

LEI News Letter

June 2006

Vancouver Terminals Increase Demurrage, Reduce Free Time

Terminal Systems Inc. (TSI), the operators of the Vancouver container terminals Vanterm and Deltaport, have announced adjustments to their service tariff. Effective July 4, 2006 free time for general cargo and refrigerated containers will be reduced from the current 5 days to 3 days following unloading from the vessel. Demurrage on containers will be \$100.00 per TEU (Twenty foot Equivalent Unit) per day and \$200.00 per FEU (Forty foot Equivalent Unit) per day.

TSI has stated their terminals are operating at, or have exceeded maximum capacity. TSI has introduced a truck reservation system and has extended its gate hours in an effort to maximize productivity. TSI says the adjustment to their tariff compliments these initiatives to deal with the growing volume of containerized cargo.

General Rate Increase July 1, 2006

The Canada Transpacific Stabilization Agreement has confirmed a General Rate Increase on cargo from all Far East and Indian Subcontinent origins effective July 1, 2006 as follows;

West Coast Canada

US\$160.00 per 20' container
US\$200.00 per 40' container
US\$225.00 per 40'HC container
US\$255.00 per 45' container
US\$ 5.00 per CBM/\$10.00 per WT

Inland Points – Intermodal

US\$320.00 per 20' container
US\$400.00 per 20' container
US\$450.00 per 40'HC container
US\$505.00 per 45' container
US\$ 10.00 per CBM/ \$20.00 per WT

The Canada Transpacific Stabilization Agreement is a group consisting of 11 major shipping lines serving the trade from Asia and the India Subcontinent to ports and inland points in Canada.

Fuel Recovery Surcharge Increase Effective July 1, 2006

The Canada Transpacific Stabilization Agreement has announced the Fuel Recovery Surcharge will be assessed at the following level effective July 1, 2006;

US\$510.00 per 20' container
US\$765.00 per 40'HC container
US\$ 15.00 per CBM

US\$680.00 per 40' container
US\$860.00 per 45' container
US\$ 30.00 per 1,000 Kgs.

These rates represent and increase of:

US\$35.00 per 20' container
US\$50.00 per 40'HC container
US\$ 1.00 per CBM

US\$45.00 per 40' container
US\$55.00 per 45' container
US\$ 2.00 per 1,000 Kgs.

**Administrative Monetary Penalty System (AMPS)
Contraventions C019-C020, Importer Failure to Report**

In June 2004 the Canada Border Services Agency announced that Contraventions C019 and C020 would be phased out. The penalties issued under these contraventions which have been paid and subsequently appealed, have been returned. However there may be some instances where the importer paid the penalties but did not file an appeal. Please note the CBSA made the following announcement on June 9, 2006:

“The Customs Act allows the Minister to cancel penalties under certain circumstances. A review of the circumstances under which C019/C020 penalties were issued revealed that they might have been improperly issued in certain cases. As such, the CBSA is prepared to review requests to cancel those penalties that may have been improperly issued and consider a remedy. Specifically, the situations uncovered by the review are cases where C019/ C020 penalties were issued against importers who used the service of a carrier, and the obligation to report was that of the carrier but it failed to do so. A cancellation of a penalty may also apply in cases where a carrier received a C019/C020 penalty in error. If the above-mentioned situation applies to you, and you received a C019/C020 penalty, you may request a cancellation of your penalty.”

“If you believe that you qualify for a cancellation and a refund if any C019/C020 penalties that you were issued, you will need to provide the following information:

1. A copy of your Notice of Penalty Assessment,
2. Your carrier’s name and carrier code,
3. An explanation of why you believe a cancellation would be justified in your case,
4. K21 receipt for payment of the AMPS penalty
5. Any other information you feel would be pertinent to your application,.

and send it to: Joanna Clark
AMPS Policy Program Unit
Canada Border Services Agency
150 Isabella Street, 11th Floor
Ottawa, ON K1A 0L8
Email: Joanna.Clark@cbsa-asfc.gc.ca
Phone: 613-952-9491
Fax: 613-952-1812”

Cross-Linked Polyethylene Tubing, Preliminary Inquiry

On June 1, 2006 the Canada Border Services Agency notified the Canadian International Trade Tribunal (CITT) that a preliminary determination had been made respecting the dumping of single or multilayer cross-linked polyethylene tubing in nominal sizes up to and including 1 inch or the metric equivalent, excluding cross-linked polyethylene tubing with an oxygen barrier layer, originating in or exported from the United States of America. In accordance to the Special Import Measures Act, the CITT has initiated an inquiry to determine whether the dumping of the above-mentioned goods has caused injury or retardation or is threatening to cause injury.

A public hearing relating to this inquiry will be held in the Tribunal Hearing Room, 18th Floor, Standard Life Centre, 333 Laurier Avenue West, Ottawa, ON beginning at 9:30am on Aug. 29, 2006. Each person wishing to participate in the inquiry and at the hearing as a party must file notice of participation with the Secretary on or before June 16, 2006. Each counsel who intends to represent a party in the inquiry and at the hearing must file a notice of representation, as well as a declaration and undertaking, with the Secretary on or before June 16, 2006.

Written submissions, correspondence and requests for information regarding this notice should be addressed to:

The Secretary
Canadian International Trade Tribunal
Standard Life Centre
333 Laurier Avenue West
15th Floor
Ottawa, ON K1A 0G7

Ph: 613-993-3595

Fax: 613-990-2439

Email: secretary@citt-tcce.gc.ca

