

CIFFA Committee Meetings – Summer 2022

CIFFA's seven national committees meet several times a year to discuss relevant issues or developments that may affect member companies. Most recently, each of the committees met once during the summer months. Following is a look at what committee members discussed and decided at those meetings.

Airfreight Committee – Chair Bill Gottlieb

- CIFFA and IATA jointly **hosted a webinar**, “Discover the Benefits of CASS,” on August 10, to help members learn about CASS operations and benefits.
- A new part of the CIFFA onboarding process is to **help new members join CASS** programs.
- Transport Canada is leading globally in the change to **dangerous goods competency-based training (CBT)**, planning to be the first country to launch the program, likely in the fall of 2023.
- CIFFA is currently **developing employer-based training** that will provide information on employers' responsibilities and how they should move forward to train their employees. Employers will certify their employees to ship DG under the new program.
- Pre-COVID, the freight forwarder and airline members of the Canadian Joint Council sought to establish a **working group to review and clarify IATA regulations relating to dangerous goods handling requirements**. CIFFA is now working to re-establish that group.
- CIFFA has bi-monthly **meetings with CBSA to discuss AMPS penalties**. CIFFA has recently been challenging the CBSA's interpretation of AMPS contravention number C378, which the agency says calls for the responsible party to provide required data 24 hours pre-load. Non-compliance under C378 is expensive, with fines starting at \$2,000 and increasing to \$8,000 on the third and subsequent infractions. While the CBSA is refraining from issuing a lot of penalties, instead focusing still on education, non-compliance penalties are expected to be more widely issued in the near future.
- The committee has begun to look at options to **help CIFFA members in their efforts to develop sustainability initiatives**.

Customs Committee – Chair Paul Courtney

- The Customs Committee also discussed **AMPS penalties**. Since January 31, CBSA has issued 74 penalties to 32 freight forwarders. Infractions have been related largely to timing of notices in the air mode and cargo descriptions. While the CBSA is still not issuing a lot of penalties, it is doing so where it has communicated with a forwarder about an issue and the forwarder continues to fail to comply. Many foreign forwarders don't understand the different requirements of ACI and eManifest, and are behind many of the filing problems that result in non-compliance.
- The CBSA is looking for more detail in house bill **cargo descriptions**, and penalties for failure to comply may be coming. CIFFA plans to further discuss cargo descriptions with CBSA to gain a better understanding of the agency's requirements.
- CN and CP are **diverting containers to off-site facilities** around Toronto and Montreal, after essentially moving the problem of rail congestion inland from Vancouver – sometimes at significant

cost to shippers and forwarders, including shuttle fees and significantly higher drayage charges for each container. Dray operators are challenged to locate containers when they're moved off site, as arrival information is not kept up to date. Forwarders face extra work when loads with multiple containers are split. Few of the off-site yards are accepting empties.

- **CARM R2** is now not expected to go live before October 2023. As of July, there were still only 20,000 importers registered in the system, meaning there is still a long way to go to prepare Canada's shippers for new CBSA requirements. The CBSA is looking for more volunteers to test the system.
- Legislation is being considered that will make the broker that uses its **business number to clear goods** liable along with the importer of record (IOR) when issues arise with imports. This matter is also being challenged by CIFFA.
- CIFFA is seeking more information from the CBSA about **RM accounts under CARM**: Will shippers be given separate RM account numbers for imports and exports?
- **Forced labour** is increasingly a focus for attention in the supply chain, with ethical sourcing called for in all inputs from dirt to door.
- Under the **Trusted Trader Program**, the minimum security requirement document specifically related to freight forwarders is anticipated to be released by the end of 2022.

Drayage Committee – Chair Chris Ford

- Transport Canada has pushed the railways to clear congestion at the Port of Vancouver to make room for grain exports. CN and CP established off-site facilities in Toronto and Montreal to enable the movement of more containers out of the port, moving the congestion inland. **CIFFA is pushing CBSA to return to the practice of clearing cargo at the first point of arrival.** If the process is started when the cargo is unloaded in Vancouver, most of it will have been cleared and be ready for pickup by the time it reaches Toronto or Montreal.
- CN has opened its Mississauga Intermodal Service Centre (MISC) as a bonded facility. **Dray operators foresee an issue** because MISC and Malport are the only Toronto facilities currently accepting empty containers. CN is looking for alternate locations for empties.
- **Truck drivers are waiting for three or more hours in line outside terminal gates** in Alberta and Ontario, some of them not being paid for that time. The long waits mean many drivers can make just one trip a day to pick up a container. Worsening this situation, CN has reduced free time at its terminals; as of October 1, free time will end at midnight on the day after the cargo arrives (currently 7:01 day following). Off-peak pickups, promoted by the railways as a means to avoid lineups, are not working, as skeleton staffing leaves the terminals with no one to provide service to the truckers as workers load containers onto trains during those hours.
- Ongoing container congestion could lead to a **chassis shortage**.

Freight Brokers Committee – Chair Joel MacKay

- The **committee hosted a webinar** – Freight Brokerage Fundamentals – Legal & Insurance Requirements – on August 23 that was well-attended and positively received.
- The committee looked at **ways to increase CIFFA’s success in lobbying the federal government for policy changes**, and determined that more details addressing the why and where of challenges and the how of solutions would be helpful to policy makers. CIFFA will present more specifics of this type in its future communications with government.

Seafreight Committee – Chair Martin Schultz

- **Waiting times are up** at both CN’s and CP’s Toronto and Montreal terminals for numerous reasons:
 - Carriers’ lack of schedule integrity – now at about 18% – has led to **shippers over-ordering** to ensure they have product
 - Shippers have more product than they need, meaning **warehouse space is full** and freight is left to linger at railyards
 - Due to the lifting of COVID restrictions, **consumers are spending more on services, less on goods**, exacerbating inventory surpluses
 - **Fewer drayage operators** are available to move containers
 - Driver hours-of-service restrictions mean that, given congestion, **drivers are often able to complete just one turn a day** at the terminals
- The railways are moving many containers to off-dock storage locations, and are providing **insufficient visibility to customers** on the whereabouts of their containers.
- Under CIFFA’s STCs, **customers are responsible for extra costs** related to the movement of containers to off-site facilities.
- The Government of Canada has undertaken a **review of the Shipping Conferences Exemption Act**, which is related to ocean carrier competitiveness. The Act allows shipping conferences to operate into and out of Canadian ports without contravening the Competition Act. This gives them freedom not available to other businesses.
- CIFFA’s position is that **carriers should be treated like other businesses**; shipping consortia are anti-competitive and pay very little tax. As part of the review process, CIFFA shared this message with Transport Canada.
- **CIFFA has written to Minister of Transport Omar Alghabra and Minister of Innovation, Science and Industry François-Philippe Champagne** to note carrier responsibility to accept empty returns and, if they can’t accept them, the carriers should be paying for storage, drayage and chassis – which the FMC is pushing in the U.S. CIFFA asked the ministers to institute a similar initiative in Canada.

Sustainability Committee – Chair Christina Fisker

- CIFFA is becoming increasingly engaged with the **UN Global Compact**, a worldwide sustainability initiative that supports participating companies, associations and cities as they align their strategies and operations with defined principles on human rights, labour, the environment and anti-corruption. Having completed a questionnaire from the organization, CIFFA will next review the answers with a UNGC Canada representative in order to establish the association’s baseline status against which progress will be measured.
- The committee is planning a **blueprint report** for publication in 2023.

Technology Committee – Chair Marc Bibeau

- A **recording of CIFFA’s June 28 webinar**, “Cybersecurity – How to Protect Your Business,” is available to members.
- The committee is **planning its next white paper** and follow-up webinar.

If you are interested in joining any one of the national committees, please send your request to either admin@ciffa.com or the Regional Chair for your area, whose contact details can be found in the [National Board of Directors listing](#) on the CIFFA website.

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