

# Transportation Information Update\*

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## AIR TRANSPORTATION

### 1. Canadian Transportation Agency [CTA] Issues Decision on Allergies to Cats in Aircraft Cabins

The CTA ruled on three cases relating to allergies indicating that the persons in these cases were suffering from disabilities due to cats. The Agency has now to examine whether the three carriers' (Air Canada, Jazz and WestJet) policies of accepting cats in the aircraft cabin constitute an obstacle to the mobility of the complainants in these cases – i.e., that they prevent or impede the complainants from travelling by air.

### 2. Canada and Tunisia reach first-ever air transport agreement

On March 1, 2010, Canada's Transport Minister John Baird and the Honourable Peter Van Loan, Minister of International Trade, announced Canada's first-ever air transport agreement with Tunisia.

### 3. January Demand Shows Further Improvement - Industry to Remain in the Red For 2010

The International Air Transport Association (IATA) announced that the January 2010 demand statistics for international scheduled air traffic showed continuing improvement. January 2010 passenger demand was up 6.4% and the load factor was up 75.9% from the 72.2% for January 2009. International cargo demand showed a 28.3% improvement with only a 3.7% increase in capacity. This pushed the cargo load factor to 49.6% from the 40.1% recorded in January 2009.

### 4. Airports Pledge to Participate in CATSA Review

The Canadian Airports Council announced that it was disappointed at an increase in the Air Travellers Security Charge (ATSC). Nevertheless, it pledged to work closely with the federal government on its comprehensiveness.

### 5. ATAC Opposes 50% increase in Air Travellers' Security Tax

The President of Air Transport Association of Canada said that the increase in Air Travellers Security Tax is unacceptable. The tax was started in 2001 to fund the newly created Air Travellers Security Authority. ATAC advanced three reasons for its opposition to the tax: first it is the second highest in the world; second transport is being singled out to bear the cost of national security; and third it calls into question whether the provision of the service is being done efficiently. ATAC also called for increased transparency as to the amount of revenues collected and its use.

### 6. WestJet reports February load factor of 82.5 per cent

Westjet announced a load factor of 82.5%, available seat miles of 1.475 billion and revenue passenger mile of 1.216 billion for February 2010, a fall of 0.1 points and an increase of 9.3% and 9%, respectively compared to February 2009. WestJet President and CEO said "We are extremely pleased with our strong February load factor given our increased capacity and a nine per cent improvement in RPMs."

### 7. Air Canada reports February traffic

For the month of February 2010, Air Canada reported a system load factor of 78.4 per cent on a consolidated basis with Jazz, versus 79.6 per cent in February 2009, a decrease of 1.2 percentage points. System traffic increased 5.5 per cent on a capacity increase of 7.1 per cent system wide.

## Current Developments in Brief

### Air Transportation

#### CANADA

1. Canadian Transportation Agency Issues Decision on Allergies to Cats in Aircraft Cabins, February 25, 2010, [www.cta-otc.gc.ca](http://www.cta-otc.gc.ca)
2. Canada and Tunisia reach first-ever air transport agreement, March 1, 2010, [www.tc.gc.ca](http://www.tc.gc.ca)
3. January Demand Shows Further Improvement - Industry to Remain in the Red For 2010
4. Airports Pledge to Participate in CATSA Review, February 25, 2010, [www.cacairports.ca](http://www.cacairports.ca)
5. ATAC Opposes 50% increase in Air Travellers' Security Tax, February 26, 2010, [www.atac.ca](http://www.atac.ca)
6. WestJet reports February load factor of 82.5 per cent, March 4, 2010, [www.westjet.ca](http://www.westjet.ca)
7. Air Canada reports February traffic, March 3, 2010, [www.aircanada.ca](http://www.aircanada.ca)
8. Airlines raising fares, keeping customers, March 4, 2010, [www.globeandmail.ca](http://www.globeandmail.ca)
9. WestJet launches new service between Edmonton and Maui, March 5, 2010, [www.westjet.ca](http://www.westjet.ca)
10. WestJet launches new service from Calgary to Maui and Honolulu, March 6, 2010, [www.westjet.ca](http://www.westjet.ca)
11. Aircraft movement statistics: Small airports, March 8, 2010, [www.statcan.gc.ca](http://www.statcan.gc.ca)
12. Rovinescu labels Emirates Air proposal as 'subterfuge', March 10, 2010, [www.globeandmail.ca](http://www.globeandmail.ca)
13. Emirates plan seen hurting mid-sized cities, March 11, 2010, [www.globeandmail.ca](http://www.globeandmail.ca)
14. IATA Cuts 2010 Loss Forecast in Half - Strong Start to 2010, March 11, 2010, [www.iata.org](http://www.iata.org)
15. Warm Canadian winter clouds Transat's outlook, March 11, 2010, [www.globeandmail.ca](http://www.globeandmail.ca)
16. Aircraft movement statistics: Major airports, March 12, 2010, [www.statcan.gc.ca](http://www.statcan.gc.ca)

\* The CTRF is not responsible for the information provided in this Update. \*\* The information provided is from the Authors and neither the Competition Bureau or Industry Canada is responsible for it.

## 8 Airlines raising fares, keeping customers

According to the International Air Transport Association average economy-class fares have climbed 10 per cent since the lows of mid-2009, even as carriers gradually expand their capacity and still manage to reduce the number of empty seats. The share prices of several major foreign carriers have surged in recent months, with investors betting that oil prices will be stable this year and planes will fly fuller than in 2009.

## 9. WestJet launches new service between Edmonton and Maui

WestJet on March 5, 2010 announced the launch of new non-stop service between Edmonton and Kahului, Maui.

## 10 WestJet launches new service from Calgary to Maui and Honolulu

WestJet on March 6, 2010 announced the launch of new, non-stop service between Calgary and Kahului, Maui.

## 11. Aircraft movement statistics: Small airports

In December 2009, the number of take-offs and landings at the 130 airports without air traffic control towers reached 41,638 movements. Year-over-year increases were reported by 63 of these airports in December 2010.

## 12. Rovinescu labels Emirates Air proposal as 'subterfuge'

Emirates Airline wants to provide twice-daily service to Toronto, up from its current three flights a week, as well as service to Vancouver and Calgary from Dubai. Following a threat against a military base in the Mid-East by the United Arab Emirates, the CEO of Air Canada unleashed a blistering verbal assault in Vancouver on his rival's recent assertion that more flights to Canada from Dubai will spark \$480-million of annual economic activity and 2,800 new jobs. He called the numbers "the stuff of fairy tales" and "subterfuge" and pointed out that more competition looks good but can also be devastating.

## 13. Emirates plan seen hurting mid-sized cities

The president of the Ottawa International Airport Authority says that residents in mid-sized Canadian cities face losing point-to-point service to overseas destinations if Emirates Airline is allowed to ramp up flights on its Toronto-Dubai route. "It's not just Ottawa. The Canadian Airports Council said it doesn't get involved in individual cases such as Emirates' request for greater access to Canada, an expansion plan that's opposed by Air Canada. The Council said it supports the principle of "open skies" to bolster international air services.

## 14. IATA Cuts 2010 Loss Forecast in Half - Strong Start to 2010

The International Air Transport Association (IATA) halved its loss forecast for 2010 to US\$2.8 billion (compared to the US\$5.6 billion loss forecast in December 2009). The improvement is largely driven by a much stronger recovery in demand seen by year-end gains that continued into the first months of 2010. Relatively flat capacity translated into some yield improvement and stronger revenues. Its loss of 2009 was re-estimated at US\$9.4 billion down from the previously forecast US\$11.0 billion loss.

## 15. Warm Canadian winter clouds Transat's outlook

Transat Air Canada's major tour operators said its first-quarter revenue slumped 10 per cent as it posted an operating loss of \$12.4-million for the three months ended Jan. 31, a worse showing than analysts expected and deeper than the \$8.5-million operating loss a year earlier. As a result, it lost 30% of its stock value. Sunwing Travel Group's merger last fall with Signature Vacations has put pressure on Transat as the industry struggles with an excess of holiday packages, many of which sell at discounted rates. Other competitors in the sector include Sunquest Vacations, Air Canada Vacations and WestJet Vacations.

## 16. Aircraft movement statistics: Major airports [2009]

Following four years of increases, the number of aircraft take-offs and landings at 93 Canadian airports with NAV CANADA air traffic control towers and/or flight service

17 .Air restrictions announced for Vancouver 2010 Paralympic Games, March 11, 2010, [www.tc.gc.ca](http://www.tc.gc.ca)

18. Air Canada to expand service to Jamaica, March 12, 2010, [www.aircanada.com](http://www.aircanada.com)

19. Transport Canada takes full authority for business aviation, March 16, 2010, [www.tc.gc.ca](http://www.tc.gc.ca)

20. Sean Durfy Announces resignation form WestJet, March 15, 2010, [www.westjet.ca](http://www.westjet.ca)

21. Minister Merrifield represents Canada at international conference on civil aviation security, January 13, 2010, [www.tc.gc.ca](http://www.tc.gc.ca)

22. Virgin airlines to enter Canadian market, March 18, 2010, [www.nationalpost.ca](http://www.nationalpost.ca)

23. Air fare, March 19, 2010, [www.statcan.gc.ca](http://www.statcan.gc.ca)

24. Aeroplan hits back at competition, March 19, 2010, [www.globeandmail.ca](http://www.globeandmail.ca)

25. Cargo jet skids off Moncton runway, March 24, 2010, [www.globeandmail.ca](http://www.globeandmail.ca)

26. Aircraft movement statistics: Major airports, March 25, 2010, [www.statcan.gc.ca](http://www.statcan.gc.ca)

27. Government of Canada takes additional steps to enhance aviation security at airports, March 26, 2010, [www.tc.gc.ca](http://www.tc.gc.ca)

28. Open Skies Deal Fails to Boost Cargo, Say Airlines, March 26, 2010, [www.joc.com](http://www.joc.com)

29. Air Canada launches Calgary-Tokyo non-stop service; Direct link with Asia offers convenient connecting flights throughout Asia, March 27, 2010, [www.aircanada.com](http://www.aircanada.com)

30. Air Canada inaugurates daily flights between Ottawa and Iqaluit with same plane service to/from Montréal, March 28, 2010, [www.aircanada.com](http://www.aircanada.com)

31. WestJet charts bold new path, March 29, 2010, [www.globeandmail.ca](http://www.globeandmail.ca)

32. Federal Court to hear Air Canada request for access to Toronto City Centre Airport; Court order sought to prevent Toronto Port Authority from improperly allocating airport capacity, March 29, 2010, [www.aircanada.com](http://www.aircanada.com)

33. Strong February Demand - Regaining Lost Ground, March 30, 2010, [www.iata.org](http://www.iata.org)

34. Purolator USA offering new express service to Canada, March 29, 2010, [www.cfl.ca](http://www.cfl.ca)

35. WestJet told to fix lost-bag policy, March 30, 2010, [www.globeandmail.ca](http://www.globeandmail.ca)

36. Aviation Organizations Launch Safety Information Exchange, March 31, 2010, [www.iata.org](http://www.iata.org)

## US

1. [US] Airline On-Time Performance Improves in January, March 9, 2010, [www.dot.gov](http://www.dot.gov)

2. December 2009 Airline Traffic Data: System Traffic Down 0.6 Percent from December 2008, March 11, 2010, [www.bts.gov](http://www.bts.gov)

3. January 2010 Passenger Airline Employment Down 2.9 Percent from January 2009, March 16, 2010, [www.dot.gov](http://www.dot.gov)

stations decreased by 5.0% in 2009. These 93 airports reported 5.9 million movements in 2009, compared with 6.2 million movements at 95 airports in 2008.

#### **17. Air restrictions announced for Vancouver 2010 Paralympic Games**

Transport Canada announced on March 11, 2010 the airspace restrictions that will be in effect for the Vancouver 2010 Paralympic Games as of midnight, March 12, 2010, following the Games' opening ceremonies.

#### **18. Air Canada to expand service to Jamaica**

Air Canada on March 12, 2010 announced that beginning in May 2010 it will significantly increase its service from Toronto to the Norman Manley International Airport in Kingston, Jamaica by doubling the number of weekly flights and deploying larger aircraft on certain days of the week. Air Canada will also offer special introductory fares starting as low as \$149 each way.

#### **19. Minister Merrifield represents Canada at international conference on civil aviation security**

The Honourable Rob Merrifield, Minister of State (Transport), met on January 13, 2010 with Canada's international partners in the Asia Pacific Region to address the risks to civil aviation security and improve the effectiveness of security measures. Key aspects of the discussions included: broadening existing cooperation mechanisms; sharing best practices and information; and using modern technologies to detect prohibited materials while respecting the privacy and civil liberties of individuals.

#### **20. Sean Durfy Announces resignation from WestJet**

Sean Durfy announced his resignation from WestJet airlines as CEO and President. He will also resign from the Board of Directors. Gregg Saretsky will take his position.

#### **21. Transport Canada takes full authority for business aviation**

Canada's Transport Minister John Baird announced on March 16, 2010 that Transport Canada will take back the certification and oversight functions for business aviation from the Canadian Business Aviation Association (CBAA). This change will come into effect on April 1, 2011. With this change, Transport Canada will take back from the CBAA full responsibility for issuing operating certificates to new applicants as well as for processing changes to existing certificate holders.

#### **22. Virgin airlines to enter Canadian market**

Virgin Airlines said that it intends to add Canada as its first international destination as early as June 2010 with one daily non-stop flight and one connecting flight between Toronto and Los Angeles and its base in San Francisco. The carrier may provide some competition to Air Canada on this route.

#### **23. Air fare**

Fare Basis Survey data are now available for 2008 from Statistics Canada.

#### **24. Aeroplan hits back at competition**

Besides some of the grievances against Aeroplan there is now a new competitor, WestJet Airlines which finally announced its long-awaited loyalty program. So Aeroplan has gone on an advertising effort, costing more than \$2-million. The effort includes spots on websites and in newspapers across the country, as well as radio ads on dozens of Astral-owned radio stations.

#### **25. Cargo jet skids off Moncton runway**

Cargo jet, a Canadian cargo air carrier, skidded off a rain-soaked runway at Greater Moncton International Airport on March 24, 2010. The three crew on board the Boeing 727 were not injured.

#### **26. Aircraft movement statistics: Major airports [February 2010]**

Aircraft take-offs and landings at the 93 Canadian airports with NAV CANADA air traffic control towers and flight service stations decreased by 11.4% in February 2010 compared with February 2009. These airports reported 371,909 movements in February compared with 419,853 movements in February 2009.

#### **27. Government of Canada takes additional steps to enhance aviation security at airports**

Canada's Transport Minister John Baird on March 26, 2010 announced that the Government of Canada is taking action to ensure Canadian airports have the safest and most effective security systems possible, by proposing changes to the *Canadian Aviation Security Regulations*. Specifically, the proposed changes would ensure that: airport operators' and tenants' roles and responsibilities are clarified and documented; security requirements and mitigation strategies are developed and clearly outlined; and the entire security regime at airports is thoroughly coordinated, integrated and documented.

4. BA Strike to Go Ahead at Midnight [March 19, 2010], March 19, 2010, [www.joc.com](http://www.joc.com)
5. Infringements Proceedings in the Fields of Air Transport, March 18, 2010, [www.europa.eu](http://www.europa.eu)
6. Strategy for Profitable Growth in Latin America, March 24, 2010, [www.iata.org](http://www.iata.org)
7. US/EU Negotiators Reach Agreement on Stage Two of Open Skies Talks, March 25, 2010, [www.dot.gov](http://www.dot.gov)
8. Asia Air Freight Jumps 29.8 Percent, March 25, 2010, [www.joc.com](http://www.joc.com)
9. JAL [Japan Air Lines] to drop freighter service, March 26, 2010, [www.americanshipper.com](http://www.americanshipper.com)
10. Summary 2009 Traffic Data for U.S and Foreign Airlines: Total Passengers Down 5.3 Percent from 2008, March 29, 2010, [www.dot.gov](http://www.dot.gov)
11. LAX Air Freight Grows 26.6 Percent, March 29, 2010, [www.joc.com](http://www.joc.com)

## **28. Open Skies Deal Fails to Boost Cargo, Say Airlines**

European transport commissioner Siim Kallas said "a process has been agreed" to remove limitations on foreign ownership of airlines, a key issue that has threatened to derail negotiations. But U.S. chief negotiator John Byerly said no timetable had been agreed to for changes in ownership restrictions, which would require a vote in the U.S. Congress. Washington limits foreign companies to 25 percent of the voting stock of U.S. airlines while the EU applies a 49.9 percent ceiling on foreign ownership of its carriers. The International Air Transportation Association criticized the draft agreement which builds on the original open skies accord that took effect in March 2008.

## **29. Air Canada launches Calgary-Tokyo non-stop service; Direct link with Asia offers convenient connecting flights throughout Asia**

Air Canada on March 27, 2010, inaugurated its first non-stop flight between Calgary and Tokyo, the only direct link between Alberta and Asia.

## **30. Air Canada inaugurates daily flights between Ottawa and Iqaluit with same plane service to/from Montréal**

On March 28, 2010, Air Canada's marked the expansion of its network to its most northern destination with the start up of daily non-stop service to Iqaluit, Nunavut from Ottawa with same-plane service to/from Montréal.

## **31. WestJet charts bold new path**

The new CEO of Westjet, Gregg Saretsky, will not have to contend with some of the ill fortune that faced his predecessor, the downturn and the problematic reservation system. It has also strayed away from its model as a no frill low cost carrier. Nevertheless, the new CEO says he will be respectful of the carrier's low-cost roots but insists he won't shy from making bold decisions.

## **32. Federal Court to hear Air Canada request for access to Toronto City Centre Airport; Court order sought to prevent Toronto Port Authority from improperly allocating airport capacity**

The Federal Court issued an order on March 29, 2010 allowing Air Canada to challenge, by an application for judicial review, the Toronto Port Authority's (TPA) announced decision to engage in a process that would unfairly discriminate against airlines wishing to serve the Toronto City Centre Airport and to seek an order requiring the TPA to properly allocate available slots at the airport. Air Canada is asking the Court to direct the TPA, a public authority, to allocate all existing and additional take-off and landing slots at the airport, a public facility, in a manner consistent with its legal obligations. The Court order is being sought in response to an improper process through which the TPA has awarded and intends to award slots.

## **33. Strong February Demand - Regaining Lost Ground**

The International Air Transport Association (IATA) announced that February 2010 international scheduled air traffic showed continued strengthening of demand. Compared to February 2009, passenger demand was up 9.5%, while cargo demand grew 26.5%. With these good results Giovanni Bisignani, IATA's Director General and CEO said "We are moving in the right direction. In two to three months, the industry should be back to pre-recession traffic levels. This is still not a full recovery. The task ahead is to adjust to two years of lost growth."

## **34. Purolator USA offering new express service to Canada**

Purolator USA has introduced a new express delivery service to Canada that offers guaranteed next day or second day delivery. The new service, called Purolator USA Express, is currently available to New York-metropolitan businesses.

## **35. WestJet told to fix lost-bag policy**

Travellers who lose their luggage on WestJet Airlines' domestic flights should be able to exceed a \$250 limit on their claims, according to a preliminary decision by the Canadian Transportation Agency. The limit on Air Canada is \$1,500 and \$1,000 on Porter Airlines. The CTA said WestJet's domestic cap on luggage liability is unreasonable, and gave the airline until April 18 to develop a response. The interests of consumers outweigh WestJet's commercial obligations to keep costs down.

## **36. Aviation Organizations Launch Safety Information Exchange**

The International Air Transport Association, along with three governmental aviation safety organizations (the International Civil Aviation Organization, the US Federal Aviation Administration, and the Commission of the European Union), took the first step to creating a global information exchange to improve aviation safety.

## WATER TRANSPORTATION

### 1. Port of Montreal - Cumulative Containerized traffic [January 2010]

The Port of Montreal traffic results for January 2010 indicate that the total number of containers TEUs (twenty foot equivalent) for January 2010 was 8.6% higher than for the same period last year. Outbound traffic was 8% higher and inbound traffic was 9.3% higher. In terms of metric tonnes the increase for January 2010 was much higher 18.6% compared to January 2009.

### 2. Port of Metro Vancouver - Cumulative Containerized traffic [January 2010]

The Port of Metro Vancouver traffic results for January 2010 indicate that the total number of TEUs for January 2010 was 6% higher than for the same period last year. Outbound traffic and inbound traffic each increased by 6% higher.

### 3. Halifax positioning to be top eastern gateway

The Halifax Gateway Council released its new five-year strategic plan focused on realizing the plan to make Halifax the preferred eastern trade gateway for North America. The Port of Halifax, notes the report, creates over 11,000 jobs and \$1.5 billion in economic impact, including \$170 million in rail economic output, and \$160 million from long-haul and regional trucking.

### 4. East, West Coasts Achieve Competitive Balance

According to railway executives, competition between West and East Coast ports for Asian cargo has hit a point of equilibrium and market share probably won't change much in the coming years from the 68% to 70% March 2010. It once stood at 80% but slid due to labour problems and diversification of gateways. Even the widening of the Panama Canal is not expected to have much of an impact.

### 5. Increased ferry rates could sink truckers

On April 1, 2010, BC Ferries will increase rates. As can be expected truckers are complaining. Blueboy Express told the media that trucking companies like his Victoria-based firm are already facing difficulties. "Right now, the trucking industry is going through a major recession. Most industry freight rates are going down so companies can remain competitive..." When revenues go down and costs go up, something has to give to survive and the usual result is employment has to be cut. In response, B.C. Ferries says the increase isn't a way to make more money and will be revenue neutral for the ferry service.

### 6. Port of Halifax to welcome over 240,000 cruise passengers this season

This cruise season the Port of Halifax expects to welcome over 240,000 passengers to visit between April 2010 and October 2010. The Port's full 2010 cruise schedule is now available on its website.

### 7. Prince Rupert Port Authority Monthly Traffic Summary [February 2010]

The Port of Prince Rupert reported that for the month of February 2010 the total number of TEUs increased by 109.7% to 27,681.3. Imports increased by 161.3% and exports by 67.2%. Year to date total traffic in TEUs increased by 105.4%. Year-to-date traffic for passenger ferry/vehicles increased by 0.5%.

### 8. Port of Montreal Cumulative container traffic [February 2010]

Container traffic (TEUs) at the Port of Montreal till the end of February 2010 increased 6.3% to 11,522 TEUs. Inbound increased 8.1% and outbound 4.8%.

### 9. Port of Montreal Cumulative Traffic Summary January and February 2010 (metric tonnes)

Total cumulative general cargo for the Port of Montreal increased 12.3% till the end

of February 2010 compared to February 2009. Bulk cargo on the other hand increased only by 3.6%. Outbound cargo for both increased considerably more than inbound cargo.

### 10. Government of Canada enhances waterway safety

Canada's Transport Minister John Baird introduced regulatory changes that will give communities more tools to

## Water Transportation

### Canada

1. Port of Montreal - Cumulative Containerized traffic [January 2010], March 1, 2010, [www.portmontreal.ca](http://www.portmontreal.ca)
2. Port of Metro Vancouver - Cumulative Containerized traffic [January 2010], February 25, 2010, [www.portvancouver.com](http://www.portvancouver.com)
3. Halifax positioning to be top eastern gateway, March 2, 2010, [www.todaystrucking.com](http://www.todaystrucking.com)
4. East, West Coasts Achieve Competitive Balance, March 4, 2010, [www.joc.com](http://www.joc.com)
5. Increased ferry rates could sink truckers, March 5, 2010, [www.todaystrucking.ca](http://www.todaystrucking.ca)
6. Freight Transportation Services Index (TSI) Rose 0.4% in January from December, March 10, 2010, [www.dot.gov](http://www.dot.gov)
7. Prince Rupert Port Authority Monthly Traffic Summary [February 2010], March 15, 2010, [www.rupertport.com](http://www.rupertport.com)
8. Port of Montreal Cumulative container traffic [February 2010], March 19, 2010, [www.portofmontreal.ca](http://www.portofmontreal.ca)
9. Port of Montreal Cumulative Traffic Summary January and February 2010 (metric tonnes), March 19, 2010, [www.portofmontreal.ca](http://www.portofmontreal.ca)
10. Government of Canada enhances waterway safety, March 22, 2010, [www.tc.gc.ca](http://www.tc.gc.ca)
11. Prince Rupert Port Authority Launches New Community Dividend Fund, \$25,000 Donation Commemorating City of Prince Rupert Birthday 100<sup>th</sup> Anniversary, March 23, 2010, [www.rupertport.com](http://www.rupertport.com)
12. Port of Montreal, Cruise Activity receive two awards of excellence, March 17, 2010, [www.portofmontreal.ca](http://www.portofmontreal.ca)
13. Seaway Navigation Season Opens, March 25, 2010, [www.joc.com](http://www.joc.com)
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15. Canada joins forces with the U.S. and France to reduce air pollution from ships, March 26, 2010, [www.tc.gc.ca](http://www.tc.gc.ca)
16. US DOT Prefers Freight Movement on Waterways and Rail, March 26, 2010, [www.cantruck.ca](http://www.cantruck.ca)
17. Ambassador Bridge owner targets feds in lawsuit as budget amendment fails, March 24, 2010, [www.todaystrucking.ca](http://www.todaystrucking.ca)

### US

1. Maersk: 1 billion loss in 2009, March 6, 2010, [www.americanshipper.com](http://www.americanshipper.com)

enhance safety at lakes, rivers and beaches. The changes to the *Vessel Operation Restriction Regulations* include: a simpler application process for the approval of sporting, recreational or public events or activities; a tool for communities to regulate wake surfing for the safety of all waterway users, in a similar way that communities can now regulate water-skiing; and additional enforcement officers in Ontario and Quebec.

#### **11. Prince Rupert Port Authority Launches New Community Dividend Fund, \$25,000 Donation Commemorating City of Prince Rupert Birthday 100<sup>th</sup> Anniversary**

The Prince of Rupert Port Authority launched its new community dividend fund with a donation of \$25,000 for several projects to commemorate the City's 100<sup>th</sup> birthday. The President of the Authority said that it is the first time that the Port has generated sufficient profits to be able to share its financial success.

#### **12. Port of Montreal, Cruise Activity receive two awards of excellence**

For the second time in two years the Port of Montreal received the best award for turnaround operations from the magazine Dream World Cruise Destinations. Eight other ports in the world also received this award.

#### **13. Seaway Navigation Season Opens**

The St. Lawrence Seaway opened its 2010 navigation season on March 25, 2010. It expects a 10 percent to 12 percent increase in tonnage this year from the lowest levels in half a century in 2009.

#### **14. Port of Metro Vancouver - Cumulative Containerized traffic [February 2010]**

The Port of Metro Vancouver year-to-date traffic results for February 2010 indicate that the total number of TEUs for February 2010 was 12% higher than for the same period last year. Outbound traffic increased 2% and inbound traffic increased by 22%.

#### **15. Canada joins forces with the U.S. and France to reduce air pollution from ships**

On March 26, 2010, the Government of Canada welcomed the International Maritime Organization's decision to adopt the North American Emission Control Area proposed by Canada and the United States with the support of France. Canada will now act to implement this important measure to help reduce air pollution from ships.

#### **16. US DOT Prefers Freight Movement on Waterways and Rail**

Reducing GHG emissions from transportation sources is quickly becoming the focal point of environmental policy discussions. Not surprisingly, this week, Deputy Secretary John Porcari, the US Department of Transportation's (DOT) told senators that DOT prefers that goods be shipped on waterways and rail as much as possible, utilizing trucks only for final delivery.

#### **17. Ambassador Bridge owner targets feds in lawsuit as budget amendment fails**

Ambassador Bridge owner Matty Moroun claims in a federal lawsuit that efforts to build a second span over the Detroit River are being stalled. The suit filed on March 22, 2010 in U.S. District Court by the Detroit International Bridge Co. claims U.S. and Canadian officials have violated a law that includes the right to build a new span.

### **RAIL TRANSPORTATION**

#### **1. Railways customers slam freight service**

The initial findings contained in a survey of 269 shippers across the country not only criticizes Canadian National Railway Co. and Canadian Pacific Railway Ltd. for unsatisfactory service, but also the regulatory system they claim is "cumbersome and expensive" and leaves little recourse for shippers. Only about 17% of those surveyed said they have a high level of satisfaction in the service they have received from either CN or CP. To add to the shippers dissatisfaction, terminal operators, port operators and shipping lines have also voiced their concern. Shippers indicate that service is better where there is competition. Some have suggested penalties when railway cars show up late.

#### **2. Government of Canada and VIA Rail announce new Windsor station**

The Government of Canada and VIA Rail announced a new Windsor station was created by VIA Rail Canada in collaboration with Transport Canada. It is scheduled for completion in the fall of 2011. The majority of the \$6 million in funding for the new Windsor station and related improvements will come from Government of Canada's Economic Action Plan.

#### **3. CN named retail giant's Innovator of the Year**

Canadian National Railway has received Wal-Mart Canada's Innovator of the Year award for delivering "cutting edge" supply chain solutions for the major retail chain's

#### **Rail Transportation**

1. Railways customers slam freight service, March 5, 2010, [www.nationalpost.ca](http://www.nationalpost.ca)
2. Government of Canada and VIA Rail announce new Windsor station, March 1, 2010, [www.tc.gc.ca](http://www.tc.gc.ca)
3. CN named retail giant's Innovator of the Year, January 15, 2010, [www.ctl.ca](http://www.ctl.ca)
4. Thune Wants STB to Handle All Competition Issues, March 18, 2010, [www.joc.com](http://www.joc.com)
5. CN to resolve labour dispute with locomotive engineers, March 19, 2010, [www.ctl.ca](http://www.ctl.ca)
6. CN obtains resolution of labour issues with locomotive engineers in Canada, March 19, 2010, [www.cn.ca](http://www.cn.ca)
7. CN reaches tentative labour agreement with Canada-based rail traffic controllers, March 25, 2010, [www.cn.ca](http://www.cn.ca)
8. CN makes it easier for customers to calculate carbon savings when shipping by rail, March 29, 2010, [www.cn.ca](http://www.cn.ca)
9. Government of Canada and VIA Rail invest in rail service, jobs in Moncton, March 29, 2010, [www.tc.gc.ca](http://www.tc.gc.ca)

logistics network. Wal-Mart commended CN's ability to deliver "truck-like" service via rail and also highlighted CN's new EcoTherm product as an example of successful innovation.

#### **4. Thune Wants STB to Handle All Competition Issues**

Sen. John Thune, R-S.D., said he would like to see the emerging rail regulation overhaul put a "more robust" Surface Transportation Board in charge of rail competition issues, rather than Congress stripping railroads of their limited antitrust exemption. The antitrust issue that was not introduced when the Bill was drafted in December 2009 by Jay Rockefeller and continues to be a problematic issue.

#### **5. CN to resolve labour dispute with locomotive engineers**

The Canadian government had stepped in a few months ago to assist in the resolution of the labour dispute between CN and the Teamsters Canada Rail Conference (TCRC) by appointing an arbitrator. The arbitrator has provided its decision. The decision, whose terms are retroactive to Jan. 1, 2009, expires on Dec. 31, 2011. It provides a 1.8% wage increase in 2009, 2.4% in 2010, and 2.6% in 2011, as well as dental plan benefit improvements that come into effect on April 1.

#### **6. CN obtains resolution of labour issues with locomotive engineers in Canada**

On March 19, 2010, CN announced that it received and will begin implementing, Arbitrator Andrew Sims' arbitration ruling setting the terms and conditions of a new three-year collective agreement between CN and the Teamsters Canada Rail Conference (TCRC), representing 1,700 locomotive engineers in Canada.

10. CN reaches agreement with rail traffic controllers, March 30, [www.ctl.ca](http://www.ctl.ca)  
11. Railway carloadings [January 2010], March 31, 2010, [www.statcan.gc.ca](http://www.statcan.gc.ca)

#### **US**

1. LTL [U] Industry Shrinks 24.4 Percent, March 4, 2010, [www.joc.com](http://www.joc.com)
2. Freight Powers Up at Top U.S. Rails, March 5, 2010, [www.joc.com](http://www.joc.com)
3. U.S. Rails See More Traffic in March, March 19, 2010, [www.joc.com](http://www.joc.com)
4. Improved [US] Auto Demand Lifts Rail Shipments, March 30, 2010, [www.joc.com](http://www.joc.com)

#### **7. CN reaches tentative labour agreement with Canada-based rail traffic controllers**

CN announced on March 25, 2010 that it has reached a tentative three-year labour agreement with the union representing approximately 200 rail traffic controllers across Canada.

#### **8. CN makes it easier for customers to calculate carbon savings when shipping by rail**

In a rail industry first, CN customers can now calculate their carbon savings from switching shipments to rail from truck at the same time they secure a rate from the company's public pricing tools. Reduced fuel consumption and carbon emissions are two of the environmental benefits CN offers its customers. Rail has been shown to be up to six times more energy-efficient than heavy trucks, because rail consumes a fraction of the fuel to transport one tonne of freight one kilometre.

#### **9. Government of Canada and VIA Rail invest in rail service, jobs in Moncton**

Government officials and officers from VIA Rail announced on March 29, 2010 funding for the complete modernization and upgrading of six self-propelled rail diesel cars (RDCs). The Honourable Keith Ashfield said "This project will create skilled jobs, stimulate the regional economy and improve rail passenger service across Canada."

#### **10. CN reaches agreement with rail traffic controllers**

CN has reached a tentative three-year labour agreement with the union representing approximately 200 rail traffic controllers across Canada. Details are being held pending ratification.

#### **11. Railway carloadings [January 2010]**

Total freight traffic originating in Canada and received from the United States increased to 22.4 million metric tonnes in January 2010, up 7.6% from January 2009. Intermodal traffic decreased 0.8% and non-intermodal traffic increased 8.4%.



(Picture provided by Prof. Barry Prentice)

## HIGHWAY TRANSPORTATION

### 1. YRC's Canadian fleet has a long future: Pres

YRC's president, speaking at a conference said that despite its economic problems, the company will survive. YRC is being squeezed by TL carriers on the top and others at the bottom. It has 25% of the North American LTL market and 40,000 employees who are determined to see it succeed. The problem he said is overcapacity. Recently, YRC was able to negotiate a \$70 million deal with investors that will help the carrier meet impending debt obligations. The company said that the deal calls for the sale of \$70 million of its 6 percent senior convertible notes due 2014.

### 2. December 2009 Surface Trade with Canada and Mexico Rose 10.5 Percent from December 2008

Trade using surface transportation between the United States and its North American Free Trade Agreement (NAFTA) partners Canada and Mexico was 10.5 percent higher in December 2009 than in December 2008, with a value of \$58.5 billion. For the year 2009, however, it was 23.3 percent lower. U.S.–Canada surface transportation trade totaled \$35.4 billion in December 2009, up 7.8 percent compared to December 2008.

### 3. CTA disappointed federal budget does not include diesel tax break

The Canadian Trucking Alliance (CTA) says it is disappointed that the federal budget announced on March 4, 2010 does not include the 50% reduction in the federal excise tax on diesel that was promised before the recession shuffled government priorities. Transportation-related projects highlighted in the budget included: \$10 m. over three years for a new Windsor-Detroit crossing; \$50.5 m. over two years for capital improvements to the Jacques Cartier and Champlain Bridges in Montreal; \$175 m. for Marine Atlantic; and \$28 m. for ferry services in Atlantic Canada. Canada Border Services Agency will also get \$87 m. over two years to improve its information systems and scanning equipment.

### 4. TransX named top Walmart Canada carrier

TransX has been named Walmart Canada's Carrier of the Year for 2009.

### 5. Customs clamping down on shipping details

Canadian customs officials are in the midst of changing the way goods are shipped across the 49th parallel and as the saying goes, "the devil's in the details." The Canadian Border Service Agency will begin with the next phase of its Automated Commercial Information (ACI) initiative this year. During the first year participation in ACI will be voluntary, and informed compliance will follow for the next six months.

### 6. Expensive oil to shorten supply chains: Top economist

## Highway Transportation

### Canada

1. YRC's Canadian fleet has a long future: Pres, March 1, 2010, [www.todaystrucking.com](http://www.todaystrucking.com)
2. December 2009 Surface Trade with Canada and Mexico Rose 10.5 Percent from December 2008, March 4, 2010, [www.bts.gov](http://www.bts.gov)
3. CTA disappointed federal budget does not include diesel tax break, March 5, 2010, [www.ctl.ca](http://www.ctl.ca)
4. TransX named top Walmart Canada carrier, March 4, 2010, [www.ctl.ca](http://www.ctl.ca)
5. Customs clamping down on shipping details, March 8, 2010, [www.todaystrucking.com](http://www.todaystrucking.com)
6. Expensive oil to shorten supply chains: Top economist, March 8, 2010, [www.todaystrucking.com](http://www.todaystrucking.com)
7. Montreal Buys Green Locomotives, March 9, 2010, [www.joc.com](http://www.joc.com)
8. Quarterly Trucking Survey, March 11, 2010, [www.statcan.gc.ca](http://www.statcan.gc.ca)
9. TransX earns Lowes' top ranking for on-time service in 2009, March 14, 2010, [www.ctl.ca](http://www.ctl.ca)
10. CTA Calls for Adoption of a Universal EOBR Mandate, March 15, 2010, [www.cantruck.ca](http://www.cantruck.ca)
11. OC Transpo receives penalty for failing to call out stops, March 16, 2010, [www.cta-otc.gc.ca](http://www.cta-otc.gc.ca)
12. For-hire Motor Carrier Freight Services Price Index, March 19, 2010, [www.statcan.gc.ca](http://www.statcan.gc.ca)
13. 2009 Surface Trade with Canada and Mexico Fell 23.3 Percent from 2008, March 19, 2010, [www.dot.gov](http://www.dot.gov)
14. Lions Gate/PTR acquire remaining GE Trailer Fleet Services locations, March 19, 2010, [www.ctl.ca](http://www.ctl.ca)
15. Large urban transit (Preliminary January 2010), March 23, 2010, [www.statcan.gc.ca](http://www.statcan.gc.ca)
16. Government and community partnership delivers accessible transportation services for residents of Chester, March 22, 2010, [www.tc.gc.ca](http://www.tc.gc.ca)
17. Further drop in road fatalities: 2007 Canadian motor vehicle traffic collision statistics, March 24, 2010, [www.statcan.gc.ca](http://www.statcan.gc.ca)
18. Suspend the driver not the truck: OTA, March 26, 2010, [www.todaystrucking.ca](http://www.todaystrucking.ca)
19. Couriers and Messengers Services Price Index, March 26, 2010, [www.statcan.gc.ca](http://www.statcan.gc.ca)
20. January 2010 Surface Trade with Canada and Mexico Rose 19.5 Percent from January 2009, March 30, 2010, [www.dot.gov](http://www.dot.gov)
21. CTA Names New Executive Committee, Officers 2010-12 Leaders Sworn in at AGM, March 30, 2010, [www.cta.ca](http://www.cta.ca)
22. Canadian passenger bus and urban transit industries [2008 preliminary] March 31, 2010, [www.statcan.gc.ca](http://www.statcan.gc.ca)

### US

1. FEDEX profit soars, March 19, 2010, [www.americanshipper.com](http://www.americanshipper.com)

## **7. Montreal Buys Green Locomotives**

The Montreal Port Authority signed an agreement with R.J. Corman Railpower to purchase up to five “green” locomotives that will reduce the port’s emissions and conserve fuel by \$1.6 million, with an option to buy an additional four.

## **8. Quarterly Trucking Survey**

Trucking companies earned operating revenue of \$9.0 billion in the third quarter of 2020. With operating expenses of \$8.0 billion, these businesses realized operating profits of just over \$1.0 billion. This means a operating ratio of .888. The trucking industry is dominated by Ontario with 33% of total revenue, Quebec with 20% of revenue, Alberta by 18%) and British Columbia by 11%. New Brunswick, Manitoba and Saskatchewan each accounted for about 5% of total revenue.

## **9. TransX earns Lowes' top ranking for on-time service in 2009**

TransX, Canada’s fourth largest trucking company, is the only Canadian transportation provider to achieve Double Platinum Excellence for on-time service and overall performance for 2009 by Lowes Transportation.

## **10. CTA Calls for Adoption of a Universal EOBR Mandate**

The Canadian Trucking Alliance (CTA) in response to a recently released discussion paper from the Canadian Council of Motor Transport Administrators (CCMTA) reiterated its long-standing position to mandating the use of electronic on-board recorders (EOBRs) in Canada. It also advocated its use in all of North America.

## **11. OC Transpo receives penalty for failing to call out stops**

The Canadian Transportation Agency issued a \$12,500 penalty to OC Transpo for failing to comply with an order to call out major and requested stops on all of its routes on March 16, 2010.

## **12. For-hire Motor Carrier Freight Services Price Index**

The For-hire Motor Carrier Freight Services Price Index increased 0.9% in the third quarter, compared with the second quarter. The specialized freight trucking component rose 1.1%, while the general freight trucking component advanced 0.8%. On a year-over-year basis, the index declined 10.4% in the third quarter compared with the third quarter of 2008.

## **13. 2009 Surface Trade with Canada and Mexico Fell 23.3 Percent from 2008**

U.S. surface Trade with Canada and Mexico Fell 23.3% to 637 billion for the calendar year 2009 from the 2008 level. U.S. - Canada surface transportation trade totalled \$386 billion in 2009, a decrease of 28.1% compared to 2008. The value of imports carried by truck was 25.7% lower in 2009 than 2008 while the value of exports carried by truck was 20.2% lower.

## **14. Lions Gate/PTR acquire remaining GE Trailer Fleet Services locations**

Lions Gate Trailers and Provincial Trailer Rentals have decided to take over the entire chain of GE Trailer Fleet Services in Canada. It acquired is fleet division services in December 2009. Lions Gate Trailers purchased Provincial Trailer Rentals in 2006 and the companies now run 26 locations providing a range of trailers and container chassis. The acquisitions bring Lions Gate/Provincial Trailer Rentals' combined trailer fleet to more than 20,000 units.

## **15. Large urban transit (Preliminary January 2010)**

Canada’s ten largest urban transits, representing 80% of all transits in Canada, generated total operating revenue (excluding subsidies) of \$220.9 million up 12.7% from January 2010. Ridership levels rose to 123.0 million passenger trips in January 2010, a 7.9% increase from the same month a year earlier.

## **16. Government and community partnership delivers accessible transportation services for residents of Chester**

Government officials announced a new accessible bus for residents of the Municipality of Chester, Nova Scotia. The Government of Canada contributed \$63,000 from the Public Transit Capital Trust, while the Government of Nova Scotia provided \$27,000 in funding through its Accessible Transportation Assistance Program. In addition, the Municipality of Chester allocated \$7,665 and the United Way of Lunenburg County contributed the remaining \$7,000 towards the purchase the new bus.

## **17. Further drop in road fatalities: 2007 Canadian motor vehicle traffic collision statistics**

The 2007 Canadian Motor Vehicle Traffic Collision Statistics reveal a 4.4-per-cent decrease, from 2,889 to 2,767, in road user fatalities from 2006. Current estimates for 2008 show an even greater decline in the numbers, continuing a downward trend that began over two decades ago. Since 1987, road traffic deaths have declined by 32.5 per cent. Most of this decline can be attributed to measures introduced by the government such as new regulations. For example, by 2010, Electronic Stability Control (ESC) technology in Canadian vehicles is required.

## **18. Suspend the driver not the truck: OTA**

The MTO (Ontario Ministry of Transport) agreed to change the regulation requiring suspension of the ‘vehicle’ if the driver was found to have a suspended license. The Ontario Transport Association opposed the regulation pointing out that the vehicle need not be owned the driver. So the MTO has released a draft of its new regulations.

## **19. Couriers and Messengers Services Price Index [February 2010]**

The Couriers and Messengers Services Price Index remained unchanged for February 2010 compared with January 2010. The courier portion remained unchanged on a monthly basis, while the local messenger component was up 0.2%.

**20. January 2010 Surface Trade with Canada and Mexico Rose 19.5 Percent from January 2009**

U.S. surface Trade with Canada and Mexico rose 19.5% to 56.7 billion for January 2010 from January 2009. U.S. - Canada surface transportation trade totalled \$34.2 billion in January 2010, a increase of 18% compared to the same period in 2009. The value of imports carried by truck was 7.2% higher in January 2010 than January 2009 while the value of exports carried by truck was 17.1% higher.

**21. CTA Names New Executive Committee, Officers 2010-12 Leaders Sworn in at AGM**

The Canadian Trucking Alliance (CTA) has named its new Executive Committee and officers for the 2010-12 term. The new Chairman is Paul Easson.

**22. Canadian passenger bus and urban transit industries [2008 preliminary]**

Data for the Annual Passenger Bus and Urban Transit Survey are now available for 2008.

**GENERAL**

**1. Transport Canada acts on Transportation Safety Board recommendations to improve safety**

On March 16, 2010, Canada's Transport Minister John Baird received the Transportation Safety Board of Canada's "Watchlist" that outlines its safety recommendations for air, marine and rail transportation. Safety has improved in air, water and rail and the Minister has asked Transport Canada to intensify their effort to improve safety.

**2. 2010-2011 Reports on Plans and Priorities**

The Canadian Transport Agency has issued its Report on its plans and priorities for 2010-2011.

**3. National Tourism Indicators [Fourth Quarter 2009]**

Statistics Canada reported on March 30, 2010 that Tourism spending in Canada increased 0.4% in real terms in the fourth quarter of 2009, as outlays by both international visitors to Canada and Canadians were up. This was the second consecutive increase in tourism spending, following four negative quarters that started in the summer of 2008. Spending on air transportation was the largest component in the transportation category.

**General**

**Canada**

1. Transport Canada acts on Transportation Safety Board recommendations to improve safety, March 16, 2010, [www.tc.gc.ca](http://www.tc.gc.ca)
2. 2010-2011 Reports on Plans and Priorities, March 25, 2010, [www.cta-otc.gc.ca](http://www.cta-otc.gc.ca)
3. National Tourism Indicators [Fourth Quarter 2009], March 30, 2010, [www.statcan.gc.ca](http://www.statcan.gc.ca)

**Publications**

1. The Airport Voice, News and View, September-October 2009, [www.cacairports.ca](http://www.cacairports.ca)
2. Study on Passenger Transport by Coach, September 25, 2009, [www.europa.eu](http://www.europa.eu)
3. European Energy and Transport: Trends to 2030: Update 2007, March 3, 2010, [www.europa.eu](http://www.europa.eu)

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