

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

Voluntary - Public

Date: 6/1/2018

GAIN Report Number: CA18038

Canada

Post: Ottawa

Protracted Freight Rail Strike Averted

Report Categories:

Agricultural Situation Trade Policy Monitoring Grain and Feed

Approved By:

Evan Mangino, Agricultural Attaché

Prepared By:

Harvey Bradford, Agricultural Specialist

Report Highlights:

Less than 36 hours after it began, both sides reached a tentative agreement on a four-year contract, allowing full operations to resume at 6:00 am local time across Canada on May 31.

Keywords: Canada, CA18038, Transportation, Rail, Strike

The Canadian Pacific Railway (CP) and the Teamsters Canada Rail Conference (TCRC) reached a four-year tentative agreement that allowed <u>CP to resume full operations</u> on May 31. Both parties will release details of the agreement if TCRC members ratify the agreement in the coming months.

The agreement prevents a more significant disruption to freight transportation as Canadian National (CN) Railway, the largest railway operator in Canada, continues to implement investment plans designed to meet current freight hauling demand. Industry sources indicate that the one-day disruption would have a "minimal impact" on the movement of grain. According to the <u>Canadian Grain</u> <u>Commission</u>, 2018 bulk grain exports are outpacing the 2017 rate, with wheat exports 1.58 million metric tons higher than the previous crop year, despite the brief CP disruption and the low level of service by CN described in GAIN Report <u>CA18020</u>.