

## Canadian government ends rail lockout

Photo: CN



**The lockout of rail companies Canadian National (CN) and Canadian Pacific Kansas City (CPKC) has ended 18 hours after it began as the government seeks to avert supply chain chaos.**

[Marcus Hand](#) | Aug 23, 2024

[Canada](#)'s Minister of Labour Steve MacKinnon has intervened in the dispute which saw CN and CPKC locking out 9,000 workers at 00:01 hrs Eastern Time on 22 August, and Teamsters union members at CPKC going on strike at the same time.

The Minister of Labour said it was his assessment that the parties were at a "fundamental impasse".

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Under the Canada Labour relations code the Minister has directed the Canada Industrial Relations Board (CIRB) to settle the dispute between the parties on collective agreements imposing final binding arbitration.

It was feared that a prolonged dispute could cost North American shippers millions of dollars bringing to halt rail freight movements from Canadian ports and across the border with the [US](#). Major shipping lines such as [Maersk](#) and Hapag-Lloyd had warned customers of disruption.

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CN ended its lockout at 18:00 hrs on 22 August and said it had immediately initiated a recovery plan. "As CN awaits the formal order from the Canada Industrial Relations Board (CIRB), the Company is making this decision to expedite the recovery of the economy."

CPKC meanwhile said it was preparing to restart operations and further details on timing would be provided after it received the CIRB's order.

"The Canadian government has recognized the immense consequences of a railway work stoppage for the Canadian economy, North American supply chains and all Canadians," said Keith Creel, CPKC President and CEO.

"The government has acted to protect Canada's national interest. We regret that the government had to intervene because we fundamentally believe in and respect collective bargaining; however, given the stakes for all involved, this situation required action."

However, Teamsters Canada Rail Conference (TIRC) said that pickets would remain in place while reviewing the CIRB referral and consulting legal counsel on the next steps.

"By resorting to binding arbitration, the government has allowed CN and CPKC to sidestep a union determined to protect rail safety," the TIRC stated.

"Despite claiming to value and honour the collective bargaining process, the federal government quickly used its authority to suspend it, mere hours after an employer-imposed work stoppage. This action mirrors their earlier interference this year, where they used the CIRB to stifle bargaining for months."

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