

5.2.1 Global issues

Because Germany ranks first on the World Bank's Logistics Performance Index, it is a good idea to try to understand the reasons for its high performance. This country leads in infrastructure and ranks third for customs formalities, two criteria for which there is government involvement. The German government takes an active interest in logistics and has developed a master plan for freight transport and logistics (Tiedemann, 2009). The objectives of this plan are as follows:

- Optimize the use of infrastructure and make transportation more efficient;
- Eliminate unnecessary travel to facilitate mobility;
- Move more traffic to domestic rail and maritime routes;
- Promote clean, green transportation;
- Create good working conditions and training in the freight industry;
- Adopt measures to make Germany even more attractive as a logistics centre.

Canada's challenges are very similar to those facing Germany (globalization and global sourcing, increase in traffic and congestion, labour shortages, environmental protection and new logistics technologies). Canada could draw on the objectives and measures proposed in Germany's master plan. For example, to attract the flow of goods to or from North America through Canada, it would be helpful to align government policy with the environmental and technological logistics mandates of multinationals. To achieve this, the Canadian government could try to attract investment in logistics to Canada by facilitating the emergence of logistics centres like those in countries that have received high ratings from the World Bank. Another example from the Throne Speech and the 2010 budget is that the government has promised to develop a strategy to make Canada a leader in the global digital economy. Innovation in global supply chain management could be a pillar of this strategy.

Benchmarking is good practice in logistics, and, more generally, in management. The Canadian government should also practice benchmarking by analyzing the high logistics performance of countries such as Germany. In developing its master plan, the German government conducted numerous consultations with representatives from industry, academia, professional associations, unions, etc. In Canada, there is a similar initiative—Gateways and Trade Corridors—in Western, Central and Eastern Canada. In this context, it is helpful to take a look at some of the recommendations that came out of a workshop held at the University of Western Ontario in March 2008 concerning the Ontario-Quebec Continental Gateway and Trade Corridor (Cunningham, 2008).

- With regard to Canada's competitiveness in North America, recommendations included 1) setting up an agency that would coordinate policy through a number of jurisdictions, both within Canada and with the United States; 2) strengthening the free trade agreement with the United States to increase the flow of goods, services and capital; and 3) considering the concept of free trade zones like in Rotterdam, Netherlands.