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Ocean Updates

Letter From More Than 300 Industry Associations to USTR Slams Proposed Fees on Chinese Ships

A letter sent this week to Jamieson Greer, Ambassador for the Office of the United States Trade Representative (USTR) by more than 300 industry associations, representing various sectors, including transportation and logistics providers, manufacturers, importers, exporters and retailers, among others, called on the USTR to not move forward with its proposals regarding the Section 301 investigation focused on China's targeting of the maritime, logistics and shipbuilding sectors for dominance.

The organizations explained that, while they do support scrutiny of China's efforts to dominate the maritime industry, "USTR's proposed actions will not deter China's broader maritime ambitions and will instead directly hurt American businesses and consumers."

In terms of the impact, they pointed to how the USTR's proposed fees would increase shipping costs, both containerized and non-containerized, by at least 25%, while adding around \$30 billion in annual costs on U.S. businesses and farmers. That would result in higher costs for U.S. consumers and undermine the competitiveness of many U.S. exports, which would result in export revenue declines, and it would raise the U.S. trade deficit.

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

Good Start for Gemini, Liner Schedule Reliability Data Reveals

New data from liner analysts at Sea-Intelligence Consulting has confirmed early schedule reliability figures for the Gemini Cooperation were above its targeted 90% threshold.

Schedule reliability data shows that the first month of operations at MSC's now-standalone east-west network and that of the recently formed Premier Alliance also showed significantly higher levels of reliability at origin ports.

In contrast, shippers with cargo on the last few 2M and THE Alliance services, which are in the process of being phased out over the next couple of months, saw service punctuality decline significantly.

According to Sea-Intelligence, Gemini Cooperation recorded 94% schedule reliability in origin ports in February, followed by MSC, at 79.6% and the Premier Alliance, at 60.4%.

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

International Business/Government

Canada, Mexico are 'Vital Conduits' for North American Supply Chains: U.S. DOT

As the Trump administration goes back and forth on blanket tariffs against imports from Canada and Mexico, a report from the U.S. Department of Transportation estimates that the country's northern and southern neighbours were responsible for 30% of all U.S. international trade in 2024.

The DOT's annual "TransBorder Freight Report" for 2024 tracked a 1.8% year-over-year increase in U.S. freight flows combined between Canada and Mexico, totaling roughly \$1.6 trillion. Freight flows rose by nearly 21%, by dollar value, between 2021 and 2024 as well, largely driven by truck and rail, which accounted for more than 77% of all freight flows by value in 2024.

"America's land borders with Canada and Mexico are economically vital conduits for North American supply chains, with nearly \$3.5 billion in daily cross-border freight shipments," says the report.

Speaking to BBC News, Canada's Foreign Minister Mélanie Joly expressed confidence that the country could compete with the U.S. in the event of a full-blown trade war. "We are the biggest customer of the U.S.," Joly said. "We buy more from the Americans than China, Japan, the UK and France combined."

Read more in an [article from Supply Chain Brain](#).

Trump Announces 25% Tariff on All Cars Not Made in U.S.

U.S. President Donald Trump on Wednesday announced plans for long-promised tariffs of up to 25 percent on automotive imports, widening the global trade war in a move auto industry experts expect will drive up prices and stymie production.

Tariffs could drive costs of cars higher for consumers by thousands of dollars, hitting new vehicle sales and resulting in job losses, since the U.S. automotive industry relies heavily on imported parts, according to the Center for Automotive Research.

The U.S. imported US\$474 billion worth of automotive products in 2024, including passenger cars worth \$220 billion. Mexico, Japan, South Korea, Canada and Germany, all close U.S. allies, were the biggest suppliers.

Cox Automotive, an automotive services provider, on Wednesday forecast that, if there are no tariff carve-outs for the auto industry on imports from Mexico and Canada, \$3,000 would be added to the cost of a U.S.-made vehicle and \$6,000 on a vehicle made in Canada or Mexico.

If tariffs go through, by mid-April Cox expects disruption to “virtually all” North American vehicle production, leading to 20,000 fewer vehicles produced per day, or about a 30 percent hit to production.

“Over the longer term, we expect sales to fall, new and used prices to increase, and some models to be eliminated if those tariffs persist,” Cox Chief Economist Jonathan Smoke said.

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

Trump Says Tariffs Coming in April Will ‘Probably Be More Lenient Than Reciprocal’

President Donald Trump said that tariffs will likely be more “lenient than reciprocal,” as the April 2 tariff deadline looms for a number of levies to go into effect.

“I’ll probably be more lenient than reciprocal, because if I was reciprocal, that would be very tough for people,” Trump said Tuesday.

“I know there are some exceptions, and it’s an ongoing discussion, but not too many, not too many exceptions,” the president added.

The White House later clarified the president’s remarks, saying the Trump administration will no longer take into account non-tariff barriers countries raise against the United States to determine the reciprocal tariff rate.

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