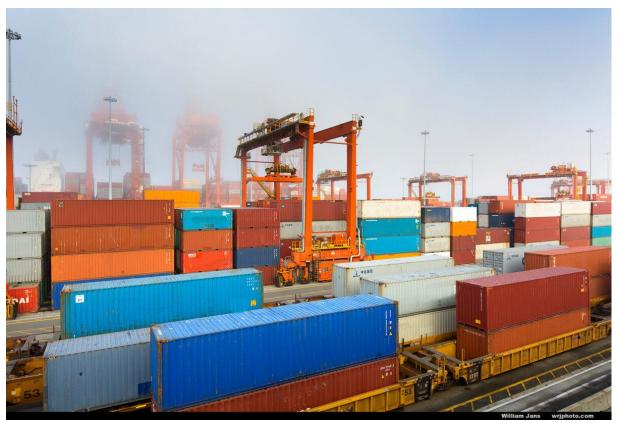
UPDATE: Rail contract talks continuing; Vancouver port acts ahead of possible stoppage

Container ships told to slow steam as job action looms

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A work stoppage could bring stack trains like this one at the Port of Vancouver's Centerm terminal to a halt Thursday. (Photo: William Jans/Vancouver Fraser Port Authority)

While contract negotiations to avert a possible Canadian rail shutdown were continuing, the busiest import container gateway was implementing measures to sustain cargo flows in the event of a work stoppage.

"We are concerned about the prospect of further labor disruptions impacting port and supply chain operations," the Vancouver Fraser Port Authority said in a statement Monday. "The impact to the Port of Vancouver will be significant, with approximately two-thirds of all cargo volumes at the port moved by rail, including 90% of international exports."

Canadian National Railway on Sunday <u>formally notified</u> Canada's Teamsters union that it would begin locking out union employees at 12:01 a.m. Thursday.

Canadian Pacific Kansas City earlier issued its own lockout notice after the sides remained far apart following weekend negotiations.

The union issued its own 72-hour strike warning to CPKC on Sunday. Contract negotiations continued Sunday and Monday, a CPKC spokesman said in an email Tuesday. Rail traffic could come to a halt Thursday barring last-minute developments.

Vancouver accounts for one-third of all Canadian merchandise trade by value outside of North America.

"We have taken proactive measures to manage vessel arrivals and anchorage assignments to maintain port fluidity, ensure the safe movement of vessels and manage anchorage capacity for terminals not affected by strike activity," the authority said. Ships en route to Vancouver are being instructed to adjust their arrival times by slowing down to prevent further congestion.

"We expect disruptions to the movement of containers, grain, potash, coal and other cargo transported to and from port terminals by rail," the port added. "In the best interests of all Canadians, these matters need to be resolved immediately — and we urge all parties involved to come together and reach an agreement."

The authority said it took many months to clear the backlog of congestion from the 13-day strike by British Columbia longshore workers in 2023 at the Port of Vancouver. That job action affected the movement of \$800 million of goods a day and saw 17 cargo ships diverted to other ports. Many more were forced to wait at anchor, causing substantial delays.