CANADA Daily News and Updates March 24th 2025

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Air Updates

Forwarders Predict Fall in Airfreight Rates as E-Commerce Eyes Sea Freight

Forwarders are warning that, although the airfreight market currently seems stable, conditions could change very quickly, and the longer-term outlook could be challenging for airlines as e-commerce platforms look to sea freight instead.

"So far, volumes from China to the U.S. have not reduced significantly, but it is very much dependent on U.S. tariff policy; so it could go upside down overnight," said one Shanghai-based airfreight forwarder.

The forwarder said e-commerce is likely to become a less reliable source of tonnage for carriers, which could hit rates.

"From what I understand, the e-commerce platforms are all preparing to send cargo by sea, then keep the shipments in overseas facilities/bonded areas, to make final deliveries when the orders are placed. Sending those shipments by air won't work for most e-commerce in the long run."

Read more in an article from The Loadstar.

London Heathrow Airport Now 'Fully Operational' After Electricity Station Fire

London Heathrow Airport was shut down for 18 hours on Friday after a fire at a nearby electrical substation. However, airlines warned that disruptions would continue for days as they worked to get planes, crews, and passengers back on track.

"We have hundreds of additional colleagues on hand in our terminals and we have added flights to today's schedule to facilitate an extra 10,000 passengers traveling through the airport," Heathrow said.

British Airways, the airport's biggest airline, said recovering from such a major incident is "extremely complex."

The fire broke out at a substation 3.2 km from Heathrow, cutting power to the airport and over 60,000 properties. On Friday, more than 1,300 flights were cancelled, leaving around 200,000 people stranded.

Read more in an article from Euronews on Yahoo News.

Ocean Updates

Port of Montreal Negotiation Update: MEA, Longshoremen's Union

Since November 25, the MEA and the Longshoremen's Union have been engaged in a 90-day mediation process, which was supposed to end on February 14. At the mediator's suggestion, both parties agreed to extend the process until March 14. The parties and the mediator continued discussions in an effort to find common ground, with the goal of reaching a negotiated collective agreement.

The special mediator informed the parties on March 19 that he no longer saw any potential agreement between the two parties and ended the mediation process.

The end of mediation triggers the process of arbitration, to which both parties must submit.

Information from the <u>MEA website</u>.

Rail and Truck Updates

Quebec's Thaw Period Begins Today in Zones 1 and 2

Quebec's Ministry of Transport and Sustainable Mobility announced on March 20 dates of the thaw period for zones 1 and 2.

For those two areas of central and southern Quebec, load restrictions due to thaw will apply from Monday, March 24 to Friday, May 23.

The target dates for Zone 3 have been pushed back. The thaw period is now expected to run from March 31 to May 30.

Read more in an <u>article from Transport Routier</u> (translated from French).

International Business/Government

France Backs Using EU's Top Trade Tool Against U.S. if Needed

France wants the European Union to consider deploying its most powerful retaliatory measure against the U.S. for the first time ever if President Donald Trump uses tariffs to unfairly force the bloc into policy changes.

France has joined a small group of EU countries that believes the so-called anti-coercion instrument – a tool designed to strike back against nations that use trade and economic measures coercively – should be on the table, according to people familiar with the matter, even if it isn't the preferred course of action, one of them said.

The anti-coercion instrument, which is subject to a number of conditions and steps, would eventually allow the EU to deploy a broad range of retaliatory responses, including restrictions on trade and services as well as certain intellectual property rights, foreign direct investment and access to public procurement.

Read more in an article from Transport Topics.