July 8, 2026

The Honourable Steven MacKinnon, P.C., M.P.
Minister of Transport and Leader of the Government in the House of Commons
Place de Ville, Tower C
330 Sparks St
Ottawa ON K1A 0N5

(*submitted via email to* TC.engagement.TC@tc.gc.ca)

Dear Minister MacKinnon,

Thank you for the opportunity to provide written feedback on Transport Canada's (TC) consultation document, *Strengthening One Canadian Economy through Trade and Transportation*.

The Business Council of Alberta (BCA) is Alberta's leading business organization, representing the chief executives and entrepreneurs of companies across the province's major industries. We offer pragmatic, non-partisan solutions to improve Canada's investment climate and prosperity. Our members represent the majority of Alberta's private sector investment, job creation, exports, and research and development.

Trade is a crucial part of Canada's economy, accounting for roughly two-thirds of GDP, with the United States (U.S.) remaining Canada's largest trading partner. In light of ongoing trade and tariff uncertainty with the U.S., modernizing Canada's trade infrastructure, diversifying exports, and expanding access to new markets must become cornerstones of the country's strategy for long-term growth.

Over the past decade, Canada's trade infrastructure has deteriorated and new capacity has failed to keep pace with growing trade volumes. Businesses and international customers increasingly view the system as unreliable, while more than 90% of Canadians believe Canada's trade infrastructure is in poor condition. Uncertainty around infrastructure capacity, project approvals, and supply chain reliability is undermining investor confidence and Canada's reputation as a dependable trading nation.

Canada must act with urgency to address this problem. For years, the federal government has recognized the need to strengthen supply chains and improve trade infrastructure. In 2022, the Standing Committee on Transport, Infrastructure and Communities released a report identifying many of these same issues. However, progress has been too slow, fragmented, and incremental relative to the scale of the challenge.

To attract investment and achieve Canada's goal of doubling non-U.S. exports over the next decade, Canada will require significant and sustained investment in trade-enabling infrastructure. The country's transportation network must be modern, reliable, and treated as a matter of national economic significance, with supply chain reliability forming a central pillar of Canada's long-term economic and trade strategy.

Overall, BCA strongly supports the federal government's focus on strengthening Canada's trade infrastructure network and the general direction outlined in the discussion paper, particularly efforts to increase export capacity, eliminate supply chain bottlenecks, and reduce red tape. BCA recommends the following measures to help advance these objectives:

Building an efficient network of trade infrastructure

BCA supports the proposed legislative changes to designate National Trade Corridors to help identify critical bottlenecks in partnership with industry and improve the overall efficiency of Canada's supply chains. A National Trade Corridor framework would help ensure infrastructure critical to Canada's economy is planned, prioritized, and treated as such, rather than as a series of disconnected local or regional projects.

To ensure success, BCA recommends that the proposed National Trade Corridors advisory group reflect balanced regional representation and include voices from Canada's major export sectors. Its recommendations should also be made public and accompanied by clear implementation timelines and accountability measures.

To further support these objectives, the federal government should develop a long-term strategy to expand Canada's trade and export infrastructure network. The strategy should reflect the current and future needs of major exporting industries such as energy and agriculture, and focus on nationally significant projects that improve access to domestic and international markets, including projects connected to designated National Trade Corridors. This includes addressing key infrastructure bottlenecks, such as limited rail capacity for agricultural exports and constrained port and pipeline capacity for energy exports.

This strategy should be guided by clear, objective economic criteria and insulated from short-term political considerations to ensure investment decisions remain coordinated, strategic, and focused on long-term national economic interests.

Ensuring bargaining regulations support supply chain reliability

Even the most modern infrastructure will fall short if labour disruptions are a barrier to trade. As a nation reliant on international trade to support its standard of living, Canada's long-term economic competitiveness depends on reliable transportation networks and resilient supply chains. Canada's railways alone transport approximately $380 billion worth of goods annually.

As outlined in our recent submission, *Building Canada Strong for All — Powered by Canada's Workers,* labour dispute resolution in federally regulated sectors often relies on late-stage government intervention after negotiations break down, rather than mechanisms that support earlier resolution. BCA encourages the federal government to pursue reforms that strengthen early dispute resolution, improve bargaining certainty, and reduce the risk of prolonged disruptions across nationally significant transportation and supply chain networks.

In particular, BCA is concerned that changes to replacement-worker provisions under Bill C-58 may contribute to longer or more disruptive work stoppages in sectors critical to Canada's trade and transportation network.

Given the national economic importance of federally regulated transportation infrastructure, the federal government should review whether Bill C-58 is having unintended consequences for supply chain reliability and bargaining outcomes, including whether restoring previous Canada Labour Code provisions would better protect the movement of critical goods and services while collective bargaining continues.

Improving investment and financial flexibility of ports

BCA supports the federal government's focus on improving investment conditions and financial flexibility to support the competitiveness of Canada's ports. Ports play a central role in supply chain reliability and access to international markets, and investment in port infrastructure has not kept pace with growing trade volumes or the evolving needs of exporters.

To remain competitive, Canada's ports require significant investment in capacity expansion, automation, and resilience. The Association of Port Authorities estimates that ports will require up to $21.5 billion in investment by 2040 to rehabilitate aging infrastructure, expand container capacity, and support critical modernization projects.

Competing jurisdictions are investing aggressively in port efficiency and logistics infrastructure, while Canadian ports continue to fall behind in international productivity rankings due to infrastructure constraints and financing limitations. Current borrowing limits restrict ports' ability to access private capital, while the process for increasing those limits is often too slow to respond to evolving trade demands.

More broadly, the federal government should prioritize policies that improve the ability of Canada Port Authorities to finance and deliver major infrastructure projects. This includes reducing federal port rents and providing targeted tax incentives tied to modernization investments, similar to the recent cost reductions that the federal government implemented for interprovincial transportation routes in Atlantic Canada and Eastern Québec.

Finally, the National Trade Corridors Fund should remain a key mechanism for supporting these investments and be made permanent beyond its current sunset date to provide greater long-term investment certainty.

Improving governance, decision-making, and collaboration across ports

BCA broadly supports efforts to modernize governance within Canada's port system, including measures that strengthen transparency, accountability, and Indigenous participation in long-term infrastructure planning and decision-making.

Canada's ports benefit from well-designed governance structures that are commercially responsive and reflective of the communities and industries they serve. Governance reforms should avoid creating unnecessary administrative burdens such as duplicative reporting requirements, or additional approval processes that could delay investment and reduce operational flexibility.

Reforms should focus on improving coordination, transparency, and decision-making while maintaining ports' ability to respond quickly to evolving trade demands and commercial opportunities. We support the federal government's recognition of Canada Port Authorities as "works for the general advantage of Canada." Given the national significance of ports, we also support the proposed amendments to improve transparency and efficiency through enhanced data collection.

However, BCA is concerned with the limited ability ports have to collaborate directly with one another. Each port authority functions as a separate federal entity with little ability to share data, align plans, or coordinate investments. This limitation is enshrined in the *Canada Marine Act*, which only allows such cooperation if there is a complete merger between ports.

To accompany the measures proposed in its discussion paper, the federal government should also amend Section 28(2)(a) of the *Canada Marine Act* to expand permissible port activities. Currently, port authorities are limited in the types of business activities they can pursue. Loosening this limitation would provide greater operational flexibility and enable ports to better support trade, logistics, and related commercial activities.

Simplifying reporting

BCA is very supportive of the proposed "Tell-Us-Once" approach to reporting. Simplifying regulatory reporting through a single portal that improves information sharing among government departments and reduces redundancies would meaningfully improve efficiency for businesses by saving time, money, and resources currently spent navigating red tape.

That said, the discussion paper is short on specifics. Additional detail on how this approach would be implemented in practice would help businesses better understand its potential impact and effectiveness.

Reducing red tape

BCA strongly supports the federal government's efforts to reduce administrative burdens through initiatives such as paperless trade and greater alignment with international standards.

Measures that reduce duplication, simplify reporting requirements, and accelerate lower-risk approvals can help improve supply chain efficiency, reduce costs for businesses, and strengthen Canada's competitiveness as a trading nation.

However, reducing red tape today will only have limited impact if the government does not address the broader structural issues within Canada's regulatory system that allow unnecessary burdens and complexity to accumulate over time. While the reforms outlined in the discussion paper are positive, Canada also requires longer-term regulatory modernization that improves accountability and coordination across the regulatory system.

We offer extensive recommendations on how to do that in *Building a Regulatory System that Supports Investment.*

Establishing a Transportation Project Office

BCA also welcomes efforts to improve coordination for major transportation projects through the creation of the proposed Transportation Project Office. However, we would benefit from greater clarity regarding the mandate and intended function of the office, including its role with respect to the Major Projects Office, and how it will interact with existing federal permitting and consultation processes.

Summary of recommendations

BCA recommends that the federal government:

- Develop an overarching, long-term strategy, supported by a dedicated capital plan or funding commitment, to expand Canada's export infrastructure and ensure investments are coordinated and strategic. This strategy should be guided by clear, objective economic criteria and insulated from short-term electoral considerations. It should prioritize nationally significant projects that improve access to international markets, including through designated National Trade Corridors.
- Repeal Bill C-58, restoring prior Canada Labour Code provisions. Alternatively, the federal government should amend Section 94.1 of the Canada Labour Code to add an exception permitting the use of replacement workers in export-critical transportation infrastructure — including rail and port operations — where a work stoppage poses a significant risk to nationally significant supply chains.
- Increase or remove borrowing limits for Canada Port Authorities to improve their ability to finance large-scale trade infrastructure projects. Federal financing tools should be aligned to accelerate nationally significant port and trade corridor investments, including through the Canada Strong Fund for commercially viable, nation-building projects.

- Direct federal funding toward port modernization such as weather-proofing, automation, and resilience. Use the National Trade Corridors Fund to address gaps private investment can't fill and make the fund permanent beyond its 2028 sunset.
- Reduce federal port rents or provide targeted tax incentives to port authorities investing in federally prioritized infrastructure, such as port modernization. Incentivize timely investment in capacity, efficiency, and resilience.
- Amend Section 28(2)(a) of the *Canada Marine Act* to expand permissible port activities. Increase flexibility to allow port authorities to undertake business activities that support their operations.
- Amend the *Canada Marine Act* to enable greater coordination among ports, supporting coordinated operations and investment planning.

Conclusion

Canada's trade infrastructure network must be modern, reliable, and capable of supporting the efficient movement of goods across the country and to international markets. Strengthening trade infrastructure, reducing bottlenecks, and improving supply chain reliability will be critical to achieving Canada's economic and trade ambitions.

As outlined in BCA's *From Barriers to Breakthroughs*, improving Canada's competitiveness requires infrastructure and regulatory frameworks that are more predictable, efficient, and investment-oriented. The measures proposed in this consultation should form part of a broader effort to strengthen Canada's investment climate and position Canada as a more competitive and reliable trading nation.

As Canada works to diversify exports and achieve its goal of doubling non-U.S. exports over the next decade, modern trade infrastructure and resilient supply chains will remain essential to attracting investment and supporting long-term economic growth.

BCA appreciates the opportunity to participate in this consultation and welcomes continued engagement as reforms are considered.

Sincerely,

Mike Holden
Vice President, Policy & Chief Economist

cc: Hon. Maninder Sidhu, P.C., M.P., Minister of International Trade
Hon. Patty Hajdu, P.C., M.P., Minister of Jobs and Families and Minister responsible for the Federal Economic Development Agency for Northern Ontario
Hon. Dominic LeBlanc, P.C., M.P., Minister responsible for Canada-US Trade, Intergovernmental Affairs and One Canadian Economy
Michael Sabia, Clerk of the Privy Council and Secretary to the Cabinet
Michael Vandergrift, Deputy Minister, Transport Canada
Sarah Jackson, Chief of Staff, Transport Canada
Glenn Purves, Deputy Minister, International Trade
Paul Thompson, Deputy Minister, Employment and Social Development Canada
Keiran Gibbs, Chief of Staff, Jobs and Families
Brandan Rowe, Chief of Staff, Canada-US Trade, Intergovernmental Affairs and One Canadian Economy
Kevin Lemkay, Chief of Staff, International Trade