



August 16, 2024

The Right Honourable Justin Trudeau, P.C., M.P.  
Prime Minister of Canada  
80 Wellington Street  
Ottawa, Ontario K1A 0A3  
Via email: [pm@pm.gc.ca](mailto:pm@pm.gc.ca)

President Joesph Biden, Jr,  
President of the United States  
The White House  
Washington, DC 20500

Dear Minister Trudeau and President Biden,

**Urgent Concerns Regarding the Potential Rail Strike and Its Impact on the Sulphur and Sulphuric Acid Industries**

I am writing to express our deep concern regarding the potential rail strike and its significant implications for the sulphur and sulphuric acid industries in Canada. As a key stakeholder in this sector, I believe it is crucial to highlight the potential disruptions and economic consequences that could arise from such an event.

The Sulphur Institute (TSI) is an international industry trade association representing stakeholders that produce, consume, market, and distribute elemental sulphur and sulphuric acid. TSI members include companies that market and ship a significant amount of Canadian-produced sulphur and sulphuric acid domestically and exported to the global market.

Elemental sulphur is produced as a by-product of the oil and gas refining process. Sulphur compounds are removed from the oil and gas streams and converted to molten sulphur. Molten sulphur and formed solid sulphur is then held at origin before being loaded for transportation, primarily by rail car. Sulphuric acid is produced as a by-product of the metals smelting process and from the roasting of elemental sulphur. Smelters that once released sulphur dioxide into the atmosphere now sequester the gas and convert it to sulphuric acid, the number one used industrial chemical in the world. Without sulphur and sulphuric acid evacuation from refineries and smelters, both processes would have to curtail production, affecting workers, and consumers.

Canada is a significant player in the global sulphur market, it's the fourth-largest exporter of sulphur in the world. The main destinations for Canadian sulphur exports are the United States, Australia, China, Mexico, and Chile. Similarly, Canadian exports of sulphur and sulphuric acid to the United States measure over 1.3 and 1.8 million tonnes per year respectively and are primarily shipped from the refining and smelter locations by rail tank car. The sulphur and sulphuric acid industries are vital components of Canada's industrial landscape, playing a critical role in various sectors including water treatment, agriculture, mining, petroleum, pulp and paper, battery production and manufacturing. These industries rely heavily on rail transportation for the efficient and timely delivery of raw materials and finished products. A disruption in rail services would severely impact the supply chain, leading to delays, increased costs, and potential shortages of everyday products. This could lead to a ripple effect, impacting downstream industries and potentially causing production halts. There isn't enough truck capacity to replace this amount of rail and not all facilities are equipped to handle trucks.

The potential rail strike poses several risks, including:

1. **Impact on Drinking Water:** Sulphuric acid is an essential raw material in the production of water treatment chemicals, such as aluminum sulphate and ferric sulphate, which are necessary to produce safe drinking water in multiple municipalities across Canada and the USA.
2. **Impact on Mining:** Sulphuric acid is a critical component in the mining industry, particularly in the extraction and processing of metals. A disruption in its supply could lead to delays in mining operations, increased operational costs, and potential losses in production efficiency.
3. **Impact on Agriculture:** Sulphur and sulphuric acid are essential to produce fertilizers and pesticides. A disruption in their supply could affect agricultural productivity, leading to potential shortages of essential agricultural products and increased costs for farmers.
4. **Impact on Petroleum Industry:** Sulphuric acid is crucial in refining processes, especially in alkylation units for producing high-octane gasoline components. A disruption in its supply could slow down or halt refinery operations, leading to reduced gasoline production, increased operational costs, and regulatory compliance issues.
5. **Impact on Pulp and Paper Industry:** Sulphuric acid is used in the production of bleaching agents for the pulp and paper industry. A disruption in its supply could lead to delays in production, increased costs, and potential shortages of paper products.

6. **Impact on Battery Production:** Sulphuric acid is a key ingredient in the manufacture of lead acid batteries which are widely used in automobiles, heavy motive equipment and telecommunications tower back-up. An extended disruption in its supply could lead to the slow down of a vast number of manufacturing companies affecting their customers and those workers employed by them.
  
7. **Environmental Concerns:** Sulphur and sulphuric acid are essential for various environmental applications, including industrial water treatment and pollution control. A disruption in their supply could hinder these critical environmental protection efforts.

Given these potential consequences, I urge the government to take proactive measures to prevent the rail strike and ensure the continuity of rail services. It is essential to engage in constructive dialogue with all stakeholders, including labor unions and industry representatives, to find a resolution that safeguards the interests of both workers and the economy.

I appreciate your attention to this urgent matter and look forward to your prompt action to mitigate the potential impacts of the rail strike on the sulphur and sulphuric acid industries.

Sincerely,

A handwritten signature in black ink that reads 'Craig W. Jorgenson'.

Craig Jorgenson  
President & CEO  
The Sulphur Institute

The Honourable Pablo Rodriguez, P.C., M.P., Minister of Transport  
The Honourable Steven MacKinnon, P.C., M.P., Minister of Labour and Seniors  
The Honorable Pete Buttigieg, US Secretary of Transportation