

**Logistics Update****Date****July 18 2024****Terms are conditions**

Please note that this form is for informational purposes only and is a high-level status of shipping around the world

The details below are not representation of the shipping practices at Manitoba Liquor and Lotteries and is intended for informational purposes only.

Manitoba Liquor and Lotteries is not liable for details presented in this document and the information below is subject to change without notice.






If you require details on your purchase orders please request a status update from a Manitoba Liquor and Lotteries representative.

Freight may be subject to consolidation and may be delayed if insufficient freight is not available at the time of product availability.

**Logistics Heat Map - (Rolling 6-month tracking)**

| Ship Point     | June '24            | July '24            | August '24          | September '24       | October '24         |
|----------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Western Canada | Warning/Some Issues | Warning/Some Issues | Warning/Some Issues | Warning/Some Issues | Warning/Some Issues |
| Eastern Canada | Warning/Some Issues | Warning/Some Issues | Warning/Some Issues | Warning/Some Issues | Warning/Some Issues |
| Australia      | Watching            | Watching            | Stable/Minor issues | Stable/Minor issues | Stable/Minor issues |
| California     | Watching            | Watching            | Watching            | Watching            | Watching            |
| Europe         | Warning/Some Issues | Warning/Some Issues | Warning/Some Issues | Warning/Some Issues | Warning/Some Issues |
| New Zealand    | Stable/Minor issues | Stable/Minor issues | Stable/Minor issues | Stable/Minor issues | Stable/Minor issues |
| South Africa   | Warning/Some Issues | Warning/Some Issues | Watching            | Watching            | Watching            |
| South America  | Warning/Some Issues | Warning/Some Issues | Watching            | Watching            | Watching            |

**Legend**

|   |                     |
|---|---------------------|
|    | Stable/No issues    |
|   | Stable/Minor issues |
|  | Watching            |
|  | Warning/Some Issues |
|  | Major issues        |

**General Notes**

CPKC and CN negotiations: We wanted to reach out and give the latest update regarding the CPKC and CN negotiations. The Ministry of Labour has now involved the Canada Industrial Relations Board (CIRB) to determine if, contrary to the agreement reached by the railway and the unions, any rail activity must continue during a strike or lockout to protect the health and safety of Canadians.

This involvement means a legal strike or lockout cannot occur until the CIRB renders its decision, which is unknown at this time. Therefore, no strike or lockout will happen on May 22, 2024 and it will be business as usual. As we receive more information, we will continue to update you.

Before the dispute was referred to the CIRB, workers were in a position to walk off the job on May 22. But a strike cannot start now until the board issues a decision. Since the dispute was referred to the tribunal, there does not appear to have been any progress made in negotiations between the two sides. CPKC reported no progress in its most recent round of bargaining, and the Teamsters Canada Rail Conference (TCRC) also recently put out a statement criticizing CN Rail for making its most recent offer public, an offer the union called inadequate.

Jean-Daniel Tardif, senior director of operations and dispute resolution at the CIRB, said the two parties have until May 31 to make their written submissions. The submissions will primarily outline their current positions in regards to the dispute.

Tardif added that a case management conference was set to be held on May 27 in Ottawa.

Tardif was not able to provide a timeline in terms of when the board may hand down a decision. He said the board can reach its rulings in a number of ways, including just considering written submissions or holding full-on hearings. Ginette Brazeau, the current chair of the CIRB, will be overseeing the case.

18 - June - Teamsters Canada Rail Conference (TCRC)'s second strike vote began Friday, June 14, and will end June 29, as the current strike mandate is set to expire on June 30. Canadian labor laws prohibit unions from declaring a strike unless its members have approved walking off the job in the previous 60 days.

**\*\*Update - 13 - July - The Canada Industrial Relations Board aims to make a ruling by Aug. 9 on the question of essential services that has put a potential Canadian rail strike or lockout on hold.**

Panama Canal - 8 Apr 2024 - Low water level conditions on Gatun Lake have continued to impact regular operations through the Panama Canal. Draught restrictions have increased, limiting the capacity of containers ships can carry when transiting the canals, and there are reduced limits on how many vessels can transit the locks each day. Additional carrier surcharges expected.

**(\*\*On going) - Panama Canal - Continues struggle with drought concerns but shipping continues with minor delays and congestion. As if July 2024, the rain fall has increased in this area and capacities are increasing but remain below optimum levels.**

### Western Canada

**\*\*Potential job action with CN Rail and CP Kansas is resulting in increased congestion at the Port.**

Please be advised we are currently facing congestion and delays at the Port of Vancouver. The congestion is caused by a combination of shortened trains in the multiple derailments throughout BC in the last few months. Congestion is also building due to the potential rail job action.

**Monitoring Potential Vancouver Port Strike Action - 18 - June - Union representing the Longshoremen in Vancouver have voted 99% in favor of a strike.**

**\*\*UPDATE - 10 - July - The CIRB found the union failed to bargain in good faith when it conducted a strike vote amongst employees of only one member employer of the (BC Maritime Employers Association) and issued a strike notice based on that strike vote," the BC Maritime Employers Association said in a release. "Accordingly, the CIRB directed the union to rescind the strike notice of July 5, 2024 and advise members that it is rescinded."**

**As a result of the CIRB decision, the BC Maritime Employers Association (BCMEA) has rescinded the industry-wide lockout notice, which would have shut down ports up and down the west coast of B.C.**

**Another hearing is scheduled for on Aug. 6, 7, 8, and 9.**

Transit times from Vancouver Port to MBLL's DC in Winnipeg are at 4-5 weeks

### Eastern Canada

**\*\*Potential job action with CN Rail and CP Kansas is resulting in increased congestion at the Port.**

**\*\*Monitoring Potential job action with Montreal Port - Union rejected offer on April 22nd**

Monitoring situation in Montreal as the potential for a strike may occur in mid to late December. \*\*\*The Maritime Employers Association (MEA) and CUPE Local 375 – Montreal Longshoremen will be meeting on April 16 and 17 for discussions mediated by the Federal Mediation and Conciliation Service. The MEA notes that there has been no strike vote and the union has not planned a meeting to set that in motion. For any pressure tactics to be applied, a vote and 72 hours' notice is necessary.

Transit time from the Port of Montreal to MBLL's DC in Winnipeg 3-4 weeks

### California/US

Currently no issues in California or Shipping from the USA to Manitoba

11 June 2024 - Excessive heat warnings have been issued for parts of California and the USA Southwest (Arizona, Nevada, Texas). For supplier pickups in Northern California, including Napa and Sonoma counties, daytime temperatures will range in the 90s-100F. Adjusting pickup appointments or applying cargo protection (VinLiner or Reefers with gensets) is recommended for supplier pickups and deliveries in these regions.

**\*\*Update - Heat waves continue**

### Argentina / Chile

On Going - Monitoring situation; Argentina's primary trade union federation held another nationwide general strike on May 9, the second called since President Javier Milei, a far-right economist, took office in December and began pursuing sweeping austerity and deregulation. The South American nation's unions organised the strike "in defense of democracy, labor rights, and the living wage," according to a statement from the General Confederation of Labor (CGT), the Argentine Workers' Central Union (CTA) and the Autonomous CTA.

### Australia

Australia port services are normal. No major delay at source.

## New Zealand

No major concerns at this time.

## Europe

Most European ports nearing normal volume

France - 12 June 2024 - The French National Federation of ports and docks have suspended the remaining strike days for June. It will take some time to work through backlog and restore normal operations. The original strike action covered 4 hours per day on May 21, 23, 27, 29, 31, and June 4, 6, 10, 12, 14, 18, 20, 24, 26, 28 followed by 24 hour strike dates on June 7, 13, 21, 25, 2024.

Germany - On 25 March, Deutsche Bahn reached an agreement with Germany's GDL train drivers' union, bringing an end to five months of negotiations and strikes.

Germany - 17 - June - Rolling Port strikes in Hamburg, & Bremerhaven is creating congestion and service delays.

**Germany - 10 July - Warning strikes at Port of Bremerhaven for July 9 -11, 2024 Hamburg & Bremerhaven**

**Germany - 17- July - The Central Association of German Seaport Operators (ZDS) has submitted a final offer to port workers associated with trade union ver.di, but if they reject the offer, further port strikes could coincide with the traditional peak season.**

Italy - 3 Apr 2024 - Italian ports will strike for 2 hours every shift starting April 3 to April 5, 2024. Genova port will be on strike all day on April 5th, 2024. Prepare for delays in container pickup and deliveries to the ports.

Italy -3 June 2024 -Genoa Terminals continues to experience congestion for container pickups and deliveries.

Italy -17 May 2024 - A strike at Naples port by terminal operators and truckers is affecting container operations. MSC service schedules will be disrupted. If vessels omit a port call at Naples, the most likely diversion would be to alternative ports of Salerno or Gioia Tauro.

**Italy -27 Jun - Italian port workers unions have announced a series of strikes starting July 2 until July 5, 2024. At this stage it is unclear if this will be a total strike stopping all operations, or a partial strike which would slow down cargo movements. \*\*Monitoring Situation.**

Russian Sanctions still in place for exporting from Russia

Ukraine is still under an act of war declaration so shipping from Ukraine to Canada is on hold

Avg Transit Time port to Port 13-28 days country specific

## South Africa

Service out of South Africa is slowing due to vessel congestion

Marine Services are dropping port calls due to building congestion.

Monitoring Situation and potential for delays are increasing. \*\*Situation continues

**15 - July - Transnet ports are gradually resuming operations after severe storms affected the region. Expect residual delays in vessel operations due to high swells.**

Avg Transit Time 43 days

\*This document is intended reference only. This can be shared with stakeholders.