

Transportation Information Update*

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AIR TRANSPORTATION

1. Global Traffic Falls 2.4% in April - Volcano Dents Recovery

On May 27, 2010, the International Air Transport Association (IATA) announced international scheduled air traffic results for April 2010. Passenger demand slumped by 2.4% as a result of massive flight cancellations centered in Europe during the six days in April following the eruptions of an Icelandic volcano. The airlines in Europe followed by those in North America saw the greatest decline in traffic, 11.7% and 1.9%. The fall in traffic interrupted the industry's recovery from the global financial crisis.

2. Air Canada inaugurates daily non-stop seasonal flights between St. John's, NL and London Heathrow; easy and fast connecting flights across Europe

On May 27, 2010, Air Canada launched daily non-stop seasonal flights between St. John's and Heathrow, London, U. K. Convenient connecting flights will be available throughout Europe with its Star Alliance partner carriers. Air Canada will operate the only daily non-stop flights between Newfoundland and Labrador and London Heathrow until September 26, 2010.

3. Pilots oppose Air Canada stock plan

Air Canada pilots are opposing a proposed increase in the number of company shares available to executives under the long-term incentive plan. The pilots association said it is not the time to devote more resources to executive compensation.

4. Aviation Leaders Gather in Berlin

The International Air Transport Association (IATA) announced that Berlin will be its world's aviation capital. At the Summit meeting to be held there from 6-8 June 2010, the new industry outlook will be discussed. It will then focus on: 1. Preparing for (conference of the parties) COP - 16 in Mexico together with the industry's strategy on climate change in the aftermath of the Copenhagen talks. 2. Structuring the industry for profitability with consolidation and commercial freedoms. 3. Finding an effective and harmonized approach to security. and 4. Finding a better way for governments and industry to work together with a common vision.

5. WestJet reports a strong May load factor of 77.7 per cent

On June 4, 2010, Westjet reported its May 2010 load factor, an increase of 3.6 points over May 2009. Revenue passenger miles increased 18.9 percent year over year and available seat miles increased 13.4 percent over the same period. Westjet President and CEO, Greg Saretsky said " We are pleased with our May results...This month we saw solid demand domestically" Year to date statistics were also positive but lower as can be expected from averages when the recovery from a recession becomes stronger.

6. Air Canada reports May traffic

For May 2010, Air Canada reported a system load factor of 82 per cent on a consolidated basis with Jazz, versus 79.5 per cent in May 2009, an increase of 2.5 percentage points. System traffic increased 9.7 per cent while system wide capacity increased 6.4 per cent. Calin Rovinescu, President and Chief Executive Officer said "This is the sixth consecutive month in which we have reported a monthly traffic increase year-over-year on a consolidated basis..."

7. IATA expects profit for airline industry

The International Air Transport Association (IATA) has upgraded its forecast for the global airline industry this year – forecasting that it will earn \$2.5-billion. North American carriers are expected to earn \$1.9-billion – a turnaround from the previously predicted loss of \$1.8-billion.

Current Developments in Brief

Air Transportation

CANADA

1. Global Traffic Falls 2.4% in April - Volcano Dents Recovery, May 27, 2010, www.iata.org
2. Air Canada inaugurates daily non-stop seasonal flights between St. John's, NL and London Heathrow; easy and fast connecting flights across Europe, May 27, 2010, www.aircanada.ca
3. Pilots oppose Air Canada stock plan, May 27, 2010, www.globeandmail.ca
4. Aviation Leaders Gather in Berlin, June 3, 2010, www.iata.org
5. WestJet reports a strong May load factor of 77.7 per cent, June 4, 2010, www.westjet.ca
6. Air Canada reports May traffic, June 4, 2010, www.aircanada.ca
7. IATA expects profit for airline industry, June 8, 2010, www.globeandmail.ca
8. State of the Air Transport Industry, June 7, 2010, www.iata.org
9. Government of Canada takes steps to improve the safety of air navigation, June 4, 2010, www.tc.gc.ca
10. WestJet launches service to fourth Dominican destination, June 5, 2010, www.westjet.ca
11. Global air travel flying into the black, June 7, 2010, www.nationalpost.ca
12. Pearson recognized with 'most improved' global industry award, June 9, 2010, www.ctf.ca
13. WestJet launches unique seat sale in partnership with Canadian Tourism Commission, June 10, 2010, www.westjet.ca
14. Air Canada receives commitment from GE Japan Corporation for aircraft loan facility, June 10, 2010, www.aircanada.ca
15. Air Canada launches daily non-stop Montreal-Brussels flights; Introduces code share flights to Africa with Star Alliance partner Brussels Airlines, June 12, 2010, www.aircanada.ca
16. WestJet in talks with China Eastern, June 14, 2010, www.globeandmail.ca
17. Governments of Canada and Yukon inaugurate expansion at Erik Nielsen Whitehorse International Airport, June 11, 2010, www.tc.gc.ca

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8. State of the Air Transport Industry

G. Bisignani, CEO of IATA, outlined the state of the \$545 billion airline industry at the general meeting in Berlin on June 7, 2010. Given the downturn in 2009 which costs the industry \$10 billion in losses, he indicated that there is some cautious

optimism. Global traffic is back to pre-recession levels with load factors nearing 80% and an improved bottom line. Asia-Pacific is powering the upturn with \$2.2 billion in profit. But not all regions are recovering equally. Europe with its weak economy will be the only region with a loss. But IATA is upgrading their global industry forecast to a full-year profit of \$2.5 billion. This is the first global profit since 2007 but it is modest and they face real downside risks from: capacity, labour, external costs, taxation and oil. He then spoke on: defining their future; learning from the past; from vision to reality; structuring for profitability; shaping the infrastructure; powering the industry; the customer of the future; vision 2050; the burning platform; and change.

9. Government of Canada takes steps to improve the safety of air navigation

On June 4, 2010, Canada's Transport Minister John Baird announced proposed amendments to the *Canadian Aviation Regulations*. The amendments will improve the *Canadian Aviation Regulations* by redefining which obstacles are subject to marking and lighting requirements (such as tall buildings or antennae towers), and by revising standards to reflect current technical advances. The amendments also propose a new financial penalty for non-compliance.

10. WestJet launches service to fourth Dominican destination

On June 5, 2010, Westjet began one non seasonal flight to Samana, Dominican from Toronto each weekly on Saturdays.

11. Global air travel flying into the black

According to the International Air Transport Association (IATA) the global airline industry is preparing for takeoff, predicting its first profitable year in 2010 since 2007. Travel in Asia, Latin American and the Middle East will outweigh sluggish travel in Europe. It expects the global industry to turn a slim profit of \$2.5-billion (U.S.) in 2010. Mr. Bisignani, CEO of IATA said with 1,061 airlines, the sector is the "world's most fragmented industry," over the past decade, airlines lost an average of \$5-billion a year, 574 airlines started operations and almost 200 disappeared.

12. Pearson recognized with 'most improved' global industry award

Toronto Pearson International Airport, Canada's busiest airport, has been honoured by airlines around the globe with the 2010 IATA Eagle Award for Most Improved Airport. The GTAA has taken significant initiatives to reduce costs and increase its commercial revenues. In January 2010, it implemented a 10 per cent reduction in landing and terminal charges, which was the third consecutive year of reduced fees.

13. WestJet launches unique seat sale in partnership with Canadian Tourism Commission [CTC]

On June 10, 2010 WestJet launched a seat sale for the summer within Canada in conjunction with CTC's Locals Know campaign. The sale will offer 10% for two or more travellers that fly together and book with WestJet, 15% for three and 20% for four or more.

14. Air Canada receives commitment from GE Japan Corporation for aircraft loan facility

Air Canada announced on June 10, 2010 that it has received a commitment from GE Japan Corporation for a senior secured term loan facility in the amount of up to US\$170.5 million (the "Facility") to finance a portion of the purchase price for sixteen aircraft currently leased and operated by Air Canada.

15. Air Canada launches daily non-stop Montreal-Brussels flights; Introduces code share flights to Africa with Star Alliance partner Brussels Airlines

On June 12, 2010, Air Canada launched daily year-round non-stop flights between Montreal and Brussels, with same-plane service from Toronto. Flights on the new Brussels route are timed to offer travellers convenient connections to Air Canada's extensive North America network via the carrier's Montreal hub to other Canadian cities.

18. Air Canada continues to grow Toronto hub and expand transborder service with launch of non-stop flights to San Diego, CA and Portland, OR, June 17, 2010, www.aircanada.ca

19. WestJet visibility poor in Eastern Canada, June 17, 2010, www.globeandmail.ca

20. WestJet introduces everyday low pricing, June 17, 2010, www.westjet.ca

21. U.S. Signs 2nd-Stage U.S.-EU Aviation Agreement, June 24, 2010, www.dot.gov

22. Airfares set to climb higher, June 24, 2010, www.globeandmail.ca

23. Air Canada begins service to fourth new international destination from Toronto this year with Copenhagen launch - Route opens connections for customers and cargo flying to Scandinavia, June 24, 2010, www.aircanada.ca

24. Air Canada welcomes Canada's new status as Approved Destination for Chinese travellers; doubles Toronto-China flights, June 24, 2010, www.aircanada.ca

US

1. 2009 [US] Passenger Airline Employment by Job Category, May 26, 2010, www.bts.gov

2. DOT Proposes Additional Consumer Protections for Air Travelers, June 2, 2010 www.dot.gov

3. April Airline On-Time Performance Higher Than Last Year and March [2010], June 4, 2010, www.dot.gov

3. March 2010 [US] Airline Traffic Data: System Traffic Up 2.4 Percent from March 2009, June 10, 2010, www.bts.gov

4. April 2010 Passenger Airline Employment Down 4.1 Percent from April 2009, June 15, 2010, www.dot.gov

5. U.S. Air Freight Jumps 22 Percent, June 16, 2010, www.jcc.com

16. WestJet in talks with China Eastern

WestJet Airlines Ltd. and China Eastern Airlines Co. Ltd. are holding talks to form a partnership. Under the proposed partnership deal, the two carriers will co-operate on ticketing and baggage handling, making it easier for China Eastern passengers on inbound trips into Vancouver to catch one of WestJet's connecting, domestic flights. The two carriers are hoping to benefit from the surge of visitors to Canada from China. This partnership is one of five international deals that WestJet hopes to forge with foreign carriers. WestJet's other deals are with: Korean Air, Japan Airlines Corp., Cathay Pacific Airways Ltd. and Taiwan's China Airlines

17. Governments of Canada and Yukon inaugurate expansion at Erik Nielsen Whitehorse International Airport

The new expansion at Erik Nielsen Whitehorse International Airport was officially opened on June 11, 2010. The new expansion adds 2,767 square metres to the existing terminal building and includes additional space for security screening, a secure passenger holding area that can occupy 230 passengers, an in-transit lounge, a new baggage terminal and increased office space for airport staff.

18. Air Canada continues to grow Toronto hub and expand transborder service with launch of non-stop flights to San Diego, CA and Portland, OR

On June 17, 2010, Air Canada continued to fortify its Toronto hub and strengthen its position as the leading transborder carrier with the launch of the only daily, non-stop flights to San Diego, CA and to Portland. Air Canada has now launched new daily service between Toronto and seven American cities this spring including to and from: Orange County (Santa Ana) and San Diego, California; Portland, Oregon; Memphis, Tennessee; Cincinnati, Ohio; Portland, Maine; and Syracuse, New York.

19. WestJet visibility poor in Eastern Canada

WestJet's market share is lagging in Eastern Canada and it is hoping to capture some of the market share in the Toronto-Ottawa-Montreal market from upstart Porter Airlines. It is counting on a new frequent-flier program, bundled fares and a loyalty credit card co-branded with RBC MasterCard to help woo key corporate customers.

20. WestJet introduces everyday low pricing

On June 17, 2010, WestJet introduced low pricing by reducing volatility in everyday prices and by reducing prices across their entire pricing schedule. It has reduced prices by 25% for all its flights on its 68-city North American and Caribbean network.

21. U.S. Signs 2nd-Stage U.S.-EU Aviation Agreement

US and EU with its 27 members signed the 2nd stage of the U.S.-EU Aviation Agreement. The new agreement affirms that the terms of the 2007 accord will remain in place indefinitely. It deepens U.S.-EU cooperation in aviation security, safety, competition, and ease of travel, and provides greater protections for U.S. carriers from local restrictions on night flights at European airports. It also includes a ground-breaking article on the importance of high labor standards in the airline industry. The new agreement also underscores the importance of close transatlantic cooperation on aviation environmental matters in order to advance a global approach to global challenges.

22. Airfares set to climb higher

During the economic recession, Air Canada and WestJet sharply discounted fares on numerous routes. Heading into the summer of 2010, however, Canada's two largest airlines have positioned themselves to charge more. Examples of increased fares are one way trip to Vancouver from \$155 to \$229, Montreal-Ottawa from less than \$100 to \$119 and a rise in the six week air fare index. This should improve yields. WestJet's yield fell 11.2 per cent last year to 16.5 cents, while Air Canada's slipped 7.6 per cent to 17.7 cents. It suggests that the airlines profitability in the next two quarter should increase.

23. Air Canada begins service to fourth new international destination from Toronto this year with Copenhagen launch - Route opens connections for customers and cargo flying to Scandinavia

On June 24, 2010, Air Canada launched a non-stop service between Toronto and Copenhagen. It is the fourth new European city to be served from Air Canada's Toronto hub this year as the carrier expands its international flying to offer customers a wider choice of routes and destinations.

24. Air Canada welcomes Canada's new status as Approved Destination for Chinese travellers; doubles Toronto-China flights

Air Canada on June 24, 2010 welcomed the signing of an agreement between China and Canada by which the Government of China has granted Canada Approved Destination Status. This makes it easier for Chinese nationals to visit Canada. Beginning this fall Air Canada will double its capacity between Toronto and China with the introduction of daily flights year-round to Shanghai, Beijing and Hong Kong, in addition to its year-round flights between Vancouver and all three cities.

MARINE TRANSPORTATION

1. Port Vancouver container trucking sector

An inaugural meeting was held by the Port Vancouver Container Drayage Association (PVCDA) in Richmond, British Columbia on May 28, 2010. The Association's key mandate is to address issues such as the Port Metro Vancouver container reservation system, port truck licensing system and truck fleet sizes, and compliance and application with regulatory tariffs imposed by government on the container drayage sector.

2. Port of Montreal Accumulated Container Traffic Report Y-T-D April 2010

The total number of containers (TEU's) moving through the Port of Montreal increased 6.6% to 431,258 for the period January to April 2010 compared to the same period in 2009. Inbound traffic increased by 8.2% and outbound traffic by 5.2%.

3. Domestic and international shipping

Statistics Canada has indicated that data on domestic and international shipping are now available for January 2008 to June 2008.

4. Transpacific capacity on upswing

Container capacity on Transpacific routes have increased by 50,000 containers since January 2010. Fourteen new services have been introduced between April 2010 and May 2010.

5. Zim to sell marine unit services

Zim shipping, an Israel based shipping company, has agreed to sell its overseas marine shipping for \$130 million to \$170 million. The company's decision was made as a result of the impact of the recession during the last two years.

6. Oberstar Calls for Broad [US] Ocean Shipping Reform

On June 10, 2010, the head of the House Transportation and Infrastructure Committee called for an end to antitrust immunity for vessel operators in the United States along with a wide range of new restrictions aimed at protecting shippers. He denounced ocean container carrier business practices.

7. Government of Canada will rebuild berth No. 1 at La Tabatière wharf

Canada's Transport Minister, John Baird, on June 10, 2010 announced an investment of \$8 million to \$10 million to rebuild berth No. 1 at the La Tabatière wharf. It shows the government's interest in maintaining federal infrastructures in remote regions.

8. LA-LB Import Volume Grows 18.3 Percent

Containerized import volume into Southern California ports jumped 18.3 percent in May 2010, as the shipping recovery at Los Angeles and Long Beach picked up speed and retailers pushed more goods out of Asia at a faster pace. The increase in data included a 12.5 percent year-over-year gain in imports, measured in 20-foot-equivalents, at the Port of Los Angeles and a 26.8 percent jump at Long Beach. This was the strongest monthly gain since October 2008.

9. Port Metro Vancouver Accumulated Container Traffic Report Y-T-D May 2010

The total number of containers (TEU's) moving through the Port of Vancouver increased 10% to 943,423 for the period January to May 2010 compared to the same period in 2009. Inbound traffic increased by 14% and outbound traffic by 4%.

10. US container traffic continues upswing

According to the monthly Global Port Tracker report import cargo volume at major U.S. retail container ports is expected to be increased 15 percent in June 2010 compared with the same month a year ago, and double-digit increases should continue into the fall as the U.S. economy recovers.

11. FMC Studies Shipping Capacity

The Federal Maritime Commission on June 23, 2010 will review preliminary findings in its fact-finding on vessel capacity and equipment availability for U.S. shippers. The commission on March 17, 2010 launched its investigation after shippers complained to Congress and the commission that carriers were driving up rates by artificially limiting

Water Transportation

Canada

1. Port Vancouver container trucking sector, June 1, 2010, www.ctl.ca
2. Port of Montreal Accumulated Container Traffic Report Y-T-D April 2010, June 7, 2010, www.portvancouver.com
3. Domestic and international shipping, June 8, 2010, www.statcan.gc.ca
4. Transpacific capacity on upswing, June 9, 2010, www.americanshipper.com
5. Zim to sell marine unit services, June 9, 2010, www.americanshipper.com
6. Oberstar Calls for Broad Ocean Shipping Reform, June 10, 2010, www.joc.com
7. Government of Canada will rebuild berth No. 1 at La Tabatière wharf, June 10, 2010, www.tc.gc.ca
8. LA-LB Import Volume Grows 18.3 Percent, June 14, 2010, www.joc.com
9. Port Metro Vancouver Accumulated Container Traffic Report Y-T-D May 2010, June 14, 2010, www.portvancouver.com
10. US container traffic continues upswing, June 15, 2010, www.americanshipper.com
11. FMC Studies Shipping Capacity, June 15, 2010, www.joc.com
12. Users bemoan Panama Canal tolls, June 16, 2010, www.americanshipper.com
13. Slide in shipping shows global recovery running out of steam, June 18, 2010, www.globeandmail.ca
14. Government of Canada takes action to protect Canadian Arctic waters, June 22, 2010, www.tc.gc.ca
15. European giants collaborate on transpacific, June 25, 2010, www.americanshipper.com
16. Seaway reports cargo volumes well ahead of '09, June 24, 2010, www.todaystrucking.ca

US

1. Infringement Proceedings in the field of Maritime and Inland Waters Transportation, June 3, 2010, www.europa.eu
2. Box shortage squeezes exporters, June 15, 2010, www.americanshipper.com
3. Drewry Pacific Rate Index Jumps 18.9 Percent, June 17, 2010, www.joc.com

capacity in ocean trades. Carriers countered that the shortages were the product of economic hard times.

12. Users bemoan Panama Canal tolls

Ocean shipping companies complained at a public hearing on the proposed increase in Panama tolls beginning in 2011. The planned increase is 13% on container vessels. This increase comes after a 71% increase over the last five years.

13. Slide in shipping shows global recovery running out of steam

The Baltic dry index declined 3.8 per cent on June 17, 2010 to 2,784 points, reflecting the slump in the shipping industry's prices to transport dry raw materials over 26 global routes. Economists watch the index because the amount of raw materials being shipped – from coal to grain to iron ore – provides a key indicator of consumption and manufacturing trends. This shows signs that the recovery may be stalling in light of the economic problems in Europe.

14. Government of Canada takes action to protect Canadian Arctic waters

To protect Canadian Arctic waters, beginning July 1, the Government of Canada requires that foreign and domestic vessels of a certain size report to the Canadian Coast Guard if travelling through those waters.

15. European giants collaborate on transpacific

Three companies - Mediterranean Shipping, Maersk Lines and CMA CGM said they will collaborate on the transpacific loop. The loop involves ports in China, Hongkong, Long Beach, etc.

16. Seaway reports cargo volumes well ahead of '09

Freight volumes on the St. Lawrence Seaway are returning to pre-recession levels, according to the St. Lawrence Seaway Management Corp. Movement of steel back to normal results is largely to be credited for the increase in volume.

RAIL TRANSPORTATION

1. Government of Canada to improve rail safety for Canadians

The Government of Canada will introduce amendments to legislation to improve railway safety in Canada. The proposed amendments to the *Railway Safety Act* will enable the Government of Canada to: crack down on rule breakers with tough new monetary penalties and increased judicial penalties; strengthen safety requirements for railway companies; create whistleblower protection for employees who raise safety concerns; and require each railway to have an executive legally responsible for safety. These amendments will be backed by Canada's Economic Action Plan, a \$44 million commitment to safety over five years.

2. New Guidelines to Environmental Assessment of Rail Infrastructure Projects

To help those involved in rail infrastructure projects, the Canadian Transportation Agency has released a new handbook called the Environmental Self-Assessment Handbook for Rail Infrastructure Projects.

3. Port Metro Vancouver and CN enter into supply chain collaboration agreement to further improve gateway competitiveness

On May 31, 2010, Port Metro Vancouver and CN announced a supply chain collaboration agreement to drive further efficiencies at the port and recognize the importance of balanced accountability. The agreement sets the framework for the Port, CN and port stakeholders to develop mechanisms to define, measure, monitor and evaluate the performance of each participant at the port against established benchmarks. It also establishes processes to pro-actively communicate on service-related matters and resolve disputes between CN, the Port and port supply chain participants on a commercial basis.

4. CP Rail May See \$1 Billion In New Revenue

On June 2, 2010, Canadian Pacific Railway said at the railroad's annual investor meeting that it may gain as much as \$960 million in new business in the next five years and expects to realize significant cost savings through improved productivity. The savings may amount to nearly \$100 million in cost savings and could drive the railroad's operating ratio, which was 81.6 percent last year, down close to 70 percent.

5. Canada, Ontario and Toronto launch job-creating revitalization of Union Station

The governments of Canada and Ontario, and the City of Toronto on June 4, 2010 officially kicked off the start of construction to revitalize Union Station and strengthen its position as Canada's premier inter-regional and intermodal transportation hub. The total cost for the revitalization of Union Station is approximately \$640 million. The Governments of Canada, Ontario and City of Toronto is contributing \$164 million, \$172 million and \$304 million.

6. Intermodal hits 18-month high

According to the American Railroads Association which also includes major Canadian and U.S. rail companies,

Rail Transportation Canada

1. Government of Canada to improve rail safety for Canadians, June 1, 2010, www.tc.gc.ca
2. New Guidelines to Environmental Assessment of Rail Infrastructure Projects, June 1, 2010, www.cta-otc.gc.ca
3. Port Metro Vancouver and CN enter into supply chain collaboration agreement to further improve gateway competitiveness, May 31, 2010, www.cn.ca
4. CP Rail May See \$1 Billion In New Revenue, June 3, 2010, www.joc.com
5. Canada, Ontario and Toronto launch job-creating revitalization of Union Station, June 4, 2010, www.tc.gc.ca
6. Intermodal hits 18-month high, June 7, 2010, www.todaystrucking.ca
7. Railway says service failure penalties 'not workable', June 10, 2010, www.todaystrucking.ca
8. Oberstar Targets Rate Challenges in Rail Bill, June 11, 2010, www.joc.com
9. CN, TSI Terminal Systems Inc. reach supply chain collaboration agreement to drive greater efficiencies, improved service for Port Metro Vancouver container traffic, June 11, 2010, www.cn.ca
10. CP and DP World Vancouver sign productivity and performance agreement, June 23, 2010, www.cpr.ca

US

1. US rail industry applauds new 'green' railcar act, June 9, 2010, www.ctl.ca

intermodal traffic last week (first week of June 2010) was up 35.5 percent from the same period last year (June 2009) and 10.3 percent from 2008 (June).

7. Railway says service failure penalties 'not workable'

Shauntelle Paul, general manager for CN operations in Edmonton, told transportation academics at the recent Canadian Transportation Research Forum (CTRF) in Toronto, that rail companies cannot be held responsible for every hiccup that delays the movement of goods. The proposal to link penalties to failures, in our minds, is not necessary and it's really not manageable and would lead to major disputes. Surface appearances are deceptive and the root cause would have to be determined. Reciprocal penalties was one of the recommendations of CITA to the Review Panel. She acknowledged that "... there would be some value, though, in some ongoing and continuing monitoring of railway service, and consequences for non-performance." The issue of demurrage charges is particularly apt in this regard. The law allows the railways to apply penalties to other people in the supply chain unilaterally but it does not allow anyone else in the supply chain to issue financial penalties against the railroad or anybody else. But why that should necessarily be limited to only one element in the supply chain is not entirely clear.

8. Oberstar Targets Rate Challenges in Rail Bill

Rep. James L. Oberstar, chairman of the House Transportation and Infrastructure Committee, said a pending rail regulatory overhaul should include a major change in Surface Transportation Board procedures to remove from the rail bill a burden from shippers who challenge freight rates. The burden was the so-called standalone railroad calculation model. This requires shippers to hire outside experts for economic modelling. Railroads fear that yet-to-be added language could strip them of a limited immunity they now enjoy from some antitrust regulation and are concerned that proposed rules granting shippers access to a competing railroad will undercut carrier profits.

9. CN, TSI Terminal Systems Inc. reach supply chain collaboration agreement to drive greater efficiencies, improved service for Port Metro Vancouver container traffic

On June 11, 2010, CN and TSI Terminal Systems Inc. (TSI) announced a supply chain collaboration agreement aimed to enhance service levels to their mutual customers and to draw greater volumes of container traffic over Port Metro Vancouver. A MOU has been signed that will drive strong mutual focus on system efficiencies, improved communication, and close monitoring of their gateway performance. This supply chain collaboration agreement follows the one which Port Metro Vancouver designed to promote balanced accountability among all Port stakeholders. TSI is the largest container terminal operator in Canada, handling approximately 70 per cent of the containerized cargo moving through its two terminals which it operates under long-term lease at PMV.

10. CP and DP World Vancouver sign productivity and performance agreement

Canadian Pacific Railway and marine terminal operator DP World Vancouver announced on June 23 that they have entered an agreement to further improve productivity and performance through Canada's west coast ports.

HIGHWAY

1. Next section of Highway 63 twinning will improve safety for motorists

To continue to help stimulate the economy and create jobs in Alberta, while contributing to the region's economic growth and improving road safety for residents and travellers alike. Construction is underway on the next section of Highway 63 twinning north of Wandering River. The project includes 18 kilometres of grading work at a cost of \$17.8 million and is scheduled to be complete by fall 2011. The Government of Alberta plans to twin the 240 kilometres of Highway 63 between Fort McMurray and the junction of Highway 55 near Grassland. The total cost of this twinning is approximately \$1 billion. The federal government will contribute up to \$150 million towards the project under the Canada Strategic Infrastructure Fund.

2. Governments of Canada and Alberta join industry and the City of Edmonton to build new ring road interchange

Construction is underway on a key interchange at Rabbit Hill Road and Anthony Henday Drive. The new interchange will provide increased access to communities and developments east of Terwillegar Drive, and will improve traffic flow and safety for motorists. This phase of construction is underway at a cost of \$13 million and will be cost-shared between the governments of Canada and Alberta.

3. March 2010 Surface Trade with Canada and Mexico Rose 37.0 Percent from March 2009

U.S.–Canada surface transportation trade totalled \$42.1 billion in March 2010, up 35.6 percent compared to March 2009. The value of imports carried by truck was 19.4 percent higher in March 2010 compared to March 2009, while the value of exports carried by truck was 30.4 percent higher during this period. Michigan led all states in surface trade with Canada in March 2010 with \$ 5.8 billion followed by Illinois and Ohio.

4. Tailgating worse than texting: Study

According to a study done by DriveCam Inc. the most serious perilous driving activity is following too closely. About 27 percent of accidents were caused because of tailgating.

5. Government of Canada and Saskatoon Transit unveil three new articulated buses

The Government of Canada and Saskatoon Transit unveiled three new articulated buses (longer buses hinged in the middle) to be used in down city streets on June 4, 2010. Saskatoon is the first city in Saskatchewan to put these buses on the road.

6. McGuinty Government Helping Make Roads Safer

To make sure they are safe during Roadcheck 2010, large trucks and buses in Ontario will get a thorough annual inspection during the international safety inspection blitz from June 8 to 10.

7. Changes on the way for B.C. truckers

The provincial government is implementing four changes to the region's trucking industry after obtaining input from the BC Trucking Association. The changes include: 1 Creation of a Premium Carrier program; 2. Promotion of shared responsibility between drivers, carriers and shippers; 3. Strengthened oversight of Designated Inspection Facilities; and 4. New measures to remove unsafe heavy commercial vehicles from the road. These changes will save lives and mean safer highways for all British Columbians.

8. McGuinty Government Supporting Clean Transportation

Ontario individuals, businesses, and organizations that purchase or lease a new plug-in hybrid electric or battery electric vehicle after July 1, 2010 may be eligible for a rebate between \$5,000 and \$8,500. This is an important part of the government's vision to have one out of every 20 vehicles driven in Ontario to be electrically powered by 2020.

9. Ontario minister says modal shift isn't government decision

The deputy minister of Ontario's Ministry of Transportation says the province should not be steering shippers toward one transportation mode or another. He said the decision should rest on the shipper's choice to choose one mode over the other.

Highway Transportation

Canada

1. Next section of Highway 63 twinning will improve safety for motorists, May 25, 2010, www.tc.gc.ca
2. Governments of Canada and Alberta join industry and the City of Edmonton to build new ring road interchange, May 26, 2010, www.tc.gc.ca
3. March 2010 Surface Trade with Canada and Mexico Rose 37.0 Percent from March 2009, June 1, 2010, www.dot.gov
4. Tailgating worse than texting: Study, June 2, 2010, www.todaystrucking.ca
5. Government of Canada and Saskatoon Transit unveil three new articulated buses, June 4, 2010, www.tc.gc.ca
6. McGuinty Government Helping Make Roads Safer, June 9, 2010, www.mto.gov.on.ca
7. Changes on the way for B.C. truckers, June 16, 2010, www.todaystrucking.ca
8. McGuinty Government Supporting Clean Transportation, June 18, 2010, www.mto.gov.on.ca
9. Ontario minister says modal shift isn't government decision, June 18, 2010, www.todaystrucking.ca
10. Road construction for Canada's inland port begins, June 18, 2010, www.tc.gc.ca
11. TransCore's Canadian Freight Index records highest volume of loads since mid 2008, June 24, 2010, www.etl.ca
12. Couriers and Messengers Services Price Index, June 25, 2010, www.statcan.gc.ca

10. Road construction for Canada's inland port begins

On June 18, 2010, government officials announced the start of construction of various road improvements around CentrePort Canada, the 20,000-acre inland port in Winnipeg. CentrePort Canada is one of the key initiatives supported by our government through the Asia-Pacific Gateway and Corridor Initiative to enhance the competitiveness of Canadian business.

11. TransCore's Canadian Freight Index records highest volume of loads since mid 2008

TransCore's Canadian Freight Index climbed for fifth straight month in May 2010, it shows significant improvement year over year with a 73 percent increase in the spot market freight availability.

12. Couriers and Messengers Services Price Index

The Couriers and Messengers Services Price Index increased 0.3% in May 2010 compared with April 2010. The courier portion rose 0.3% and the local messengers component advanced 0.2%.

GENERAL

1. Tourism satellite account: Human resource module

Tourism industries accounted for 1.6 million jobs in 2009, down 0.6% from 2008. This was a less pronounced decline than for jobs economy-wide (-1.7%). Jobs in tourism represented 9.4% of the 17.1 million jobs in Canada. Food and beverages is the largest group in the tourism industry. Employment in the transportation sector fell by 4,000 jobs to 214,000.

2. Let's get ambitious about transport projects: former minister

On June 2, 2010, former Transport Minister David Collenette said at the Canadian Transport Research Forum that now is the time to consider ambitious national transportation projects – like bridges or tunnels that would make it possible to drive straight from Vancouver Island to St. John's, Newfoundland. Projects that ought to be considered today are: 1. High-speed rail in the Quebec-Windsor, and Calgary-Edmonton corridors. 2. A bridge to link the north part of Vancouver Island to the mainland. 3. A tunnel for road and utility transmission on the strait of Belle Isle, linking Newfoundland and Labrador. and 4. A causeway or tunnel extending Highway 427 out over Lake Ontario to the Niagara Peninsula. He also indicated infrastructure spending is a good idea especially in times of recession. Further, regulation may be back in certain areas such as sustainable transportation which we should accept as being in the public interest.

3. Transport sector leads job gains

According to Statistics Canada although the unemployment rate was unchanged at 8.1 percent for May 2010, May saw the fifth consecutive monthly increase in employment. Employment in transportation and warehousing increased by 26,000, offsetting previous back-to-back declines. Overall, the sector is up 3.4 percent from April 2010, but still down 2.7 percent from the same period last year.

4. Government of Canada moves to further enhance air transport security

On June 14, 2010, the Honourable Rob Merrifield, Minister of State (Transport), announced that the Government of Canada is launching a full review of the agency responsible for the country's air transport security, with the goal of enhancing the safety and security of air travellers.

General Canada

1. Tourism satellite account: Human resource module , May 28, 2010, www.statcan.gc.ca
2. Let's get ambitious about transport projects: former minister, June 2, 2010, www.ctl.ca
3. Transport sector leads job gains, June 9, 2010, www.todaystrucking.com
4. Government of Canada moves to further enhance air transport security, June 14, 2010, www.tc.gc.ca

US

1. Freight Transportation Services Index (TSI) Rose 0.3% in April from March, June 9, 2010, www.dot.gov
2. Cornerstones for strategies in Innovation, June 16, 2010, www.cemt.org

Publications

1. Port of Prince Rupert Newsletter, May 2010, www.rupertport.com
2. Issue No. 18, of Signal the newsletter of ERTMS, June 3, 2010, www.europa.eu
3. Background Paper: Transport and Innovation - Unleashing the Potential, 3 June 2010, June 4, 2010, www.cemt.org
4. Global Transport System in a Low Carbon society, June 3, 2010, www.europa.eu