

- In terms of border-related issues, one of the criteria of the World Bank index, it was suggested that the focus should be on border congestion problems, identifying bottlenecks and investing in reducing them. Another suggestion was to expand the security perimeter to include the entire continent and not just to limit it to the borders. Last, it was suggested that customs formalities with Mexico and the United States be simplified. This last recommendation lines up with the concerns of freight agents that expressed their dissatisfaction with international shipments to Canada. This is consistent with the advice of numerous other experts in Canada who feel that Canada could play a bigger role as a continental port of entry and take advantage of NAFTA if the border-related issues could be mitigated and the regulations for various methods of transportation harmonized (see for example Brooks, 2006).
- In terms of infrastructure, another World Bank criterion, the report recommended adopting a continental approach for planning transportation systems and infrastructure. In fact, it is felt that road, rail, air and sea transportation corridors must be planned at the continental level to determine the extent and levels of current and future congestion. In particular, rail transportation requires consideration, given the growing need, particularly as a result of environmental pressures that are expected to further increase its popularity.
- Last, other relevant recommendations concerned issues such as harmonizing road transportation regulations between provinces, adopting an intelligent transportation systems policy and developing technologies to facilitate transportation and customs procedures and greater availability of statistical data on the flow of goods.

5.2.2 Company-related issues

Government policy would also be relevant with regard to companies. First, despite recent efforts by Industry Canada to better understand and support Canada's logistics sector, much remains to be done in terms of assessing and understanding the performance level of Canadian companies regarding supply chain management. Recent Industry Canada studies and surveys show that Canadian companies are lagging when it comes to deploying and integrating electronic systems for logistics and outsourcing. It also reveals that most companies that outsource to low-cost countries do not adopt best practices, and their total cost results are therefore negative.

That said, we do not know why Canadian companies lag behind in adopting better practices. Are they less well informed? Are their managers less well trained? Do they have the financial means for adopting and integrating the increasingly sophisticated systems being promoted in supply chain management? Are there concrete examples of companies that have successfully adopted best practices in terms of logistics and demonstrated leadership in their business line? How should this knowledge and these good practices be conveyed to companies that are having more difficulty? Should smaller companies that are taking longer to adopt best practices receive assistance? Does government policy on innovation also cover logistics issues? These are issues that call for some level of government involvement.