

Executive Director's Statement-Bruce Rodgers

Milton Logistics Hub: Oversight or Roadblock?

The year has started with a very upsetting development affecting supply chain fluidity. On March 1st, [The Federal Court of Canada ruled](#) that it was blocking approval of the CN Logistics Hub planned for Milton, Ontario. Proposed in 2015, the \$250 million investment would handle four trains a day, transferring cargo to approximately 800 trucks into or out of the rail yard.

The Federal Court's decision is especially frustrating because the project had passed through a multi-year environmental assessment as requested by the Minister of Environment and Climate Change Canada. The Minister established 325 legally-binding conditions, to protect the environment and human health, which would make this the most stringently regulated hub in North America, all of which were satisfied by CN. With the recent memories of the disastrous supply chain breakdowns during the Covid pandemic, many of which centered on inland terminals, we can imagine that the Cabinet was pleased to approve the project in 2021.

After the license was issued by the federal government, opponents sued to stop the project and the Federal Court did so, ruling that the assessment was flawed, and failed to consider potential health risks relating to air pollution from the diesel fumes. Thankfully, CN has pledged to continue its attempts to develop the Hub.

What can happen to advance this file? It seems likely that the environmental panel will be asked to re-assess the project in light of the recent decision and craft additional conditions for CN to try and satisfy. How long will that take? Will the panel be able to recommend measures to mitigate any health hazards?

Will the people who crafted the environmental assessment panel's workplan face any consequence for their "lack of oversight" (read: roadblocks)?

Nobody wants people to get sick because of industrial activity, but this case seems to illustrate how frustrating it has become to build in Canada. The many layers of review seem to stack up against new development even when those projects might provide an environmental benefit, as well as a critical economic contribution.

We need to remember that CN does not have to invest its money in Ontario. Companies have choices about where to make their investments. There is a reason why foreign investment has been so hesitant in recent years-investors don't trust us. And this lamentable situation in Milton is a good example of why.

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