

## Journal of Commerce

## Trans-Pacific carriers altering port rotations to avoid strike-hit Vancouver



Forwarders and a terminal operator told the Journal of Commerce at least six container ships that had been scheduled to call in Vancouver had been diverted to Seattle-Tacoma as of Monday. Photo credit: romakoma/Shutterstock.com.

## Bill Mongelluzzo, Senior Editor | Jul 10, 2023, 4:08 PM EDT

Trans-Pacific carriers are changing schedule rotations so that US-bound cargoes can be unloaded in Seattle-Tacoma rather than Vancouver and will divert even more vessels as the strike by the International Longshore and Warehouse Union (ILWU) Canada enters its second week, sources said Monday.

Meanwhile, vessel backlogs are building outside of Vancouver and Seattle-Tacoma, although the backlog changes constantly because additional vessels are arriving in the Pacific Northwest almost every day. According to the Vancouver Fraser Port Authority website, 14 container ships were at anchor or offshore of Vancouver on Monday.

Forwarders and a terminal operator told the *Journal of Commerce* at least six container ships that had been scheduled to call in Vancouver had been diverted to Seattle-Tacoma as of Monday. The ocean carriers make the final decision as to where vessels will rest at anchor as they await resumption of cargo handling in Vancouver.

The National Retail Federation on Friday said the ongoing longshore strike at the ports of Vancouver and Prince Rupert should not have a "major impact" in the United States, but could still affect some retailers that move merchandise through Western Canada.

Vessel rotations to the North American Pacific Northwest often have Vancouver as the first port of call before the ships proceed to Seattle-Tacoma, so Vancouver-bound containers are stowed on the top rows of the vessels, a terminal operator told the Journal of Commerce. Since the ILWU in the US announced last week that it will boycott Canadian-destined cargo in a show of support for ILWU Canada, longshoremen in Seattle and Tacoma must remove Canadian-destined containers first in order to access the US-bound boxes. Then they reload the Vancouver containers onto the vessels.

## No face-to-face talks Monday

Meanwhile, contract negotiations between ILWU Canada and the British Columbia Maritime Employers Association (BCMEA) were not held on Monday, although the parties "continue to engage with the federal mediators," according to a source familiar with the negotiations.

ILWU Canada launched its strike on July 1. Both sides remain far apart over two key issues — wages and a demand by ILWU Canada to extend its jurisdiction over maintenance work.

Employers offered a 14% wage hike over a four-year contract, while the union is seeking a 17% increase over a two-year contract, plus a lump sum payment of \$8,000, according to a source familiar with the negotiations.

Contact Bill Mongelluzzo at bill.mongelluzzo@spglobal.com.

© 2023 S&P Global. All rights reserved. Reproduction in whole or in part without permission is prohibited.

You are permitted to print or download extracts from this material for your personal use only. None of this material may be used for any commercial or public use. For more information on reprints/eprints, please visit https://subscribe.joc.com/mediasolutions/.