Canadian Propane Association | Association canadienne du propane

Canadian Propane Association: Written Submission to the House of Commons

Study of Bill C-39, An Act respecting certain measures to strengthen the economy (Building Canada Strong Act)

October 2026

1. Executive summary

The Canadian Propane Association (CPA) supports the objectives of Bill C-39 and welcomes proposals to strengthen supply-chain resilience and improve the federal labour dispute-resolution framework. Earlier engagement, special mediation and clearer federal processes are constructive steps that reflect concerns CPA has raised in previous federal advocacy.

However, better dispute resolution alone does not ensure that essential heating fuels can reach Canadians during a national rail stoppage. Approximately 75% of Canadian propane moves by rail. Disruptions can put pressure on home heating, agricultural operations, essential facilities and communities with few alternative energy sources, especially in winter.

CPA's principal recommendation is a narrow, rights-respecting mechanism that permits advance identification and continued movement of critical propane shipments when necessary to protect public health and safety. Recognition of propane as an essential energy commodity should inform that mechanism; it should not be confused with an automatic legal designation of propane transportation as an essential service.

2. Why reliable propane transportation matters

Propane supports residential heating, grain drying, livestock and greenhouse operations, commercial activity and backup power. Approximately 286,000 Canadian households use propane as their primary heating fuel. In rural, remote and Indigenous communities, substitute fuels or infrastructure may not be readily available.

Canada produces substantially more propane than it consumes domestically, but production capacity cannot substitute for reliable distribution. Rail is a critical link between western production, eastern consumers and export markets. During the August 2024 rail disruption, CPA industry estimates identified potential impacts of approximately $9.82 million per day, while restoration of normal supply-chain operations could take four to six weeks. These estimates should be supported by CPA's underlying analysis when filed with the Committee.

3. Support for targeted labour-relations reform

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CPA supports the direction of Bill C-39's proposed changes to federal labour dispute resolution, including earlier bargaining engagement, special mediation and a clearer process for considering nationally significant impacts. These approaches can improve predictability and create more opportunities for negotiated settlements.
CPA respects collective bargaining and the right to strike. Its proposed safeguard is not a general prohibition on work stoppages or a requirement to maintain ordinary commercial volumes. It is a targeted means of preventing foreseeable threats to health and safety arising from interrupted delivery of essential energy.

4. Close the gap: a proportionate essential-energy continuity mechanism

A framework that addresses disruption only after a strike or lockout begins may leave insufficient time to protect critical deliveries. Propane supply chains depend on railcar cycles, terminal inventories, scheduling and seasonal demand. Trucking is not a complete replacement for rail at national scale.

Recommendation 1. Amend the federal labour-relations framework to authorize the Canada Industrial Relations Board, on evidence and after hearing affected parties, to determine whether minimum transportation service is necessary to avoid an immediate and serious threat to public health or safety from interrupted essential-energy deliveries, including propane. Any order should be time-limited, proportionate and restricted to demonstrably critical movements, such as heating fuel for vulnerable communities and essential facilities. It should specify objective criteria, allow review as circumstances change and preserve meaningful collective bargaining and strike rights to the greatest extent possible.

Recommendation 2. Provide for advance, transparent risk assessment and contingency planning before foreseeable national transportation stoppages, involving labour and employers, carriers, energy suppliers, provinces and relevant federal agencies. Prioritize winter heating requirements, remote communities and critical agricultural or emergency uses.

Recommendation 3. Explicitly recognize propane as an essential energy commodity for purposes of assessing the public-health, safety and energy-security consequences of transportation disruptions, without assuming that commodity recognition alone creates an essential-service designation under labour law.

5. Conclusion

Bill C-39 is an opportunity to strengthen Canada's supply chains while respecting the rights of workers and employers. The Committee should preserve the bill's constructive dispute-resolution reforms and add a carefully bounded mechanism to protect the delivery of essential energy where public health and safety are at risk. Building Canada strong means ensuring Canadians can access reliable, affordable energy wherever they live.

6. About the Canadian Propane Association

The Canadian Propane Association is the national voice of Canada's propane industry. CPA advances safe, reliable and affordable propane use through public policy advocacy, industry training and emergency-response services.