



## **HOLIDAY READINESS**

Hoping all of our clients enjoyed Thanksgiving with their families and loved ones. It won't be long now, and we'll be celebrating Christmas and the New Year - are your shipping needs in place for the holidays?

We at FCL Fisker Customs & Logistics, continue to provide our clients with complete Global Shipping Solutions, Trans Border Services to/from the United States, In House Project Solutions & Customs teams, as well as Warehouse capabilities when needed. Please continue to reach out to our associates to provide the customized solution that fits your needs.

Sylvia Beck, Inside Sales



## **IN REVIEW | OCTOBER 2024**

#### **MARINE**

October 1 | "Work Stoppage Ongoing at Port of Montreal's Viau and Maisonneuve Terminals"

In line with the strike notice filed by the Longshoremen's Union – CUPE Local 375, a partial strike affecting the Viau and Maisonneuve terminals began on Monday, September 30, at 7:00 am, and will continue until Thursday, October 3, at 6:59 am.

As a result, those two Termont-operated terminals are currently closed. Access to the terminals is prohibited, and no rail, ship or truck services are provided.

All other Port of Montreal terminals remain in service.

The Montreal Port Authority continues to hope that the parties will reach an agreement as soon as possible, since any delay not only entails costs for companies using port services, but also puts \$90.7 million in economic activity at risk for each day of interruption.

Read more and find updates on the <u>Montreal Port Authority labour negotiations webpage</u>. Source: CIFFA

Source. CITA

## October 3 Update:

In accordance with the strike notice filed by the Longshoremen's Union CUPE, Local 375 last Friday, September 27th, we inform you that the partial strike affecting the Viau and Maisonneuve terminals was lifted this morning, Thursday, October 3rd at 7a.m. Consequently, all terminals at the Port of Montreal are now open and fully operational, and it is possible to pick up or drop off goods according to the usual schedules.

The three-day work stoppage has resulted in an accumulation of containers on the ground awaiting handling. Additionally, the vessels, whose arrivals were delayed, are scheduled for unloading and loading operations. As a result, clients importing or exporting goods may expect additional delays in the coming days. We want to assure you that our teams, in collaboration with our intermodal network partners, the CN and CPKC are committed to normalizing the situation as quickly as possible and minimize the impact of these disruptions. **Source: Port of Montreal** 

## October 7 Update:

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. Source: CIFFA

#### October 8 Update:

Labour tensions are rising at the Port of Montreal in the countdown to an "indefinite strike," while carriers push to hike rates on the transatlantic.

The Port of Montreal Longshoremen's Union has issued an overtime strike notice to begin at 7am on 10 October, set to last indefinitely. This follows a three-day strike that halted operations at two of the busy Canadian seaport's terminals last week. **Source: The Loadstar** 

## October 9 Update:

All Port of Montreal terminals will remain in operation during the longshoremen's union overtime strike that will begin at 7a.m. on Thursday and will last indefinitely.

Cargo can be picked up or dropped off as usual but, with the longshoremen doing no overtime, delays in processing and an accumulation of containers on the ground awaiting handling are possible.

Read more in a Port of Montreal update. Source: CIFFA

## October 29 Update:

The Longshore Workers Union, representing the dock workers at the Port of Montreal, has issued a 72-hour notice for an unlimited strike action against Termont Montreal. This strike is scheduled to begin on Thursday, October 31st, at 11:00 AM and will affect both the Maisonneuve (Termont) and Viau Terminals.

As a result of this action, CN will suspend all capacity at our inland terminals for exports destined for Termont and Viau until further notice. **Source: CN Customer News** 

## October 1 | "Strike Commences Across US Eastern Seaboard"

Around 45,000 dockworkers at 36 ports stretching from Maine to Texas across America's eastern seaboard went on strike at midnight in the largest terminal industrial action seen anywhere in the world this century.

The White House maintained it will not step in to resolve the strike. Inevitable vessel queues are now beginning to emerge at multiple American ports, compounded by an ongoing strike at Montreal, Canada's largest eastern port. The strike is set to impact all merchant ship types with vessel queues likely to form along the US eastern seaboard. Source: FCL Fisker

**October 4 Update:** The port workers' strike on the United States East Coast comes to an end after the agreement between the International Longshoremen's Association (ILA) and the United States Maritime Alliance (USMX).

The two bodies have reached a tentative agreement on wages and have agreed to extend the Master Contract until 15 January 2025. In January, they are expected to return to the bargaining table to negotiate all other outstanding issues. "Effective immediately, all current job actions will cease, and all work covered by the Master Contract will resume," says the joint statement. **Source: Container News** 

**October 7 Update:** 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. Read more in an <u>article from the American Journal of Transportation</u>. **Source:** CIFFA

## October 11 | "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. *Source: CIFFA* 

**October 11 Update:** The United States Coast Guard announced the reopening of several ports in Florida, Georgia, and South Carolina.

In particular, Florida's Key West, Port Everglades, Port Miami and Miami River, Georgia's Savannah and Brunswick and South Carolina's Charleston and Georgetown have restarted operations. **Source: Container News** 

#### October 21 | "More Cargo Chaos at Chittagong Port as Transport Operators Strike"

Shippers are facing more upheaval at Chittagong Port – transport operators began a 48-hour strike this morning, leaving export and import containers stranded.

The Chittagong District Prime Move Trailer Workers Union's action will impact 3,000 to 4,000 teu every day at the port. *Source: The Loadstar* 

## October 23 | "Suez and Panama Canal Disruptions Threaten Global Trade and Development: UNCTAD"

According to the latest UNCTAD analysis, Global trade is facing significant disruptions as two of the world's most vital maritime chokepoints – the Suez Canal and the Panama Canal – experience severe challenges driven by geopolitical tensions and climate-related risks.

In addition to straining global supply chains and undermining economic growth, these disruptions are driving up costs, reshaping trade patterns, upending the flow of energy and food supplies and threatening to exacerbate food security risks, especially in vulnerable economies. **Source: Container News** 

## **AIR**

## October 3 | "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 1st, following days of attacks on Hezbollah targets in Beirut, Lebanon. Read more in an <u>article from The Loadstar</u>. Source: CIFFA

## October 3 | "Tight Capacity and Rates Surge Could Mean You Must 'Pay to Play' in Airfreight as Strike Continues"

Airlines and forwarders will be asking if the potential short-term financial gains from today's increased market volatility are worth jeopardising customer relations. September is already old news. October is a whole new ballgame. Rates could rise very quickly on some trades, because of FOMO (fear of missing out) as cargo capacity leaves the market for the winter, US dockers go on strike and conflict is escalating in the Middle East, potentially bringing further Red Sea disruption for Ocean Freight.

Persistently strong ecommerce demand, the ocean-to-air shift brought about by disrupted box shipping, strikes, Red Sea crisis, typhoons, and the rush ahead of China's Golden Week holiday, which began yesterday, were cited as behind the strong market.

Mr. van de Wouw, (Chief Airfreight Offices at Xeneta) stated, "We do see a piece of the market where you've got to 'pay to play,' and that could become a potential 'wild west'. Shippers or forwarders may end up caught in that due to unforeseen demand, and it could be an expensive game."

It is estimated that each strike day produces five to ten days of cargo build-up, making airfreight even more attractive to shippers looking to avoid the disruption this will bring. This shift will put additional pressure on an already-strained air freight market, with capacity tightening and rates rising, **Source: The Loadstar** 

## October 9 | "Airlines Cancel Flights, Airports Close as Florida Braces for Hurricane Milton"

U.S. airlines are cancelling flights and adjusting schedules as some Florida airports close in anticipation of disruptions from Hurricane Milton, which is set to make landfall in the state on Wednesday.

As of Tuesday afternoon, 896 flights within, into or out of the United States were delayed, and 696 were cancelled, with that number expected to rise as more than 1,500 flights scheduled for Wednesday have already been cancelled, according to flight tracking data provider FlightAware.

Orlando International, one of the busiest airports in the U.S., said it would cease operations at 8 am local time on Wednesday, according to a notice on its website, while Tampa International said it was closed on Tuesday. Read more in an article from the American Journal of Transportation. Source: CIFFA

# October 11 | "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. Source: CIFFA

## October 21 | "Passenger Rush to Attend Festivals puts Strain on India's Air Cargo Flows"

Indian air freight forwarders and shippers are reporting a severe strain on airline bellyhold capacity, due to festival-linked passenger traffic.

Various Indian Hindu festivals run between September and November, with Diwali – the festival of lights – the biggest celebration, starting on October 31.

Industry sources complain that the cargo capacity crunch is seriously impacting supply chains, especially time-sensitive or perishable cargo movements.

"With the festive season in full swing, the surge in passenger air travel has put immense pressure on air cargo logistics players, particularly those relying on belly space to transport goods," said Hector Crasto, GM (international division) at Mumbai-based 3PL Patel Integrated Logistics.

"Airlines are experiencing significant capacity pressures, both on domestic and international routes," he noted, and explained that cargo volumes had seen strong surges in recent weeks, causing clearance delays of up to four days at major airports. **Source: CIFFA / LOADSTAR** 

## **ROAD / RAIL**

## October 11 | "Unifor, CPKC Open Contract Talks; Conciliators Appointed for CN Negotiations"

Unifor has initiated contract negotiations with Canadian Pacific Kansas City, weeks after it opened negotiations with CN for a new contract agreement.

"Our bargaining team has prioritized the key issues of work ownership and protection, improving working conditions, and resolving poor labour relations," Unifor officials said in a notice to members. "We are focused on securing protections against high levels of contracting out and forced overtime, as well as tackling strict company policies that negatively impact work-life balance."

Read more in an article from Progressive Railroading. Source: CIFFA

#### October 11 | "Norfolk Southern Line into Asheville, N.C., to be Closed at Least 3 Months"

Norfolk Southern says its line between Asheville, N.C., and Newport, Tenn. – heavily damaged by Hurricane Helene – will be out of service until at least late January, while assessment of the route between Ashville and Old Fort, N.C., is ongoing.

In the area hardest hit in late September, on the AS Line between Salisbury, N.C., and Morristown, Tenn., assessments have determined that approximately 21,500 feet of track have been washed out, with more than 50,000 feet damaged by scour and another 15,000 feet of fill failure and slides. Multiple bridges have also been damaged. The segments between Morristown and Newport, and between Salisbury and Old Fort, have been reopened even though public roadways remained unavailable in some areas. The remote nature and mountain topography, coupled with conditions following the storm and resulting flooding, have made it difficult to assess damage in the areas around Asheville and over Black Mountain, the railroad says. Read more in an article from Trains. Source: CIFFA

## October 23 | "CN Negotiations with the Teamsters / Binding Arbitration Meetings to Start in March 2025"

Following the August 23 order from the Canada Industrial Relations Board (CIRB) imposing binding arbitration between CN and the Teamsters Canada Rail Conference, both parties have recently agreed on an arbitrator to determine the terms of the next collective agreement.

Mediation meetings will occur over seven days in March 2025. If a mediated settlement is not reached during those seven days, arbitration will be scheduled to take place in April. As per the protocol negotiated between parties, the arbitrator will have sixty days to rule. In view of the foregoing, a decision is expected before the end of Q2.

The CIRB has also directed that the current collective agreement remains in place until there is a new agreement, meaning no strike or lockout can occur. The new agreement is not subject to ratification.

We will keep you updated as discussions progress. Source: CN Advisory News

**Update:** October 23: As was advised by the Port of Montreal earlier today, the Longshore Workers Union, representing the Dock Workers at the Port of Montreal (POM), has issued a 72-hour notice of a strike action, which is to take place on Sunday, October 27th at 00:01 and will last for a period of 24 hours. Source: CN Advisory News

## **CUSTOMS**

## October 2 | "CBP Open for Business in East-Gulf Coast Ports impacted by Port Strike"

The National Customs Brokers & Forwarders Association of America, Inc. (NCBFAA) issued an update on Tuesday based on information from U.S. Customs and Border Protection.

CBP said on a call with the trade that its operations in the ports of entry impacted by the ILA East-Gulf Coast port work stoppage are "open for business."

While some regulatory flexibility will be considered by the agency, CBP expects carriers, customs brokers, freight forwarders, NVOCCs, importers and exporters to maintain compliance with import and export regulations, such as diversion data for their goods before and during a strike. Read the <u>full NCBFAA update</u>. Source: CIFFA

## October 3 | "U.S. CBP Revises Deadline for 'Vague Merchandise Descriptions' in ACAS"

CBP has extended the warning period, which will now end on November 11. Rejections will now be effective noon EST on November 12. Testing for vague cargo descriptions is now available in the certification environment. Find more information in Cargo Systems Message # 62490006. Source: CIFFA

## October 31 | "Canadian Surtax Relief: Remission of Surtaxes on Certain Goods from China"

As of October 1, 2024, Canada began to impose a 100% surtax on all electric vehicles originating from China. As of October 22, 2024, Canada imposed a 25% surtax on imports of steel and aluminum goods originating in China. These measures have been imposed, "to protect Canada's workers and investments in these sectors from China's unfair trade policies and to prevent trade diversion resulting from recent actions taken by Canadian trading partners." [1] The Canadian measures are aligned with similar US measures.

Surtax relief is available for some Canadian businesses. Eligible businesses may request remission retroactively to the date that the surtax was imposed. Remission of surtaxes allows eligible businesses to avoid the adverse impact of surtaxes and to make supply chain adjustments in specific and exceptional circumstances. The following is a brief outline of the remission application criteria and process. Read full details here. Source: Miller Thomsom

#### CARM

## October 3 | "Motion to Defer CARM Defeated, Implementation Date Remains October 21, 2024"

Canada's Standing Committee on International Trade (CIIT) met yesterday to discuss a further deferral of CARM, to April 2025, and the appointment of a third party to oversee the implementation. The motion was defeated by a vote of 6 to 5. The meeting can be observed <a href="https://example.com/here/beauty-standard-new-motion-ne

## October 10 | "CARM Update"

The CARM Engagement Team reports that it has completed more than half of the required cutover activities and is tracking well toward the October 21 implementation date.

CARM Release 3 support documentation is now available on the CARM Client Portal (CCP) webpage.

The documentation includes the CARM go-live playbook and more than 70 user guides that provide how-to information for virtually every CCP function, including:

- posting and managing financial security;
- submitting a commercial accounting declaration (CAD);
- viewing your statement of account (SOA); and
- making a payment

Source: CIFFA

#### October 10 | "New CARM Webinar Dates"

The CBSA has scheduled new sessions for its CARM-related webinars:

- Registering your small or medium business on the CARM client portal
- What you need to know about CARM Release 3
- CARM Transition Measures for trade chain partners
- Registering on the CARM client portal for non-resident importers

Learn more about the webinars and register here. Source: CIFFA

## October 17 | "Customs Notice 24-35: Temporary Resolution to the Alignment of Units of Measures Within the CARM System"

The purpose of this customs notice is to advise of the temporary resolution taken to ensure the alignment between certain applicable customs tariff units of measure and excise units of measure on CARM commercial accounting declarations (CADs). Find details in <u>Customs Notice 24-35</u>. Source:

## October 21 | "The CARM External Launch (Release 3)"

Today, the Canada Border Services Agency (CBSA) officially launched externally the <u>CBSA Assessment</u> and <u>Revenue Management (CARM)</u> system, which is now the official system that importers and other trade chain partners (TCP) will use to assess and pay duties and taxes on imported goods.

We would like to take this opportunity to thank all of our industry partners who have worked tirelessly with us on this project throughout the years. So much has been accomplished to arrive to this point and we thank you for your efforts and dedication. Our collective efforts have resulted in close to 100,000 TCPs being registered on the CARM Client Portal, and the successful testing and certification of Electronic Data Interchange (EDI) and Application Program Interface (API) service providers, representing 99.72% of CBSA's accounting declaration volumes.

As with any new system, you can expect continued improvement of CARM in the years to come, and we will start work with our stakeholders to identify and prioritize future enhancements to the system in the coming months. In addition, we will continue our efforts to raise CARM awareness and further onboard more small to medium businesses and non resident importers, so they are also ready to use CARM the next time they import.

Our <u>CARM Client Support Helpdesk</u> continues to be available to provide portal support, and <u>How-to User Guides and the CARM Release 3 Playbook</u> are also available to help you navigate the CARM Client Portal. Clients requiring support for EDI or API may contact the <u>CARM Technical Support Unit</u>.

Thank you again for your collaboration and engagement with the CBSA over the last several years. You remain essential partners as we forge ahead on this new phase of our CARM journey.

Sincerely,

CARM Stakeholder Engagement / Commercial and Trade Branch

Canada Border Services Agency / Government of Canada

CBSA.CARM Engagement-Engagement de la GCRA.ASFC@cbsa-asfc.gc.ca. Source: CSCB

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