

August 19, 2020

Impact Assessment Agency of Canada (IAAC)
160 Elgin Street, 22nd Floor
Ottawa, ON K1A 0H3
Email: iaac.conditions.aeic@canada.ca

Re: Reference Number 80100 – CN Milton Logistics Hub

Dear Minister Wilkinson and IAAC,

I am writing on behalf of Food & Consumer Products of Canada (FCPC) to voice our industry's support for the CN Milton Logistics Hub.

A modern, reliable and cost-efficient supply chain is a critical component of our industry. With more than 300,000 workers, the Food and Consumer Products industry contributes nearly \$30 billion to Canada's GDP annually. Retail sales of food and beverage amounted to more than \$120 billion in 2017. Despite this success, our industry continually faces capacity constraints resulting from not having the right products in the right places for consumers.

Our industry requires more capacity to ensure our products are reaching the thousands of retail locations across our country to meet the growing needs of Canadians. Time-starved Canadians expect to find their products on grocery and drug store shelves when needed. They are also extremely sensitive to price fluctuations. Increasing our industry's distribution capacity through an expanded intermodal network will support our obligation to provide Canadian consumers with competitive and stable pricing while also ensuring we drive sales and export to other markets. The Canadian government has set an ambitious target to grow Canada's agri-food exports to at least \$75 billion annually by 2025. CN's investment in expanding inland intermodal capacity with the Milton Logistics Hub represents an important step in advancing that agenda.

It is critical that this project proceed to create the flexibility that is needed to counter interruptions that can impact our supply chain, from everyday congestion on our highways to unanticipated events such as rail blockades, which we experienced earlier this year. The conditions for this project should account for this variability and not lead to greater inefficiencies in the supply chain. Creating greater efficiency of goods movement in the Greater Toronto and Hamilton Area (GTHA) not only serves this populous area specifically, but more broadly improved fluidity will benefit the entire supply chain network.

We are encouraged by the prospect of federal approval for the Milton Logistics Hub with reasonable conditions that do not cause delays to the construction of this vital infrastructure.

Sincerely,



Michael Graydon
Chief Executive Officer
Food & Consumer Products of Canada