CANADA Daily News and Updates May 30th 2024

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Ocean Updates

Some Shipping Container Costs Hit \$10,000

Companies transporting goods from Asia face costs of as much US\$10,000 for an urgent full-size shipping container over the next month – about double current spot rates, according to prices circulating between carriers and importers.

CMA CGM already announced a \$7,000 rate for a 40-foot container for the second half of June for goods shipped to northern Europe from Asia. That's up from the current charge of about \$5,000. For the first half of June, rates range from \$6,000 to \$6,500, with premium service offered at \$7,500 to \$10,000.

Read more in an <u>article from Transport Topics</u>.

New FMC Rules on Detention and Demurrage Come into Force

The U.S. Federal Maritime Commission (FMC) revision to detention and demurrage (D&D) rules came into force on May 28, introducing new requirements for billing, time frames and how to dispute unfair charges.

A key provision determines that D&D invoices can only be issued to either the consignee – defined as "the ultimate recipient of the cargo" – the person who contracted with the billing party to provide ocean transportation or storage of cargo, or the person for whose account this was provided.

The FMC highlighted that "billing the proper party is an important part of the final rule."

Read more in an article from The Loadstar.

Rail Updates

CPKC TCRC Bargaining Update

This week, CPKC and the Teamsters Canada Rail Conference (TCRC) participated in a case management conference held by the Canada Industrial Relations Board (CIRB) to discuss the Minister of Labour's referral regarding the maintenance of activities during a work stoppage.

The CIRB has extended the deadline for reply submissions from May 31 to June 14, and directed the parties to provide comments on certain identified themes raised in the submissions filed by various interested stakeholders and affected organizations.

While it remains unclear how long it will take for the CIRB to issue a decision following the extended comment-submission deadline, based on precedent, it is unlikely the parties will be in a position to initiate a legal strike or lockout before mid-July or later, according to CPKC.

CPKC continues to believe in the need to restore certainty and predictability for its employees, their families, its customers and North American supply chains. Its standing offer to the TCRC leadership is to resolve the labour dispute through binding arbitration so that a work stoppage detrimental to the interests of all stakeholders can be avoided.

Access all CPKC TCRC bargaining updates online here.