



Bank Of Canada Warns “Very Distressing” Bridge Blockade Could Impact Economy

Description

CANADA: Update (1428ET): Bank of Canada (BoC) Governor Tiff Macklem explained this afternoon that the Ambassador Bridge blockade is very distressing and could impact the economy. He said the disruption at the busiest commercial crossing between the U.S. and Canada could further strain supply chains.

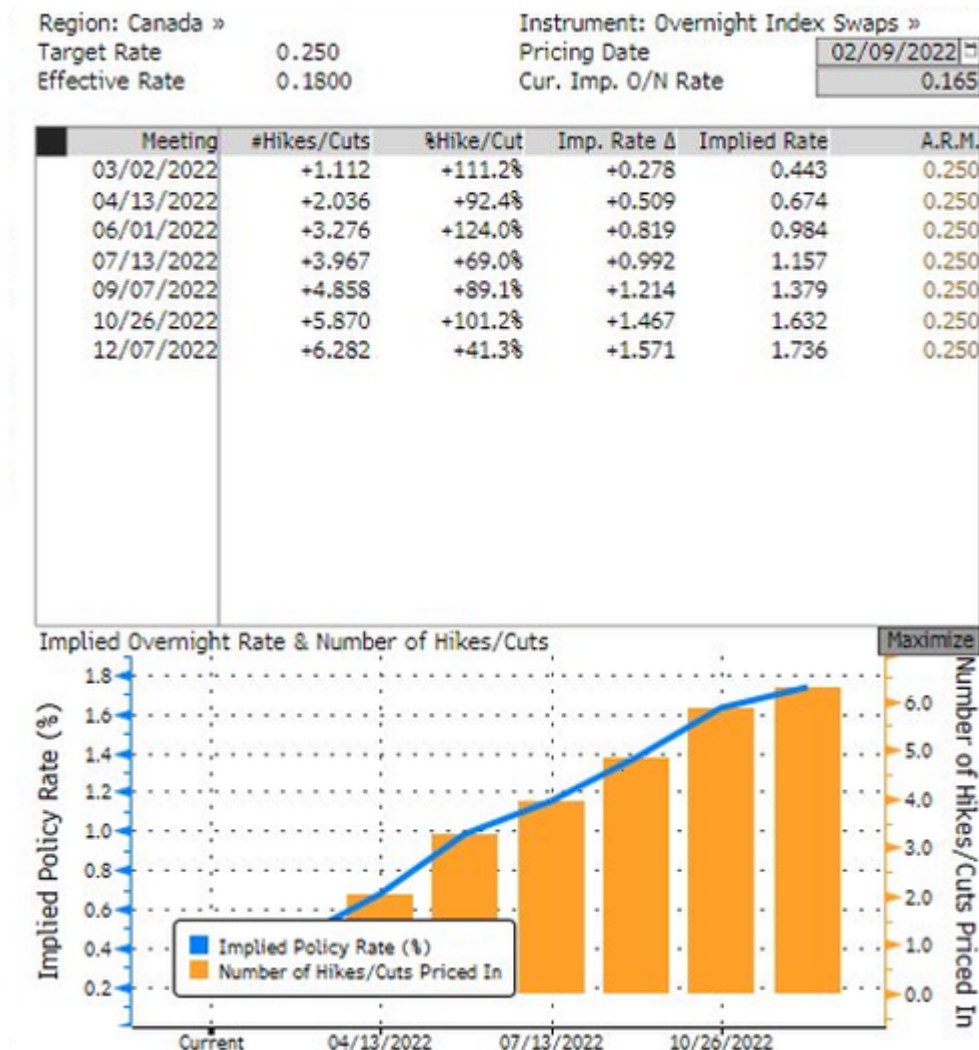


Macklem’s concern comes as the central banker has signaled the future path of interest-rate increases this year. He said it’s time to raise interest rates from emergency levels to quell inflation.

“Productivity growth is vital to non-inflationary growth and rising standards of living,” he said in recent prepared remarks to the Canadian Chamber of Commerce. “At a time when

inflation is already well above our target, this is more vital than ever.”

Canadian rate markets are pricing a little more than six interest rate hikes by December to cool inflation.



However, Macklem could use the blockade, if it occurred long enough, as a scapegoat for the economic woes Canada is experiencing: growth is falling and inflation soaring, otherwise known as stagflation.

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At least one hundred protesters and dozens of vehicles blocked traffic between the busiest commercial crossing between the U.S. and Canada, the Ambassador Bridge, for the third day on Wednesday as some truckers have been given orders to re-route deliveries hundreds of miles to avoid logjams.

“Problems for motorists heading toward the U.S. border continue. The Ambassador Bridge between Windsor and Detroit remains closed,” according to [CityNews Toronto's traffic reporter Kyle Hocking](#).

Problems for motorists heading toward the US border continue. The Ambassador Bridge between [#Windsor](#) and [#Detroit](#) remains closed, plus the OPP have been forced to shut down a stretch of the WB 402 headed into [#Sarnia](#). The Blue Water Bridge is open, but heavily backed up. <https://t.co/MyPGJWyhew>

— Kyle Hocking (@HockCityNews) [February 9, 2022](#)

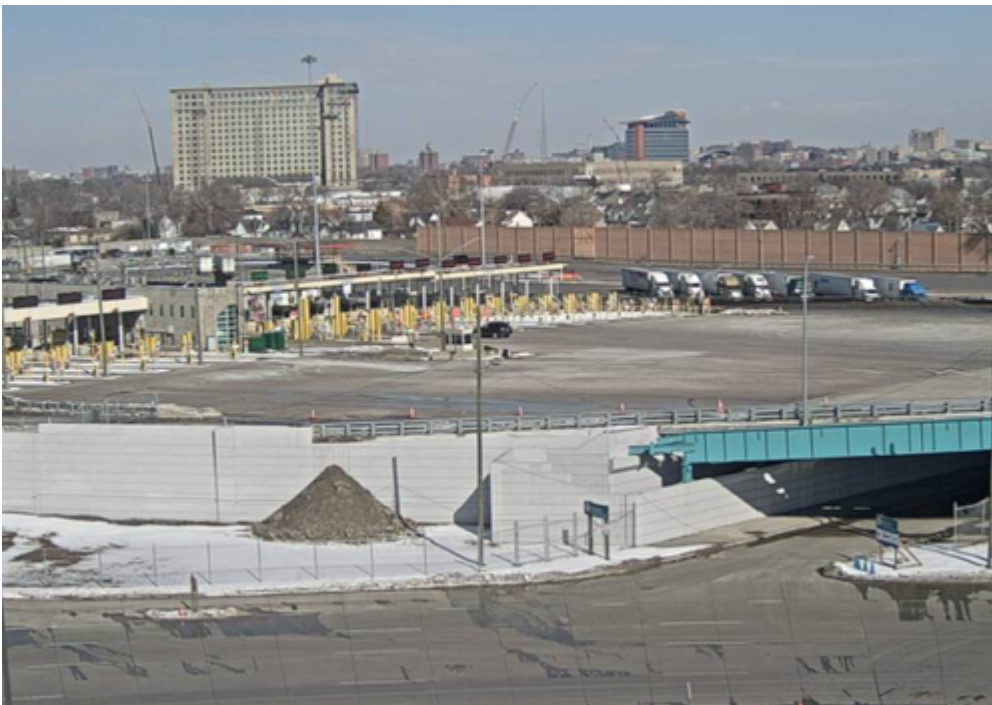
[Detroit's WWJTtraffic](#) provides a traffic camera view of a highway that leads to the bridge, showing what appears to be hundreds of trucks in gridlock. The local news outlet said, "Ambassador Bridge into Canada remains closed."

BORDER: [#AmbassadorBridge](#) into [@Canada](#) remains CLOSED. All lanes OPEN into US w/access via Wyandotte St. Cars can take [@DetWinTunnel](#) – Still watching long backups on EB I-94 near [@bluewaterbridge](#)

HAPPENING NOW: Update from Windsor city officials. <https://t.co/2BBo1Dqx70pic.twitter.com/30M4YJ4Guv>

— WWJTtraffic (@WWJTtraffic) [February 9, 2022](#)

Looking at [traffic cam footage](#) of a section of the bridge from Canada into the U.S., limited activity appears.



Footage of the bridge into Canada also appears to be limited to no activity.



Supply chain website [FreightWaves](#) sheds more color onto the Ambassador Bridge situation, also saying the critical bridge “remained closed as several dozen vehicles, including some trucks, continued to block an access road from the Canadian side.”

These reports seem contrary to Bloomberg’s headlines on Tuesday afternoon that said the “Ambassador Bridge reopened to trucks after protest closure.”

We noted a logistical nightmare is playing out on the U.S.–Canada border in the Detroit area as trucks carrying goods have had to shift their routes. There have been some instances that truckers have [detoured hundreds of miles](#).

Protests against the COVID-19 vaccine mandate for truckers stretches into the third day **could be problematic for Detroit’s auto industry** and may cause it to come to a “screeching halt” if part suppliers from Canada cannot deliver parts.

by Tyler Durden

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1. Economy-Business-Fin/Invest
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3. Politics-Geopolitics-Gov.-Events

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1. Bank of Canada

2. Canada

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