

# CANADA Daily News and Updates October 7th 2024

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## Air Updates

### Airlines Scramble to Avoid Middle East Airspace as Missiles Fly

Israeli, Jordanian and Iraqi airspace is temporarily closed after Iran's biggest-ever missile attack on Israel, with disruption to air cargo traffic expected.

Israeli officials reported that Iran launched some 200 ballistic missiles at the country on October 1, following days of attacks on Hezbollah targets in Beirut, Lebanon.

Read more in an [article from The Loadstar](#).

## Ocean Updates

### MEA Negotiations Update

After a three-day strike, activities resume today at the Viau and Maisonneuve terminals. The priority of the Maritime Employers Association remains a negotiated good-faith agreement.

In an online update, the MEA said: "Clearly, the current mediation process is no longer producing results. The mediation meeting on September 26 unfortunately led to the longshore workers' Union filing a strike notice the next day. It should also be remembered that 66 days went by without any response from the Union after we submitted our offer this summer.

"We are currently evaluating all the options available to arrive at a sustainable solution that reflects the reality of the situation."

Updates are available [here](#).

## **Box Lines Declare Force Majeure as White House Defends ILA**

Shipping lines are beginning to declare *force majeure*, as the U.S. East and Gulf Coast port strike continues.

Any hope from employer association USMX that the government might intervene to halt the economically damaging strike was dashed when the White House landed firmly on the side of the union. The administration also warned carriers against 'price-gouging.'

A statement from President Biden urged both sides to restart collective bargaining, saying "the best way for workers to get the pay and benefits they deserve."

He added: "I have urged USMX, which represents a group of foreign-owned carriers, to come to the table and present a fair offer to the workers of the International Longshoremen's Association that ensures they are paid appropriately in line with their invaluable contributions.

"Ocean carriers have made record profits since the pandemic and, in some cases, in excess of 800% compared with their profits prior to the pandemic. Executive compensation has grown in line with those profits and profits have been returned to shareholders at record rates.

"It's only fair that workers, who put themselves at risk during the pandemic to keep ports open, see a meaningful increase in their wages as well."

Read more in an [article from The Loadstar](#).

## **Shipments Resume as Three-Day Montreal Port Strike Ends, but Tensions Linger**

The union representing Montreal dockworkers on Thursday ended a three-day strike at two terminals as scheduled, but the potential remains for more job action and jammed supply chains in the coming weeks.

The two sides have not met all week, with the union claiming that management refused a sit-down convened by federal mediators on Thursday.

The employers association, which represents shipping companies and terminal operators, said there was no meeting planned and its aim remains a collective agreement hammered out through negotiations.

The Federal Mediation and Conciliation Service did not answer questions on whether a rendezvous had been scheduled or cancelled.

"At this time, we can confirm the mediators remain in contact with the parties and are continuing work to assist them in their negotiations," said spokeswoman Samuelle Carbonneau.

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

## **Supply Chains Expected to Take Weeks to Recover After U.S. Port Strike**

Strike action at ports on the U.S. East and Gulf Coasts ended on Thursday, after a new wage agreement was reached – but a backlog of more than 40 ships waiting to offload cargo means the pain is not yet over.

The strike lasted three days, and at 5:00 am ET on Friday, 44 ships were queuing to enter affected ports; more than 120 were en route.

Peter Sand, Chief Analyst at Xeneta, said: “Closing all ports on the U.S. East Coast and Gulf Coast – even for just three days – comes with severe consequences. We must now wait to see how quickly the returning workers are able and willing to deal with the huge backlog of ships waiting to offload thousands of containers carrying billions of dollars of goods.”

Sand believes the ripple effect of the strike will spread across global supply chains in the weeks to come.

Read more in an [article from the American Journal of Transportation](#).

### **Hapag-Lloyd Introduces Low-Water Surcharge from North Europe and Mediterranean to Canada**

Hapag-Lloyd will implement a low-water surcharge from North Europe and Mediterranean to Canada, effective October 14.

“The water levels in the St. Lawrence River have significantly dropped, and the Canadian Coast Guard has forecast further reductions in the coming weeks,” noted the German carrier.

In response to these conditions, Hapag-Lloyd will introduce a surcharge of US\$150 per TEU for all cargo transported via the Port of Montreal.

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

### **IMO Makes Progress but MEPC Leaves Critical Decisions Ahead**

The International Maritime Organization wrapped up two weeks of meetings, working towards its environmental goals to reduce or eliminate carbon emissions by 2050 with a sense of progress while many critics worried that key decisions are still being pushed “down the road.” The fear is that they are setting the stage for a final, epic battle at the April 2025 meeting, which is expected to ratify the new MARPOL text.

First in an Intersessional Working Group and then the general sessions for MEPC, member states worked to reach a full draft text for the MARPOL amendment. Everyone agrees that, while a framework appears to be coming together, there is a large amount of work remaining and still no clear consensus on key elements.

Read more in an [article from The Maritime Executive](#).