CANADA Daily News and Updates October 11th 2024

Air Updates

- Air Canada Welcomes Positive Ratification Vote by Pilots on New Four-Year Collective Agreement
- Soaring Airfreight Rates See Dhaka Cargo Being Moved via China

Ocean Updates

- Overtime Strike Begins at Port of Montreal
- 10 Ports Still Closed on Thursday in Hurricane Milton's Aftermath
- Carriers Warned by U.S. FMC About Retaliating Against Shippers for Complaints
- The Cost of 'Going Green' Could Render Deepsea Shipping 'Too Expensive'

Air Updates

Air Canada Welcomes Positive Ratification Vote by Pilots on New Four-Year Collective Agreement

Air Canada on Thursday said that it welcomes the result of a vote by its more than 5,200 pilots, represented by the Air Line Pilots Association, approving a new collective agreement between the company and the association.

The four-year agreement is retroactive to September 30, 2023.

Read more in a press release from Air Canada.

Soaring Airfreight Rates See Dhaka Cargo Being Moved via China

Bangladeshi freight forwarders have started sending air cargo to the U.S. west coast via China, as elevated airfreight rates elsewhere mean this is more cost-effective than using Middle East hubs.

As well as soaring rates out of Dhaka, forwarders have reported hubs in the Middle East as congested in recent weeks, particularly as regional tensions increase and airlines were forced to cancel flights.

Read more in an article from The Loadstar.

Ocean Updates

Overtime Strike Begins at Port of Montreal

During this partial strike of indefinite duration, all Port of Montreal terminals will remain open, but Port of Montreal longshoremen will not be working overtime as part of their duties. This could result in processing delays and a backlog of containers waiting to be handled. At present, around 10 ships expected at the port could be affected, notably at the following terminals and handling companies:

- Cast
- Maisonneuve
- Racine
- Viau
- Logistec terminals in Montreal and Contrecœur (dry bulk)
- CanEst
- Lantic

The following are not affected by this situation:

- Liquid bulk handling,
- Oceanex service (Bickerdike terminal)
- grain terminal (Viterra)

Read more in an update from the Port of Montreal.

10 Ports Still Closed on Thursday in Hurricane Milton's Aftermath

Ten ports, including two of Florida's key commercial ports along the Gulf Coast, remained closed Thursday in the wake of devastation caused by Hurricane Milton.

Port Tampa Bay and SeaPort Manatee were closed to commercial vessels after the U.S. Coast Guard set port condition "Zulu" on Tuesday.

Read more in an article from FreightWaves.

Carriers Warned by U.S. FMC About Retaliating Against Shippers for Complaints

In light of the "significant supply chain challenges currently facing the freight delivery system," including port worker strikes, natural disasters and international conflicts, the U.S. Federal Maritime Commission recently warned common carriers and marine terminal operators not to retaliate against a shipper, ocean transportation intermediary or motor carrier for questioning carrier or MTO invoicing, surcharges or other practices or for making a complaint and/or providing information to the FMC. Such retaliation "is a serious violation of the law that carries significant penalties," the FMC said, and the agency "will actively pursue any allegation of retaliatory conduct and will hold offending parties fully accountable."

Read more in the Sandler, Travis & Rosenberg Trade Report.

The Cost of 'Going Green' Could Render Deepsea Shipping 'Too Expensive'

Regulation introduced to decarbonize shipping could lead to the demise of certain deepsea shipping sectors, delegates at the World Ports Conference in Hamburg were told this week.

Tim Power, MD of Drewry Shipping Consultants, noted a recent prediction from class society DNV that the cost to operate container shipping services was expected to double due to decarbonization costs, and suggested that some scenarios could lead to a fundamental reworking of long-distance supply chains.

"Most of the views of the energy transition envision world maritime trade looking very much like it does now, but slightly different," he told delegates.

"However, if shipping costs are sustained at higher levels, there is a chance that intercontinental shipping becomes too expensive for certain key commodities."

Read more in an <u>article from The Loadstar</u>.