

CUSTOMER ADVISORY

CN and CPKC Negotiations Update
20 AUGUST 2024



Canadian National (CN) and Canadian Pacific Kansas City (CPKC) Update

Rail Negotiations and Impact

The Canadian International Freight Forwarders Association (CIFFA) has raised alarms over the potential disruption in rail services, prompting them to send letters to Prime Minister Justin Trudeau and Labour Minister Steven MacKinnon. CIFFA stressed that a complete rail stoppage would have a severe impact on Canada's supply chain, affecting approximately 14,000 employees across various sectors, including customs brokers, drayage, freight brokers, load brokers, and warehouse operators.

In preparation for a potential work stoppage starting August 22nd, Canadian National (CN) has implemented several embargoes on carload and intermodal traffic, including all commodities originating in Canada and the U.S. destined for Canada. The Port of Vancouver is anticipating significant disruptions, while Maersk has pre-emptively stopped accepting certain Canada-bound cargo to mitigate potential delays.

Key Points:

CN Rail Embargoes: Effective August 22, 00:01 ET:

- All commodities originating in Canada.



DISCLAIMER: The subject matter of this announcement is provided for informational purposes only. Any and all data is obtained from internal and external sources believed to be true and accurate at the time of publication. Forward-looking statements derived from such data should not be taken as guarantees of future performance, nor should they be relied upon as fact. KWE is not responsible or liable for any inaccurate information contained herein, and under no obligation to update forward looking statements except as required by applicable security laws.

- All commodities originating in the U.S. destined for Canada.
- All carload traffic destined for Canadian interchange.
- Effective August 12: All RSSM (Rail Security-Sensitive Material), PIH/TIH (Poison Inhalation Hazard/Toxic Inhalation Hazard) commodities destined for Canada from U.S. origins or U.S. interchange.
- Effective August 15: All RSSM, PIH/TIH commodities (and residue empties) from all Canadian origins.

Intermodal Embargoes: Effective August 22, 00:01 ET:

- Restriction on ingates for all remaining intermodal traffic in Canada, including U.S. and Mexico traffic from Canada.
- Restriction on all remaining U.S. intermodal traffic destined for Canada.
- Effective August 15: Restriction on ingates for all temperature-controlled intermodal traffic across CN's network.

Additional details in links below:

- [Port of Vancouver Operations Update #1 – Rail disruptions | Port of Vancouver \(portvancouver.com\)](http://portvancouver.com)
- [Maersk to stop accepting some Canada-bound cargo ahead of possible rail strike | Reuters](http://reuters.com)
- [CN Issues Lockout Notice to Teamsters | cn.ca](http://cn.ca)
- [Teamsters Canada Rail | Latest news & Updates \(teamstersrail.ca\)](http://teamstersrail.ca)
- [CN's updates](#)
- [CPKC's updates](#)

KWE aims to mitigate any disruptions to client supply chains and will continue to monitor the situation as it develops. We will continue to provide timely updates and support to ensure the continuity of your cargo operations. For further assistance, please contact your KWE representative.