



Minister-led Roundtable: Trade Corridors to Global Markets (2nd SESSION)

July 21, 2016, 9:30AM to 11:30AM | Winnipeg, MB

Summary of Discussion

The meeting was conducted under Chatham House Rule: “When a meeting, or part thereof, is held under the Chatham House Rule, participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed.”

Notes on Roundtable Discussion:

The Trade Corridors to Global Markets Roundtable focused on the role that transportation plays in supporting Canada’s economic prosperity and global competitiveness. In this context, participants discussed ways in which Canada’s transportation system can best support trade and economic growth.

Highlights of participants’ comments follow, grouped according to four questions that were shared with participants ahead of the meeting.

1. What are the key strategic priorities for transportation infrastructure and policy in Canada to enable efficient and reliable connections to global markets?

- Canada’s trade competitiveness demands an efficient, resilient transportation system.
- Geography and climate are key factors for Canada’s transportation system; efficiency can mitigate these challenges.
- A reliable transportation system needs to be capable of handling market cycles and commodity surges. This is important for the system as a whole as well as for producers and shippers who are reliant on a particular transport mode.
- Airship technology may not be widely recognized as mainstream technology today, but could be a reasonable alternative to expensive road and rail systems for the North.
- Beyond infrastructure investment, policy, regulations, and creativity must also be used as a tool to improve supply chain efficiency and increase the reliability, capacity, and credibility of the Canadian transportation system.
- Internal challenges can be greater than challenges at the border. Many bottlenecks are due to variations in interprovincial regulations; for example, there are different provincial/territorial requirements with respect to vehicle weights and dimensions.
- Better use of existing capacity can complement infrastructure development. For example, ports and rail lines operate 24/7, but trucking services into ports operate on more limited hours that often coincide with commuter traffic peaks, resulting in inefficiencies.
- Regular, fact-based review of policy measures, legislation and regulations is needed to ensure continuous improvement.



- Recognizing that forty percent of the government-owned grain hopper car fleet will retire in roughly 10 years' time, with the remainder retiring roughly 20 years from now, agriculture stakeholders expressed their expectation that the federal government should develop an action plan and timelines for responding to this issue.
- 2. How can the Government of Canada best engage with our partners and stakeholders to develop a national outlook on trade-related transportation infrastructure priorities?**
- A government-wide perspective, including the departments of Natural Resources, Global Affairs, Environment and Climate Change, and other federal portfolios -- is needed to get Canada's goods to market efficiently.
 - In seeking to improve the efficiency of the supply chain, it is important to have a national outlook and a system-wide perspective to understand the broader economic drivers at play. Looking only at individual components or sectors of the supply chain will obscure problems. However, it is also important to keep in mind the individual needs of shippers. There may not always be one fix for all sectors.
 - There is an opportunity to foster a greater appreciation among Canadians of the importance of trade to the economy. More effort is needed by governments and industry to bridge the information gap on how transportation and trade support the national interest. This is particularly important in demonstrating benefits to provinces/territories and local communities that host nationally significant infrastructure.
 - We must balance social, safety, and environmental concerns with economic benefits and value to Canada as a whole.
 - Short-line railways could provide surge capacity for Class 1 railways and last mile elements, and work with new small businesses that may only need one car to establish a customer base.
 - While there are areas for improvement in the *Canada Transportation Act*, it also includes good tools that are well-established and should be built upon.
- 3. What is your view of the partnership model that was used over the past decade to support multimodal transportation infrastructure and policy investments? How can this approach be improved? Is a new model required?**
- Private sector is the biggest investor in infrastructure so it is important to work together and with government to find collective and collaborative solutions. We must also consider innovative funding options.
 - It is important to have a strong TC voice at the table to develop consensus about projects and leverage funding across many partners/stakeholders.
 - As there are more infrastructure priorities than can be funded, a national strategy is needed that identifies key corridors. Investments should be prioritized based on where they can have the greatest impact, such as reducing bottlenecks in the supply chain, and should have an outlook to 20-40 years in the future.



- In this context, the Gateways and Corridors approach has been successful in the past, particularly around Vancouver. However, several challenges and bottlenecks, including at ports and interior corridors, remain.
 - Process improvements should not be overlooked. After the last round of infrastructure consultations in 2008, some sectors met with their stakeholders and mapped out processes across the whole supply chain, including all the transactions and data exchanges. This identified ways to improve the efficiency of the supply chain.
 - An Advisory Committee could be used to inform evidence-based decision-making on public sector infrastructure investments.
 - The Advisory Committee could undertake similar process mapping exercises along commodity lines. Such an exercise could help to understand processes and identify bottlenecks. It would be important to have broad participation to gain that fulsome perspective.
- 4. What kind of information and data on transportation is needed to provide a good evidence base that will allow for analysis to inform investments in trade-related transportation infrastructure?**
- Data is needed to understand where bottlenecks exist and where growth areas will be in future so that fact-based decisions can be taken on where to make infrastructure investments.
 - The best use of data is as an important predictive tool for the future and not just as a historical tool. The information must be relevant to current challenges.
 - Dashboards and analytics could be used to business' advantage and should not focus only on regulatory processes.
 - The challenge is to gather the appropriate data that will inform how to improve the supply chain and address bottlenecks while protecting business confidentiality.
 - There are examples of successes in data gathering, for example, on intermodal sectors in the Vancouver area. The metrics have provided good insight on what is happening and were set up in a way that no business felt commercially disadvantaged.
 - Resolving the data issue will require cooperation between government, carriers, shippers, and producers.
 - An appropriate and impartial organization should collect and maintain data. Appropriate skill sets are needed to analyze the data and use it properly. Wherever they are housed, the collection, maintenance and analysis of these data will require a commitment of resources over and above current resourcing levels.
 - While it will require significant resources to do properly, the benefits of improved collection and use of data would be great.
 - Industry is set up to deal with predictability and reliability so does not deal well with innovation. The transport sector must learn about and institute change at the pace at which it is coming at us.