



September 30, 2011

Office of the President and  
Chief Executive Officer

Cabinet du président  
et chef de la direction

The Honourable Ed Fast, P.C., M.P.  
Minister for International Trade  
125 Sussex Drive  
Ottawa, ON K1A 0G2

Dear Minister Fast:

I am writing to bring to your attention a serious issue that deserves the urgent attention of the government, both as an economic threat and as a potential setback to the critical work the Prime Minister and President Obama have initiated to improve economic and security cooperation between Canada and the United States.

As you will know, the Chairman of the U.S. Federal Maritime Commission last week told the Canada Maritime Conference in Montreal that, in response to political calls to reduce the amount of cargo traveling to and from the United States via Canadian ports, he will ask the Commission next Wednesday to undertake an investigation of measures the US government might take. He cited a range of elements that he wants to include in the proposed review, including the financing for maintaining and upgrading harbours, security inspections of containers at Canadian ports, and Canadian rail costs. I have attached a copy of the Chairman's text for your information.

A July 25, 2011 report by the Journal of Commerce reported earlier comments by Chairman Lidinsky at the quadrennial convention of the International Longshoremen's Association in Hollywood, Fla. that indicated his clear intention to target Canadian ports and carriers.

As American and Canadian businesses face growing competition in global markets, it is critical to ensure that North America's logistics system is as affordable and efficient as possible. Shippers, retailers and consumers alike all benefit from the competition that exists among North American ports.

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Just as some cargo moving between the United States and other continents passes through Canadian ports, so, too, do American ports handle shipments originating in or destined for Canada.

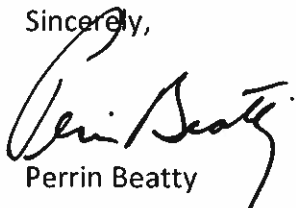
The goal of the proposed investigation is not to level the playing field, but to level the competition by re-imposing economic regulation in an attempt to undermine Canadian competitiveness. We face an immediate process that will be both expensive and intrusive and will compel Canadians to defend our entire logistics system.

This is a matter of concern, not only because of the potential impact on Canadian businesses and their customers, but also because this protectionist effort will be launched at the very moment our two governments are undertaking a joint effort to increase their economic and security cooperation. Such activities by an agency of the U.S. government will undermine both the substance of those negotiations and the public support needed to implement them.

I urge you to express to United States authorities Canada's conviction that the proposed investigation is unwarranted and would seriously undermine the efforts President Obama and Prime Minister Harper have initiated to ensure a secure and trade-efficient border between our two countries.

If you require any further information about this issue and about the harmful impact it could have on our economies, we would be pleased to provide it at any time.

Sincerely,



Perrin Beatty

c.c.: *The Honourable John Baird, P.C., M.P.*  
*The Honourable Denis Lebel, P.C., M.P.*  
*Ambassador Gary Doer*  
*Ambassador David Jacobson*