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Ocean Updates

Bad Weather Causes Chaos at Indian Ports, and Cargo Backlogs Build

Container flows out of India's west coast ports are under severe pressure, as terminals battle cargo bottlenecks from extreme weather on top of lingering capacity pressure linked to a build-up of volumes.

Container lines have reported significant vessel delays at Mundra Port, which bears the brunt of the country's containerized trade, after torrential rain and flooding swept through the coast last week.

"For at least three days, flooding brought the entire shipping system at Mundra to a standstill," said a senior executive at one of the leading carriers.

Read more in an article from The Loadstar.

Ocean Carriers 'Fire Blanks' Ahead of China's Golden Week Holiday

Fearing another container spot rate crash, ocean carriers have blanked a number of export sailings from Asia to Europe and Asia to the U.S., prior to the Chinese national holiday in early October.

A carrier contact said last week he expected to see "many more" void sailings this year in the key soft-demand weeks of the slack season.

"We are determined not to get sucked into another rates war this year, and as long as the Red Sea diversions continue we think we will be ok," said the contact.

Drewry's latest blanked sailings assessment puts the notified cancellation rate in September for scheduled sailings on the transpacific, Asia-Europe and the transatlantic at 10% to date.

Read more in an article from The Loadstar.

Rail Updates

Canada Rail Union Launches Court Challenges to Back-to-Work Order

The union representing workers at Canada's two main rail companies said on Friday it had filed court challenges against rulings by the country's industrial labour board that forced them back to work.

The union had already said it would appeal the rulings on the grounds that they were a win for the railways and could lead to the imposition of future contracts, eroding workers' bargaining power.

"These decisions, if left unchallenged, set a dangerous precedent where a single politician can bust a union at will," said Paul Boucher, president of the Teamsters rail union.

"The right to collectively bargain is a constitutional guarantee. Without it, unions lose leverage to negotiate better wages and safer working conditions for all Canadians," he said in a statement.

Read more in an article from Reuters.

International Business/Government

Bangladesh Garment Industry Short on Cotton as Floods Worsen Protest Backlog

Garment factories in Bangladesh, one of the world's biggest clothing production hubs, are struggling to complete orders on time as flooding disrupts their cotton supplies – exacerbating a backlog caused by recent political turmoil.

Bangladesh is a leading global cotton importer due to the size of its textile and garment industry, but the devastating floods mean few trucks and trains have been able to bring supplies to factories from Chittagong port over the last week, industry officials and analysts said.

The disruption, on top of the unrest and protests that led to factory closures earlier this month, have caused garment production to fall by 50%, said Mohammad Hatem, president of the Bangladesh Knitwear Manufacturers and Exporters Association.

Read more in an article from the American Journal of Transportation.