

June 14, 2021.

Att. The Honourable Chrystia Freeland

Minister of Finance

House of Commons

Ottawa, Ontario,

Canada

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Dear Minister,

We are writing to express alarm and frustration at recent developments in the marine shipping sector which will have negative impacts on Canadian businesses and consumers.

In the last week major shipping lines have announced new “Destination Terminal Handling Charges” on Canadian imports and exports. These fees are not justified, or justifiable.

Ocean shipping has enjoyed an extremely lucrative period during the Covid 19 outbreak. Demand has been at record high levels and, in addition, shipping firms have been levying huge penalties on Canadian customers struggling to access containers amid the congestion in ports and terminals.

(This latter practice is so egregious it has triggered an [investigation](#) by US marine authorities.)

As Minister of Finance you will be preoccupied with concerns about rising inflation. Clearly, we will experience some unprecedented trends in our economy as we emerge from the Covid pandemic and no one can be blamed for that. But opportunistic and punitive charges such as these are not in that category. They are levied by service suppliers who see an opportunity in the chaos caused by Covid-19 and unafraid of any reaction from the traditionally supine Canadian regulators.

We urge you to investigate this situation. As you may know, the marine container sector has a long history of domination by explicit cartels. With 80% of our trade exposed to this industry, hardly a Canadian business or consumer is unaffected by price manipulation of this kind.

With best wishes,

Bruce Rodgers Executive Director, CIFFA



Julia Kuzeljevich Public Affairs Manager, CIFFA



The Canadian International Freight Forwarders Association (CIFFA) represents some 260 regular member firms from the largest of global multi-national freight forwarding firms to small and medium sized Canadian companies. CIFFA member companies employ tens of thousands of highly skilled international trade and transportation specialists. As a vital component of Canada's global supply chain, member firms of the Canadian International Freight Forwarders Association (CIFFA) facilitate the movement of goods around the world. Freight forwarders provide a vital link in Canada's global supply chains, enhancing export capabilities and assisting in the delivery of competitive solutions to Canada's importing and exporting communities.