

# CANADA Daily News and Updates May 2nd 2024

## Air Updates

- Airfreight Contracts Begin to Reflect Threat of a Q4 Capacity Crunch

## Ocean Updates

- Indian Trade Disrupted as Port Congestion Forces Liner Services to Skip Calls
- Houthi Attack on MSC Ship in Indian Ocean Indicates Further Range

## Rail and Truck Updates

- CP, CN Railway Workers Vote to Strike
- CN Update: Negotiations with TCRC
- CPKC Update: Negotiations with TCRC

## Air Updates

### Airfreight Contracts Begin to Reflect Threat of a Q4 Capacity Crunch

“Capacity will be king in Q4,” said one forwarder at the recent CNS Partnership event in Dallas – that is now becoming clear in the data and shipper airfreight contracts, according to Xeneta.

Volumes are coming off the spot market, it explained. In April, the spot market share was 41%, down 4 percentage points from a year earlier. And, with fears of a busy Q4, shippers and forwarders are starting to plan ahead.

“There’s the reality of now, where you will see load factor decline on markets, because of the increase in capacity, sitting alongside preparations already under way for Q4,” said Xeneta’s chief airfreight officer, Niall van de Wouw.

Read more in an [article from The Loadstar](#).

## Ocean Updates

### Indian Trade Disrupted as Port Congestion Forces Liner Services to Skip Calls

Container lines are wrestling with growing service reliability challenges on connections out of India – the longer journey around southern Africa and congestion problems at hub ports en route, particularly Jebel Ali, have taken a toll on their operations.

CMA CGM and MSC have announced port call changes on several Indian services to help schedule recovery, sparking serious concerns for shippers and forwarders.

Read more in an [article from The Loadstar](#).

### Houthi Attack on MSC Ship in Indian Ocean Indicates Further Range

The attack on the *MSC Orion* on April 26 is raising troubling questions, as the vessel was in the Indian Ocean, up to 400 nautical miles from the mainland of Yemen.

The ship, which is registered in Portugal and owned by Eyal Ofer's Zodiac Maritime and chartered to MSC, reported an explosion and found some debris believed to be from an "uncrewed aerial system." The ship sustained some minor damage.

The Houthi in mid-March had threatened to expand the zone of attack to include portions of the Indian Ocean. They said they would disrupt ships attempting to divert away from the Red Sea and traveling around Africa. So far, while there have been several other Indian Ocean attacks, this is the first confirmed at these distances.

Read more in an [article from The Maritime Executive](#).

## Rail and Truck Updates

### CP, CN Railway Workers Vote to Strike

Workers for Canada's biggest railways have voted to strike, setting the stage for a potentially crippling labour disruption that could stall freight shipments across the country.

The Teamsters Canada Rail Conference union says members working at Canadian National (CN) and Canadian Pacific Kansas City (CPKC) voted overwhelmingly in favour of a strike mandate as both sides remain far apart in labour negotiations.

The Teamsters could now call for a nationwide rail strike as early as May 22. It would impact around 9,900 train conductors, locomotive engineers and other workers.

The union said turnout for the votes came in at 92 percent, with 98 percent supporting a strike mandate. The numbers varied among the four bargaining units, though none came back at lower than 95 percent.

The strike vote comes at the end of the 60-day conciliation period between the railways and unions. Both sides are now in a 21-day cooling off period. No strike or lockout can take place until it concludes.

Read more in an [article from iPolitics](#).

### **CN Update: Negotiations with TCRC**

In a notice to customers on May 1, CN said it met with representatives of the Teamsters Canada Rail Conference (TCRC) union for contract negotiations on April 29 and 30, supported by federal conciliators.

CN indicated that the union is unavailable to meet again until May 13.

The company said it maintains a cautious outlook regarding the possibility of finalizing a deal by May 22, when a labour disruption could begin.

To stay informed about the collective bargaining updates between the TCRC union and CN, visit [www.cn.ca/TCRCinfo](http://www.cn.ca/TCRCinfo).

### **CPKC Update: Negotiations with TCRC**

With the assistance of federal conciliators, CPKC and the Teamsters Canada Rail Conference (TCRC) leadership are meeting again this week to continue negotiations to renew the collective agreements for both Train and Engine (T&E) and Rail Traffic Controller (RCTC) employees. The parties remain far apart.

A work stoppage will impact all Canadians. It will halt freight traffic on CPKC's Canadian rail network. It will disrupt essential supply chains throughout North America, and significantly constrain trade between Canada and the U.S. and Mexico. Commuter services hosted on CPKC's network in Montreal (Exo), Toronto (Metrolinx) and Vancouver (West Coast Express) will be unable to operate.

The TCRC leadership and CPKC are meeting this week and scheduled to meet again during the week of May 13.