

January 5, 2010

BCMEA BULLETIN: RELIABILITY AND PRODUCTIVITY AT WORK

British Columbia Maritime Employers Association

World's Third Largest Free-Trade Zone Takes Full Effect Between ASEAN and China

31 Dec 09 ~IHS Global Insight

A free-trade agreement between China and 10 member states of the Association of Southeast Asian Nations (ASEAN) will come into force on 1 January 2010, liberalizing trade and investment in an economic zone covering 1.9 billion people.

IHS Global Insight Perspective

Significance: China and South-East Asian countries will tomorrow establish the world's third largest free-trade area, after the European Union (EU) and the North American Free Trade Area (NAFTA). Coming into effect, the ASEAN-China Free Trade Agreement (ACFTA) is set to cover 1.9 billion consumers and an estimated trade volume of US\$1.2 trillion, with a combined GDP of US\$6 trillion.

Implications: The FTA is a key milestone for Asian regional integration, heralding a more open market for goods and services in the region. While zero tariffs for 90% of the agreed products, and the removal of 6,682 import duties on Chinese goods, offer great business opportunities for some, not all are enthusiastic. The ACFTA raises economic and political concerns in South-East Asia over China's increasing dominance.

Outlook: The ACFTA is likely to provide a major boost to regional trade and investment following a year of sharp economic slowdown. Given the similarity of ASEAN and China's industrial structures, competition in domestic markets will increase, however, provoking fears particularly in those less economically developed ASEAN countries. For China, the ACFTA offers great prospects of being able to sate its enormous hunger for natural resources.

New Year's Day 2010 marks the establishment of the world's third largest free-trade area between China and the ten member states of the Association of South-east Asian Nations (ASEAN). Under the ASEAN-China Free Trade Agreement (ACFTA)—signed in 2002—China, Brunei, Indonesia, Malaysia, the Philippines,

Singapore, and Thailand will eliminate barriers to investment and enforce zero tariffs for 90% of the agreed products, ranging from textiles to steel and vegetable oils. This will require the average tariff rates charged by ASEAN countries on Chinese products—currently at 12.8%—to be cut to 0.6%, while average tariffs imposed by China on ASEAN goods are set to fall from 9.8% to 0.1%. The late participants to ASEAN—namely, Cambodia, Laos, Myanmar, and Vietnam—will follow behind gradually reducing tariffs and totally eliminating them by 2015.

The new free-trade zone will have an estimated trade volume of US\$1.2 trillion and a combined GDP of US\$6 trillion. It will cover 1.9 billion consumers—more than any other regional economic block. Clearly, this marks a huge milestone for Asian regional integration, traditionally less advanced in comparison with Europe and the Americas, as the region has played “catch up” in recent years. Although the realization of ACFTA brings huge opportunities for both China and ASEAN, it also raises concerns over China's increasing economic and political domination in South-East Asia.

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CANADA'S RATIFICATION OF THE BUNKERS CONVENTION

The purpose of this notice is to advise shipowners and operators of Canada's ratification of the International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001 (Bunkers Convention).

The Bunkers Convention entered into force internationally on November 21, 2008. Canada deposited its instrument of ratification with the International Maritime Organization (IMO) on October 2, 2009, meaning the Convention will enter into force for Canada on January 2, 2010. The amendments to the Marine Liability Act (Chapter 21, 2009), which implement the Bunkers Convention in Canadian law and received Royal Assent on June 23, 2009, will also enter into force on that same date.

The Bunkers Convention requires all ships over 1000 gross registered tonnage to maintain insurance or other financial responsibility, to cover the liability of the registered owner for pollution damage resulting from the escape or discharge of bunker oil from the ship. Proof of this insurance or other security will be demonstrated by the possession of a statutory government certificate.

The certificate attests that proof of insurance, usually in the form of a "Blue Card" issued by a P&I Club is in force with respect to the ship to cover

the liability in accordance with Article 7 of the Bunkers Convention. This insurance should be up to the limits specified in Article 6(1)(b) of the 1996 Protocol to the International Convention on the Limitation of Liability for Maritime Claims, which Canada has adopted in Part 3 of the Marine Liability Act (see schedule 1 of the Act).

All Canadian-registered ships that are already in possession of a similar certificate from another state party to the Bunkers Convention, will be required to obtain a replacement certificate from Transport Canada. Foreign-registered ships with a certificate from another state party to the Convention will be recognized by Canada. There are currently 46 other state parties.

The requirement to obtain a certificate of financial security under the Bunkers Convention also applies to all oil tankers that are subject to similar requirements under the International Convention on Civil Liability for Oil Pollution Damage, 1992 (Civil Liability Convention or CLC), to which Canada is also a state party. The application for both certificates can be made at the same time.

Failure to produce a valid certificate may result in enforcement action as set out in the Marine Liability Act (Chapter 21, 2009). www.tc.gc.ca

Industry Calendar of Events

January 14	Vancouver Transportation Club January Dinner JJ's Restaurant, 250 W. Pender St Vancouver BC
January 16	Vancouver Transportation Club Annual Curling Bonspiel Richmond Curling Club, Richmond BC
January 29-30	Pacific Northwest Economic Conference 2010 Vancouver, BC
February 12-28	Vancouver 2010 Winter Olympic Games Vancouver, BC
March 1-2	10th Annual Trans-Pacific Maritime Conference Long Beach, CA
March 2-3	Conference Board of Canada - Toronto, ON Strategic Supply Chain Management Forum

CN Over, CPR Under Western Grain Revenue Caps for Crop Year 2008-2009

OTTAWA – December 31, 2009

The Canadian Transportation Agency today announced that the revenues of the Canadian National Railway Company (CN) for the movement of Western grain had exceeded its revenue cap for crop year 2008-2009. The Agency has also ruled that the Canadian Pacific Railway Company (CPR)'s revenues from grain transportation for the same period were below its cap.

CN's grain revenue of \$479,788,412 was \$683,269 above its revenue cap of \$479,105,143. CPR's grain revenue of \$484,806,288 was \$1,149,665 below its cap of \$485,955,953.

For 2008-2009, the total combined revenue cap entitlement for CN and CPR rose by \$208 million over the previous crop year, of which over two-thirds was attributable to significant increases in the amount of grain moved by the railways.

The remainder of the increase stemmed from an 8% rise in the volume-related composite price index (VRCPI), an inflation factor that the Agency must determine for each crop year. The 2008-2009 VRCPI increase, announced in April 2008, was largely due to higher fuel prices and rising labour costs.

CN now has 30 days to pay the amount by which it exceeded its 2008-2009 revenue cap, in addition to a five-percent penalty of \$34,163. Government regulations stipulate that such payments must be made to the Western Grains Research Foundation, a farmer-funded and directed organization set up to fund research that benefits Prairie farmers.

The Canada Transportation Act requires the Agency to determine each railway company's revenue cap annually and whether each cap has been exceeded by the railway companies. The caps apply to revenue the railways derive from the movement of grain from Prairie origins to terminals at Vancouver, Prince Rupert, Thunder

Bay and Churchill. In the course of its determinations for 2008-2009, the Agency examined and verified detailed railway company submissions of grain traffic and revenue information.

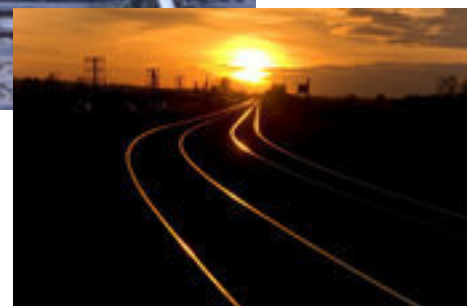
The Canadian Transportation Agency is an independent quasi-judicial tribunal which operates like a court. It regulates various modes of transportation under Government of Canada jurisdiction, including air, marine and rail. The Agency deals with, among other things, rate and service complaints arising in the rail industry; disputes between railway companies and other parties; applications for certificates of fitness for the proposed construction and operations of railways; approvals for railway line construction; regulated railway interswitching rates; and revenue caps for the movement of Western grain by rail.

For more information on the revenue caps, please visit the Agency's Web site at www.cta.gc.ca



Canadian
Transportation
Agency

Office
des transports
du Canada



Agent Vessel Forecast Statistics for past 28 days: Dec. 5, 2009 - Jan. 2, 2010		
Number of Companies with working vessels during this period		26
Number of participating companies		23
Participation Levels :	Very High	7
	High	12
	Moderate	4
	Low	0
Average accuracy level		54.62%
Maximum accuracy level		88.89%
Minimum accuracy level		27.01%

Agent Participation and Accuracy Explanation			
Overall Agent Accuracy is based on the forecasting information supplied by the agent compared to the final state of the forecast as supplied by despatch. Agent participation is calculated based on the efforts of the agent in providing forecasting information via the Agent Vessel Forecast System. Participation is based on the comparison between the <u>number</u> of forecasted shifts as against the number of working shifts. Forecast accuracy is based on forecasted shifts and gangs <u>matching</u> with working shifts and gangs.			Percentage of working shifts forecasted
	Very High		More than 90%
	High		61% to 90%
	Moderate		31% to 60%
	Low		up to 30%

Vancouver Dispatch - Casual Employee Utilization (Dec. 27, 2009 - Jan. 2, 2010)

Shift	Week Day	A Board		B Board		C Board		T Board		00 Board		Total Available	Total Dispatched	% Dispatched
		Available	Dispatched	Available	Dispatched	Available	Dispatched	Available	Dispatched	Available	Dispatched			
DAY	Sunday	33	13	13	9	6	2	6	1	2	1	60	26	43%
	Monday	75	75	33	33	39	39	29	29	30	20	206	196	95%
	Tuesday	65	65	33	27	34	2	36	3	28	1	196	98	50%
	Wednesday	65	65	19	19	12	7	12	5	6	1	114	97	85%
	Thursday	46	37	20	6	15	5	11	1	6	1	98	50	51%
	Friday	28	0	28	1	32	1	30	1	11	0	129	3	2%
	Saturday	57	57	22	22	27	27	34	34	56	26	196	166	85%
GRAVEYARD	Sunday	16	1	1	0	8	1	2	0	3	1	30	3	10%
	Monday	11	0	3	0	1	0	5	0	1	0	21	0	0%
	Tuesday	11	4	12	7	23	12	54	30	45	1	145	54	37%
	Wednesday	3	2	6	0	4	0	5	0	3	1	21	3	14%
	Thursday	19	18	22	21	25	4	17	4	9	0	92	47	51%
	Friday	3	0	4	0	1	0	1	0	0	0	9	0	0%
	Saturday	30	30	28	28	33	33	28	28	9	7	128	126	98%
NIGHT	Sunday	15	0	4	0	5	2	6	0	0	0	30	2	7%
	Monday	32	32	22	22	24	21	44	4	41	2	163	81	50%
	Tuesday	11	10	8	2	6	2	9	3	4	1	38	18	47%
	Wednesday	32	23	21	2	24	2	16	2	9	1	102	30	29%
	Thursday	0	0	0	0	0	0	0	0	0	0	0	0	0%
	Friday	0	0	0	0	0	0	0	0	0	0	0	0	0%
	Saturday	25	25	14	14	11	11	25	25	54	2	129	77	60%
Grand Total		577	457	313	213	330	171	370	170	317	66	1907	1077	56%

Vancouver Gang Stats
December 2009 (as at December 30/09)

Shift	2/3 Man Special				Basic				Dock Gantry				Grain			
	Req	All	Rec	Shrt	Req	All	Rec	Shrt	Req	All	Rec	Shrt	Req	All	Rec	Shrt
Shift 1 (0100)	9	9	9	0	5	5	5	0	69	69	69	0	30	30	30	0
Shift 2 (0800)	17	16	16	1	40	40	40	0	86	86	86	0	125	125	125	0
Shift 3 (1630)	19	19	19	0	26	26	26	0	84	84	84	0	97	97	97	0
Totals:	45	44	44	1	71	71	71	0	239	239	239	0	252	252	252	0
Percent of Shortage:	2.22%				0.00%				0.00%				0.00%			

Squamish Gang Stats
December 2009 (as at December 30/09)

Shift	2/3 Man Special				Basic				Dock Gantry			
	Req	All	Rec	Shrt	Req	All	Rec	Shrt	Req	All	Rec	Shrt
Shift 1 (0100)	0	0	0	0	5	5	5	0	0	0	0	0
Shift 2 (0800)	0	0	0	0	21	21	21	0	0	0	0	0
Shift 3 (1630)	0	0	0	0	7	7	7	0	0	0	0	0
Totals:	0	0	0	0	33	33	33	0	0	0	0	0
Percent of Shortage:	0.00%				0.00%				0.00%			

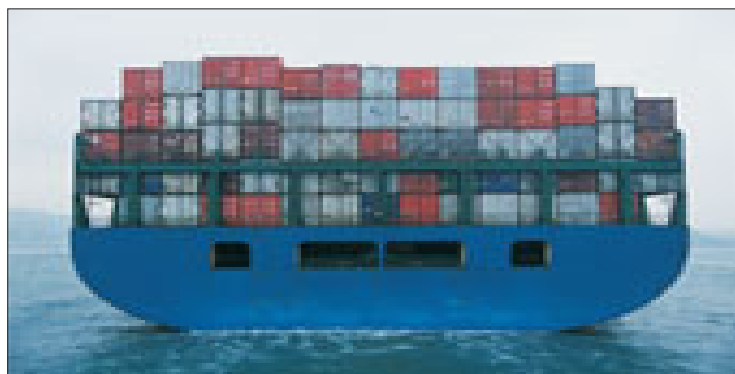
Vancouver Island Gang Stats
December 2009 (as at December 30/09)

Shift	2/3 Man Special				Basic				Dock Gantry			
	Req	All	Rec	Shrt	Req	All	Rec	Shrt	Req	All	Rec	Shrt
Shift 1 (0100)	2	2	2	0	1	1	1	0	0	0	0	0
Shift 2 (0800)	0	0	0	0	77	77	77	0	0	0	0	0
Shift 3 (1630)	0	0	0	0	16	16	16	0	0	0	0	0
Totals:	2	2	2	0	94	94	94	0	0	0	0	0
Percent of Shortage:	0.00%				0.00%				0.00%			

Dispatch Shortage Stats for December 2009

Shortages at commencement and post dispatch, month-to-date December 31, 2009

0100 Shift					0800 Shift				
Rating	At	Shifts	Post	Shifts	Rating	At	Shifts	Post	Shifts
	Dispatch		Dispatch			Dispatch		Dispatch	
DOCK GANTRY	1	1	0	0	AUTOMOTIVE MECH-CERT	5	3	5	3
ELECTRICIAN (CERT)	7	7	1	1	BACKHOE OP	1	1	0	0
FIBERCO TRUNK (B.O.)	1	1	0	0	BULLDOZER (DOCK)	1	1	0	0
H.D. MECH (CERT)	19	14	11	9	CARPENTER (CERT)	2	2	0	0
MILLWRIGHT (CERT)	6	4	3	2	DOCK GANTRY	12	6	0	0
P.M. BULK LIQUID OP.	3	2	1	1	ELECTRICIAN (CERT)	22	14	20	12
P.M. TRUNK (B.O.)	1	1	1	1	F.E.L. (DOCK)	1	1	1	1
SWITCHMAN (NEPT)	1	1	0	0	FIBERCO TRUNK (B.O.)	2	1	1	1
V.W. TRUNK (B.O.)	2	2	0	0	H.D. MECH (CERT)	51	30	42	27
1630 Shift					LIFT TRUCK (DOCK)	1	1	1	1
Rating	At	Shifts	Post	Shifts	LOCIE ENGINEER	2	2	0	0
	Dispatch		Dispatch		MILLWRIGHTT (CERT)	15	9	13	8
BOMBADIER	2	2	0	0	NEPTUNE TRUNK (B.O.)	8	5	2	2
BULLDOZER (DOCK)	1	1	0	0	PLUMBER (CERT)	6	6	4	4
DOW CHEMICALS	1	1	0	0	SHIP GANTRY	2	1	0	0
ELECTRICIAN (CERT)	29	22	15	12	SWITCHMAN (ALL SITES)	4	1	0	0
F.E.L. (DOCK)	3	2	1	1	TOPSIDE	4	4	0	0
FIBERCO PUSHER	2	2	0	0	TRACKMAN	1	1	1	1
H.D. MECH (CERT)	28	24	19	17	V.W. TRUNK (B.O.)	4	2	1	1
KOMATSU OP. (VW)	2	1	0	0	VT CHECKER	3	2	0	0
LOCIE ENGINEER	2	2	0	0	WELDER (CERT)	1	1	1	1
MILLWRIGHT (CERT)	26	15	4	4	WHEAT SPECIALTY	2	2	0	0
SWITCHMAN (ALL SITES)	1	1	0	0					
TOPSIDE	1	1	0	0					
WHEAT SPECIALTY	1	1	0	0					



Union Meeting Nights

Mainland Locals

Vancouver (500) January 13, 2010

New West. (502) January 13, 2010

Vancouver Island Local

Chemainus (508) January 11, 2010

Northern Local

Prince Rupert (505) January 12, 2010

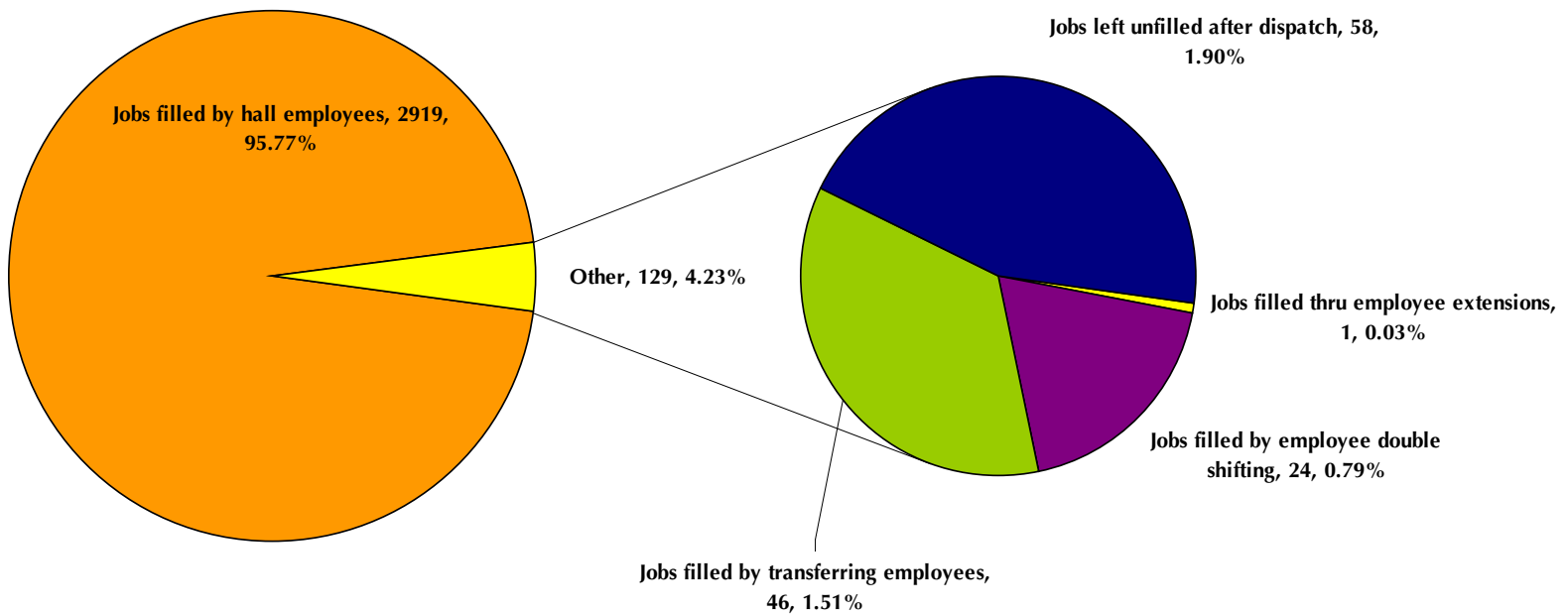
Please be guided by the provisions of Article 15 in the Collective Agreement respecting working restrictions and conditions on Union Meeting Nights.

Dispatch Shortage Statistics:

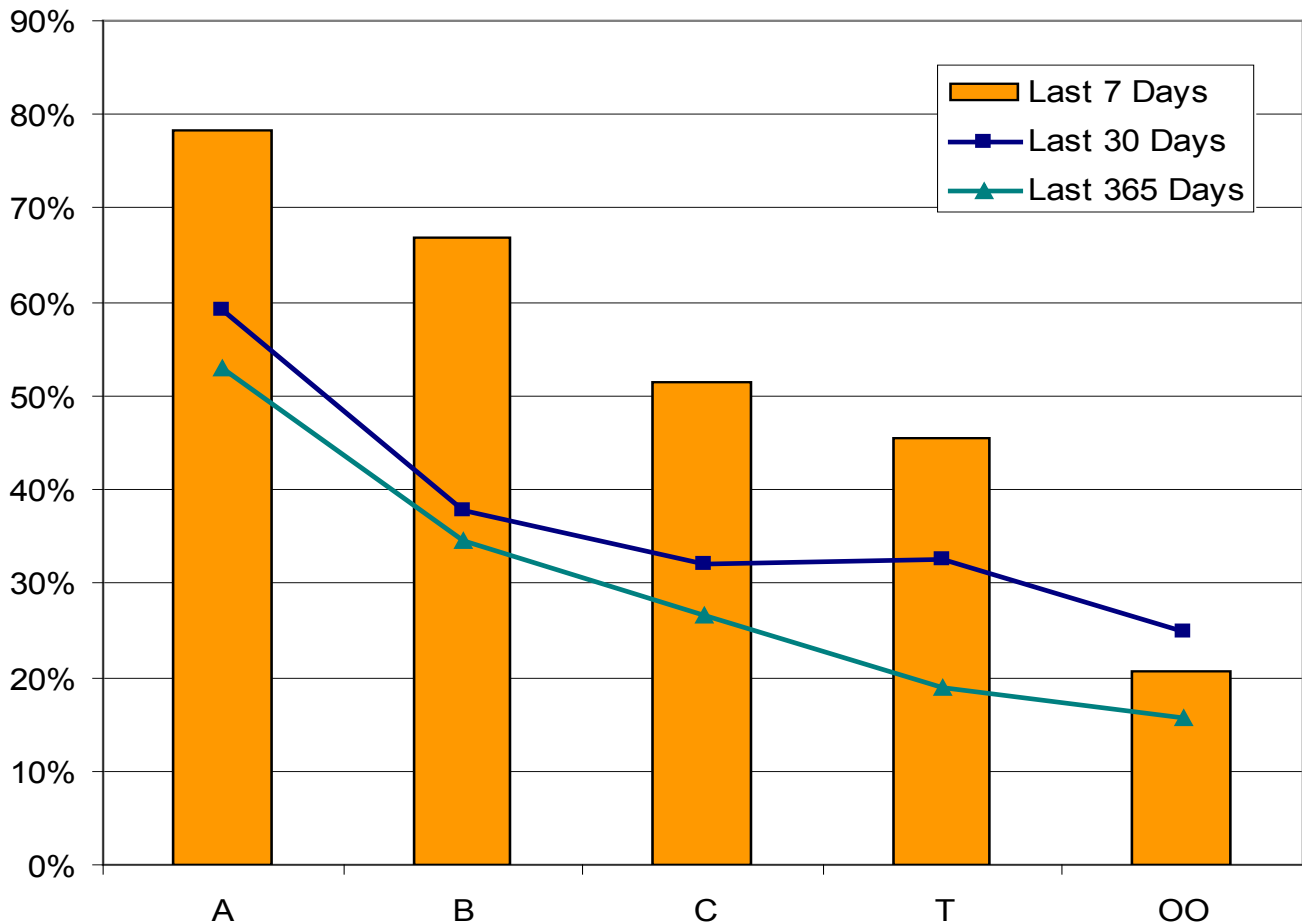
For the Period Sunday December 27, 2009 to Saturday January 2, 2010

JOB	Jobs cut prior to dispatch (unable to fill)	Jobs filled thru employee extensions	Jobs filled by employee double shifting	Jobs filled by local 502 employees	Jobs filled by transferring employees	Jobs left unfilled after dispatch	TOTAL
40 TON & RACK					1		1
AUTO MECH						1	1
BOMBARDIER					1		1
BULK OPERATOR			4		2		6
BULLDOZER					5	1	6
BULLDOZER(SHIP)					2		2
CLASS #1 AIR					3		3
DOCK GANTRY					4		4
DRIVER						1	1
DRIVER(SHIP)					1		1
DUMPER OPERATOR					1		1
ELECTRICIAN			9		2	22	33
H.D. MECHANIC			3			30	33
HATCH TENDER					2		2
HEAD CHKR		1			3		4
KOMATSU OP					1		1
MILLWRIGHT			7		1	1	9
PLUMBER						2	2
RACK & S/HOIST					1		1
RUBBER TIRE GTY					4		4
SHIP LOADER			1		1		2
SWITCHMAN					5		5
TRAC. TRAIL. (Y)					3		3
WHEAT MACHINE					1		1
WHEAT SPECIALTY					1		1
WINCH DRIVER					1		1
TOTAL		1	24		46	58	129

Explains how shortages were handled by Dispatch



Vancouver Casual Employee % Dispatched per Dispatch Board



PM shuts down Parliament until March

CBC News

The Conservative government has shut down Parliament for two months, until after the Vancouver Winter Olympics.

The next session of Parliament, which was scheduled to resume on January 25, 2010, was prorogued December 30th, 2009 until March.

PM Harper said a speech from the throne will be delivered March 3, 2010 followed by presentation of the budget the next day.

Your Feedback:



Have something for the BCMEA Bulletin?

Send your comments or contributions to the Bulletin's Editor at editor@bcmea.com or (604) 694-2324.