiments among many American policy makers with emphasis on the automotive industry, this narrative cannot be reinforced by a protracted rail strike. Further disruptions to critical rail transportation infrastructure must be avoided to protect Canada's competitiveness as an automotive manufacturing jurisdiction and the thousands of jobs the industry supports.

We respect the collective bargaining process and appreciate the mediation efforts being made. However, we are asking for your intervention to avert a strike and resolve this situation as quickly as possible. This issue requires the government's full attention to preserve jobs and protect Canada's economy.

Sincerely,

Brian Kingston  
President and CEO

Copy: The Honourable Omar Alghabra, P.C., M.P., Minister of Transport  
The Honourable Francois-Philippe Champagne, P.C., M.P., Minister of Innovation, Science  
and Industry  
The Honourable Mary Ng, P.C., M.P., Minister of International Trade, Export Promotion,  
Small Business and Economic Development