

Voluntary Report – Voluntary - Public Distribution

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Report Name: CPKC and CN Railway Employees Back to Work Following Government Intervention

Country: Canada

Post: Ottawa

Report Category: Grain and Feed, Agricultural Situation, Agriculture in the News

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Report Highlights:

Union workers at Canadian National (CN) Railway and Canadian Pacific Kansas City (CPKC) returned to work August 23 and August 26, respectively, ending Canada's first ever strike involving both major rail lines, which began on August 22. As detailed in this report the actual strike days were not the only significant disruptions that the rail lines faced in July and August. The union has filed four separate appeals with the Federal Court of Appeal.

Government order forced unionized CPKC and CN railway employees back to work

A government order forced unionized Canadian Pacific Kansas City (CPKC) and Canadian National (CN) Railway employees back to work on August 23 after the companies locked out 9,300 employees on August 22. Unionized CN employees responded by issuing a 48-hour strike notice effectively putting them in strike position on August 25, but they returned to work again on August 26. Both Class I railways returned to their pre-disruption activity levels on Tuesday, August 27 and followed up with another strong day on Wednesday, August 28.

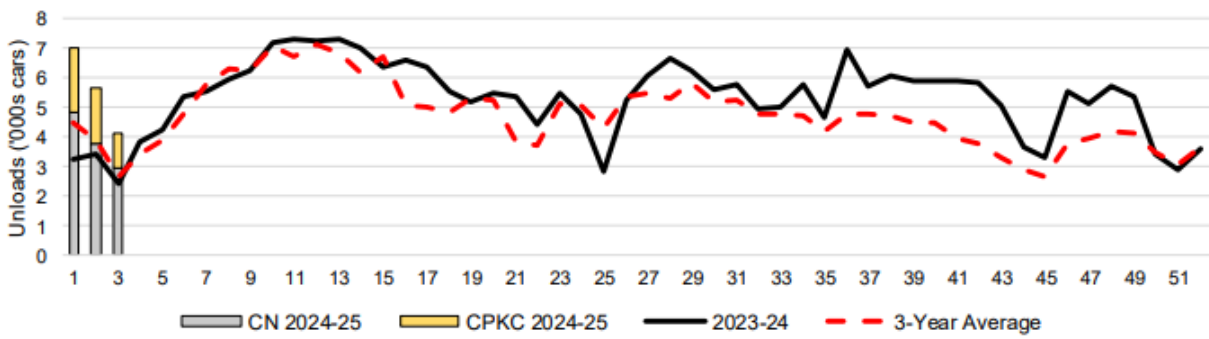
Train counts in most regions were at or just below their summer benchmarks on August 29. Progress has been made on stabilizing and even cutting into the sizeable train backlog that has arisen.

Although the lock-out was relatively short-lived, grain movement was impacted by more prolonged but less disruptive events throughout July, August, and September:

- Railways started preparing their networks for the work stoppage on August 12 by issuing embargoes on certain cargo.
- On August 14, a rail bridge in Fort Frances, ON, which provides access to the Port of Thunder Bay for CN, collapsed. Unloads into the Port of Thunder Bay are expected to be impacted until the bridge is back in service on the anticipated date of September 9.
- Prince Rupert Grain (PRG) Terminal was closed between August 18-29 for regularly scheduled maintenance. With a capacity to ship more than seven million metric tons a year, PRG terminal states that it has the highest throughput of any grain-cleaning elevator in Canada. It serves the export needs of western Canadian grain producers along CN Rail's northern rail line and exports wheat and canola sourced from northern Alberta and Saskatchewan.
- CN Rail's operations were impacted by the Jasper, Alberta wildfires for a week in July, ending July 30, which caused the rail company to scale down its operations. The CN main line through Jasper is a key passageway for rail traffic moving to and from the Port of Vancouver and the Prairies.

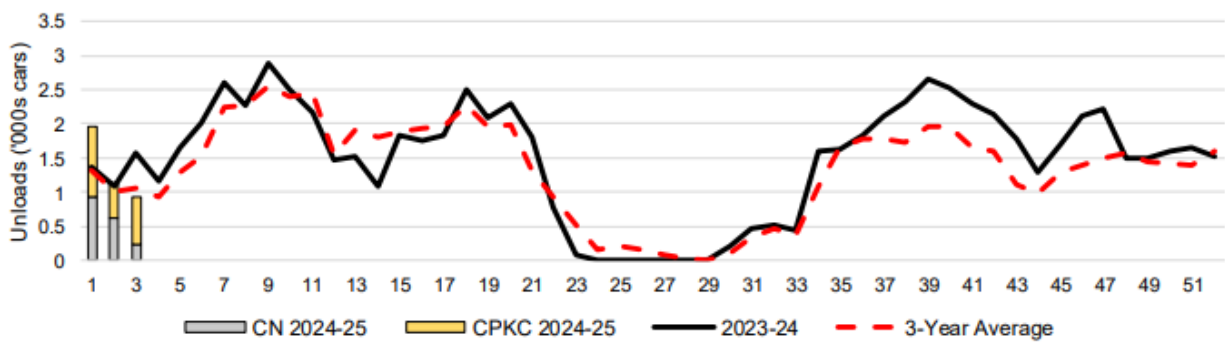
The most recent data from [Quorum Corporation](#) shows that during week three of the wheat marketing year, Vancouver terminal car unloads were above last year and the three-year average. Thunder Bay Terminal unloads were below last year and the three-year average, in part because of the bridge collapse.

Figure 1: Vancouver Terminal Unloads (cars), Total by Carrier, This Year vs. Last Year and the 3-Yr Average



Source: Quorum, [Grain Monitoring Program](#)

Figure 2: Thunder Bay Terminal Unloads (cars), Total by Carrier, This Year vs. Last Year and the 3-Yr Average



Source: Quorum, [Grain Monitoring Program](#)

The union has filed four separate appeals with the Federal Court of Appeal, challenging the Minister's referrals and the Canada Industrial Relations Board's (CIRB) decisions at both CN and CPKC that led to binding arbitration. The appeals argue, among other things, that workers' Charter rights were violated.

Attachments:

No Attachments.