

August 18, 2020

The Honourable Filomena Tassi, P.C., M.P. Minister of Labour House of Commons Ottawa, Ontario

Via e-mail to: Filomena.Tassi@parl.gc.ca

Dear Minister Tassi:

I am communicating with you to express the concerns of the Canadian soybean sector pertaining to the repercussions of the indefinite and injurious labour disputes that are continuing at the Port of Montreal.

Soy Canada is the national value chain organization that represents Canadian soybean seed developers, farmers, processors, exporters and affiliated organizations. Produced from Nova Scotia to Alberta, soybeans are Canada's third most valuable field crop after canola and wheat.

As two-thirds of annual production must be exported, internationally competitive and dependable transportation routes to foreign markets are indispensable. Shipments by container via the Port of Montreal account for a vital portion of soybean sales to critical markets in Europe and Southeast Asia.

The forced diversion of rail shipments and vessels from Montreal to Atlantic Coast ports results in: breeches of contract obligations with foreign clients; increased overland and ocean vessel shipping costs; impairment or elimination of already narrow profitability margins for producers and exporters; and, further deterioration of Canada's diminishing reputation as a reliable exporter.

The strikes at the Port of Montreal are occurring at a most inopportune time. The competitiveness of the Canadian soybean sector has already been singularly impacted by the Canada-China bilateral events of December, 2018 (Canadian soybean exports to China in 2019 were 3% of the previous five-year average) and Canadian soybean producers have stood alone in bearing the market-altering impact of three successive years of compensatory payments by the U.S. government to its soybean farmers.

The tangible consequences of nineteen months of failed negotiations at the Port of Montreal are now being borne by the Canadian economy generally, including soybean producers and exporters. While we welcome the "encouraging progress" in negotiations referenced in your press release of August 17, we believe the time is now overdue for the Government of Canada to employ every available mechanism to ensure the immediate resumption of exports through the Port of Montreal.

Sincerely,

Ernie Sirski Chair, Board of Directors

C.c.: Prime Minister of Canada

Minister of Agriculture and Agri-Food

Minister of Finance

Minister of International Trade

Minister of Transportation