

September 18<sup>th</sup>, 2024

The Honourable Steven MacKinnon  
Minister of Labour and Seniors  
Place du Portage Phase II  
165 de l'Hôtel-de-Ville Street  
Gatineau, Québec J8X 3X2

Dear Minister MacKinnon,

On behalf of Grain Growers of Canada (GGC) and our members, we would like to share with you our appreciation for using Section 107 of the *Canada Labour Code* to impose final binding arbitration between Canadian National Railway (CN), Canadian Pacific Kansas City (CPKC) railway, and their union Teamsters Canada Rail Conference (TCRC).

As the national voice for Canada's grain farmers, GGC represents over 65,000 cereal, oilseed, and pulse producers through our 14 national, provincial and regional grower groups. Our members are trade-oriented, sustainable and innovative. As a farmer-driven association for the grains industry, GGC advocates for federal policy that supports the competitiveness and profitability of grain growers.

As detailed in our letter to you on July 22<sup>nd</sup>, grain farmers from across Canada were concerned about the possibility of a dual rail shutdown that materialized on August 22<sup>nd</sup>. Our research found that the initial impact of the dual work stoppage would cost grain farmers over \$43 million a day in the first week, rising to \$50 million a day the week after. Simply put, without binding arbitration or a way to ensure all the parties come to an agreement, there would have been substantial damage to the economy and impacts to both domestic and global food security.

While we appreciate that Section 107 of the *Canada Labour Code* was used to impose final binding arbitration, we believe that this is a situation that we should never find ourselves in again. While Canada has faced numerous labour disruptions with one of our two national railways over the past decades, we have never experienced a dual railway shutdown. This situation has made it clear that the parties must work with the government to find long-term solutions.

While Canada has two Class 1 railways, the United States has six and relies on rail transportation as much as our economy does. However, they have only had one major rail disruption in 102 years. This has been achieved through the *Railway Labor Act* which governs disputes between railway carriers and labour unions. In particular, the Act allows Congress to implement new collective bargaining agreements if negotiations break down. This is precisely what happened in 2022 when negotiations between 12 labour unions and six railways came to an impasse.

If Canada wants a competitive and growing economy that delivers products, such as grain, to international customers on time, we must find a better solution to this challenge. First, as the Canadian Industrial Relations Board (CIRB) works with the parties through binding arbitration to create new collective bargaining agreements, we urge you to insist that the agreements expiry dates be offset as they have previously been. This will ensure in the short term that we do not face a dual railway shutdown.

Second, we urge you and the government to consult and explore longer-term solutions that allow us to emulate the labour relations successes that our largest trading partner has had. This could include similar legislation as in the United States, maintenance of activities provisions, or making rail an essential service. However, only through a consultation of all parties can the government find a long-term solution that protects Canada's economic, food, and national security.

We would like to again share with you our appreciation for your efforts in restoring operations at Canada's two national railways. We ask that you explore short-term and long-term solutions to this issue, and we look forward to working with you on them in the months ahead.

Thank you,

Kyle Larkin  
Executive Director  
Grain Growers of Canada