

NEWS IN BRIEF

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ILWU and PMA Reach a Tentative Contract Agreement

The International Longshore and Warehouse Union (ILWU) and the Pacific Maritime Association (PMA) have announced that they have Reached a tentative agreement on a new 6-year contract for the West Coast ports. Neither side would release details of the agreement yesterday, but now the ILWU membership will have to ratify the agreement. The announcement of the agreement should end the wildcat actions that have been occurring in the past week that have sporadically slowed down operations at some terminals and ports while the ratification vote is taking place. Even with the various actions, the ports have not experienced much congestion. A few ships were delayed in unloading and loading containers, but the ports have continued to operate except for a one-day shutdown that occurred in both Seattle-Tacoma and in Oakland. There were no notices on either groups' websites about the agreement this morning. We will be following the timing of the ratification which could take weeks for a full vote by the ILWU membership.

Panama Drought Causes Canal Delays

The ongoing drought being felt in Panama has become severe this year. Recently vessels operators have been told to lighten their loads to be able to pass through the canal. Two freshwater lakes supply the water needed to lift ships through the locks. The drought started not long after the canal enlargement was completed. However, this year rainfall from February to May has been less than 50% of normal. The canal is designed to handle ships with drafts draughts of 50 feet. With the drought conditions, the limit has been reduced at the end of May to 44 feet. This means that the largest ships will not be able to move through the canal with a full load to counter the lower draught level. Importers shipping through the canal should work closely with their carriers and cargo service providers to avoid any serious delays in their supply chain.



By **Todd Boice**, *President*