



In The News

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1. CN Rail - Potential Work Stoppage

The National Post reports in today's paper that last minute negotiations with their union, representing some 6000 employees, failed to produce an agreement. The union spokesperson claimed that negotiations in Montreal yesterday were a last effort to resolve some key outstanding issues. The affected employees include clerical workers as well as those the union said were vital to repairing and keeping the engines and cars rolling.

This may well bode ill to keeping trains running and containers arriving at their destinations! We will monitor the situation and keep our clients updated -but caution and pre-planning for an eventual breakdown in regular services is strongly advised.

National Post Article:

CN Rail workers set to strike after talks fail

Thursday, January 22, 2004

WINNIPEG - About 6,000 Canadian National Railway workers across the country were set to go on strike this morning after a day-long, last-minute bargaining session, failed to produce an agreement. Union spokesman Doug Olshewski said negotiators for both sides sat down in Montreal on Wednesday in an attempt to resolve some key outstanding issues. The affected employees include clerical workers as well as workers the union said are vital to repairing and keeping the engines and cars rolling -- electricians, pipe-fitters, sheet metal workers and heavy duty mechanics. Olshewski, national representative for the Canadian Auto Workers, said the contracts expired Dec. 31. He said the outstanding issues include wages, contracting out and finding an acceptable dispute resolution method.

2. Update to the Canadian Wood Packaging Certification Program

You can subscribe to a list service on Updates to the Canadian Wood Packaging Certification Program (CWPCP) at: http://www.inspection.gc.ca/english/tools/listserv/listsube_shtml?cwpcp-pccm.

With regard to the phase in procedures on 'New Wood Packaging Import Requirements: January 2, 2004', Canada is adopting a new policy directive D-98-08 version 3 for wood packaging materials effective January 2nd, 2004. This policy change was required to harmonize Canada's import regulations with a new International Standard ISPM No. 15 - regulating wood packaging used in trade. Some of North America's trading partners will not be ready to implement ISPM No. 15 for export on January 2nd, 2004, nor will all of the NAPPO members have legislation in place regarding enforcement of ISPM No. 15 on January 2nd, 2004.

Canada, the US and Mexico will coordinate the phase-in of the International Standard. During part 1 of the phasing-in, CFIA will be issuing notices for wood packaging materials that are not in compliance with ISPM No. 15 starting on this date. Canada may release the non-compliant wood packaging materials accompanying shipment to destination on detention, pending inspection and subsequent release or treatment. As per normal, Canada will maintain the container inspection program targeting wood packaging. If material is found to contain regulated pests during this phase-in period, the appropriate phytosanitary procedures shall be implemented.

A date for the commencement of strict enforcement of ISPM No. 15 has not been decided by Canada at this time. A new target date for strict enforcement will be set after the legislation for all three NAPPO countries is in place. When Canada decides to pursue strict enforcement of the International Standard, wood packaging materials found to be non-compliant will be ordered returned to origin. Costs incurred in returning the wood packaging materials to origin are the responsibility of the person or the person or entity in care and control of the non-compliant wood packaging materials at the time of entry to Canada (including port or berthing facilities receiving untreated dunnage).

3. CCRA - Export Division publishes Letter on new Export Procedures in early 2004

The letter is to advise the readers that the Export Process Division (EPD) of the Canada Customs and Revenue Agency (CCRA) is currently revising the Reporting of Exported Goods Regulations and the related Customs D memorandum (D20-1-1). It is anticipated that the new regulations will become law early in 2004. This means that the responsibilities of exporters, carriers and customs service providers will change.

The purpose of this letter is to encourage the co-operation of the whole community to prepare for the changes under these pending new regulations. It is in the best interest of all concerned to get accustomed to the new procedures before the revised regulations take effect. When the proposed Reporting of Exported Goods Regulations become law and the related regulatory provisions are designated in the Designated Provisions (Customs) Regulations, export Administrative Monetary Penalty System (AMPS) penalties will be applied in any circumstance where a person fails to comply with the export provisions of the Customs Act or the Regulations. To access the letter, [click here](#).

4. CanConf announces General Rate Increase (GRI) schedule for 2004

The member lines of the above conferences advise that general rate increases are planned for April 1st, July 1st and October 1st. These GRIs are supposedly part of the continuing need for the restoration of viable rates, commensurate with the service requirements of the trade! On April 1st, 2004, the following rate increases will come into effect on Westbound cargoes:

GENERAL CARGO: US\$200 / US\$250 per 20' / 40' container
TEMPERATURE-CONTROLLED CARGO: US\$250 / US\$300 per 20' / 40' container

The July 1st and October 1st rate increases will be announced in due course in 2004.

5. CanConf advises CAF of 9% starting February 1, 2004

The Canadian North Atlantic Westbound Freight Conference, Continental Canadian Westbound Freight Conference, Canada-United Kingdom Freight Conference and the Canadian Continental Eastbound Freight Conference have advised their intention of introducing a Currency Adjustment Factor (CAF) of 9% as of February 1, 2004. They maintain that a CAF is required to recoup losses due to the weakening US Dollar. In the past 12 months the US Dollar has fallen 19% against the Euro and Canadian Dollar and 10% against the UK Pound.

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