

CANADA Daily News and Updates November 1st 2023

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Air Updates

Air Canada Reaffirms Cargo Commitment After 777 Freighter Cancellation

Air Canada remains committed to growing its startup freighter division despite canceling an order with Boeing last month for two 777 freighters, said CEO Michael Rousseau on October 30.

Air Canada reported a 24% drop in third-quarter cargo revenue compared with the same period last year, to C\$215 million, due to lower yields caused by weak market conditions. The air cargo industry writ large is coping with an 18-month contraction from pandemic peaks, exacerbated by excess capacity from the rapid reintroduction of international passenger flights.

“We haven’t changed our strategy. We are still committed and excited about growing the freighter business, and we’ve always run and will continue to run a very strong belly business,” Rousseau said on the earnings call with analysts. “We did cancel two 777 freighters because it was a little bit too early for us to take those into our network, but we are looking to expand our 767 freighter business and build that business over time.”

Read more in an [article from Yahoo Finance](#).

Airfreight Rate Increases Pick Up Pace in October

Airfreight rates on major east-west trades picked up in October as the industry entered its traditional peak season.

The latest figures from the Baltic Exchange Airfreight Index (BAI) based on TAC data show that average rates – spot and contract – on services from Hong Kong to North America increased by 18.4% compared with September to \$5.80 per kg.

Compared with last year, prices are down 13.9%, although the difference between the two years has continued to narrow from a high of 47.7% in May.

Read more in an [article from Air Cargo News](#).

Ocean Updates

Notification of Fee Amendments: Vancouver Fraser Port Authority

The Vancouver Fraser Port Authority (VFPA) Board of Directors has approved the port authority's proposed fee amendments that will take effect on January 1, 2024.

In summary, the 2024 fee amendments include a 6.8% CPI increase for berthage, wharfage and harbour dues rates. Additionally, the fee charged for harbour dues will increase from a maximum of five calls per vessel to a maximum of 35 calls per vessel, excepting coastal vessels and ferries, along with revised eligibility criteria for harbour dues discounts. Annually adjusted rates for GIF and GIF2 are included.

Rail Updates

CN Network Update: Track Disruption Near Sussex, N.B.

CN sent a notice to customers on Monday advising of a service disruption that was affecting its mainline between Moncton, N.B. and Saint John, N.B. Domestic intermodal and automotive operations in Moncton and Halifax, as well as traffic to and from ports in Halifax, were experiencing no operational impact.