

CANADA Daily News and Updates January 2nd 2024

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Ocean Updates

Update: Port of Montreal Labour Negotiations

December 22

On December 22, the Maritime Employers Association issued the following update.

"Parties have had several mediation meetings in the last weeks, supported by the experts of the Federal Mediation and Conciliation Service, and more meetings are planned in January.

"We want to remind you that a demand for maintaining essential activities, in accordance with the requirements of the Canada Labour Code, is still pending at the Canada Industrial Relations Board.

"The CIRB has requested more information [from] the parties, [with] responses [due] at the end of January; no pressures tactics can occur before a ruling.

"Our priority remains the signing of a negotiated collective agreement."

This means that no labour disruption is possible until the ruling has been made, which appears to be moving into February at the earliest. The port remains fully functional in the meantime.

Carriers Are 'Price Gouging,' Claim Shippers as FAK Rates Skyrocket

December 22

Shippers are accusing Asia-North Europe ocean carriers of 'price gouging' as FAK (freight all kinds) rates being quoted for January shipment go through the roof.

The Loadstar has been inundated with messages from shipper contacts who just cannot believe the level of rates being quoted by carriers.

"We expected our rates to be increased next year, but not to this level, and apparently they are non-negotiable," said one UK-based NVOCC.

"This has cemented their \$3,000 January GRIs and more," said a forwarder contact.

And a shipper contact, importing bulk commodities into the UK from China, said carriers were refusing to accept his heavy boxes, although he said one line had quoted him \$3,000 for each 20ft.

"I was only paying \$435 per 20ft a month ago," he said, "I have no hair left!"

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

Red Sea Drone and Missile Attacks Continue Undeterred Despite Coalition

December 26

Attacks on commercial shipping coming from Yemen continued on December 26, apparently undeterred by the multinational coalition led by the United States. While no vessels reported being hit, the Houthi rebels reiterated that they are targeting Israeli shipping interests and ships trading with Israel.

U.S. Central Command reported that U.S. forces shot down 12 one-way attack drones, three anti-ship ballistic missiles and two land attack cruise missiles over a 10-hour period on December 26.

The U.S. Pentagon asserted that more than 100 drones and missiles have been launched against commercial ships from 35 nations.

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

Maersk Prepares to Return to Red Sea Under U.S.-Led Protection

December 26

A.P. Moller-Maersk A/S said it's preparing to resume shipping through the Red Sea, thanks to a new multinational maritime task force to protect vessels from attacks by Houthi rebels from Yemen.

“We are currently working on plans for the first vessels to make the transit and for this to happen as soon as operationally possible,” the company said on December 24 in an advisory. “While doing so, ensuring the safety of our employees is of the utmost importance and our number one priority in handling the challenging situation in the Red Sea/Gulf of Aden area.”

The announcement came just two days after the company said it envisions chaos in the Red Sea – caused by drone attacks from Houthis over the Israel-Hamas war – to continue for months.

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

Hapag-Lloyd Says Red Sea Route Still Too Dangerous

December 27

Shipping giant Hapag-Lloyd AG said it will keep its vessels away from the Red Sea even after the launch of a U.S.-led taskforce to protect the key trade route from militant attacks.

The container liner said it will continue to reroute its vessels via the Cape of Good Hope, a detour of several thousand miles.

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

Maersk Ship Attacked in Red Sea, Carrier Reconsidering Its Red Sea Policy

December 31

The Red Sea has been a difficult place to operate for Western shipping interests for weeks, but this weekend, the boxship *Maersk Hangzhou* had a particularly tough time of it. On Saturday, she was hit by an unknown object, and on Sunday, assailants attempted to board her by force – only to be repelled by U.S. Navy helicopters.

The aircrews attempted to ward off the small craft with verbal warnings, but the attackers opened fire on the helicopters. The helicopter crews returned fire, destroying three of the boats and killing their crews, according to Central Command. The remaining boat fled the area.

Maersk has decided to reconsider its policy on the Red Sea route. “In light of the incident – and to allow time to investigate the details of the incident and assess the security situation further – it has been decided to delay all transits through the area until 2nd January,” the carrier said.

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

Rail and Truck Updates

CBP Reopens Key Ports of Entry for Freight Trains at U.S.-Mexico Border

December 22

U.S. Customs and Border Protection reopened the three international border bridges at Eagle Pass and El Paso, Texas, on December 22, allowing freight rail operations to proceed through those checkpoints.

The agency had suspended freight rail operations at three border bridges connecting Texas and Mexico in response to increased levels of migrant smuggling operations in the region.

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

CPKC Customer Advisory: Update on Temporary Embargo Issued for Laredo & Brownsville Gateways

Issued December 22 (and still in effect as of December 31)

U.S. Customs and Border Protection has communicated that railway processing operations at Eagle Pass and El Paso, Texas resumed beginning December 22 at 14:00 EST.

CPKC's temporary embargoes KCSM003223 and KCSM003323 impacting southbound intermodal empty containers and certain agricultural commodity traffic destined to Mexico remain in effect at this time. Both embargoes include a permit provision and embargoes can be rescinded or altered at any time.

For embargo details, click [here](#).

Why Recent State Laws Make It Harder to Hold Trucking Companies Liable for Accidents

December 27

Several states have enacted laws that can pose significant challenges for individuals seeking to hold trucking companies liable for accidents. These legislative shifts have been implemented even as large truck fatalities continue to rise. The National Safety Council reports a 49% increase in deaths related to large truck accidents over the past decade.

Intense lobbying by the trucking industry has driven many of these legal changes. Proponents of the new laws claim that the rise of huge verdicts in truck accident cases threatens to drive carriers out of business, applauding limits placed on compensation awarded to crash victims.

Arguments are being made from both sides of the table, and it is clear that these changes have implications for both accident victims and the trucking industry as a whole.

Read more in an [article from Commercial Carrier Journal](#).

Canadian Business/Government

War Makes Canada's Trade Outlook Uncertain

December 26

Wars in Ukraine and Palestine, in addition to ongoing localized conflicts in Syria, Yemen, Sudan, Myanmar and other countries, are having an impact on international trade: higher costs, insecurity, disruptions, a slowdown in investments in production and exports, lower growth rates and hardship for civilian populations.

The last decades brought globalization and freer trade, generally leading to improved economic well-being, but the world has now entered a new era, where geopolitics is bringing a new kind of trade protectionism, if not economic isolationism.

Read more in an [article from Inside Logistics](#).