

# Transportation Information Update\*

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## AIR TRANSPORTATION

### 1. Global air cargo jumped 20.6% in 2010

Global air cargo jumped 20.6% in 2010 driven by a rebound in international trade according to IATA. International shipments grew 6.7% in December 2010 from a year ago. Cargo demand is now 1 percent above pre-recession levels.

### 2. Strong 2010 but uncertainties in 2011 - Severe weather dents recovery

The IATA reported full year 2010 demand statistics for international scheduled air traffic that showed an 8.2% increase in passenger traffic and a 20.6% increase in freight. Demand growth outstripped capacity increases of 4.4% for passenger and 8.9% for cargo. Average load factor was 78.2 percent an improvement of 2.7 points over 2009. Severe weather in Europe and North America put a dent on recovery.

### 3. WestJet launches new non-stop service to Palm Beach

WestJet on February 2, 2011 launched new non-stop seasonal air service between Toronto (Pearson International Airport) and Palm Springs, California.

### 4. Civil Aviation Operating and financial statistics [first quarter 2010]

Statistics Canada reported that operational and financial statistics are available on its website for the first quarter of 2010.

### 5. WestJet reports January load factor of 77.8 percent

On February 4, 2011, WestJet reported January 2011 load factor of 77.8 percent, revenue passenger miles (RPM- i.e. traffic) of 1.374 billion and available seat miles (ASM- i.e. capacity) of 1.766 billion. The load factor fell by 1 point, the RPM increased by 9.7 percent and the ASM increased by 11.2 percent over January 2010. This month's load factor represents the second highest January load factor in WestJet's history. President and CEO, Gregg Saretsky said "We are encouraged by improved pricing and demand in the air travel market, as well as the growth of our business bookings."

### 6. Air Canada reports January traffic

Air Canada on February 4, 2011 reported its January 2011 traffic. Its system load factor was 78 percent, its RPM was 4.215 billion and its ASM was 5.403 billion. This represents an increase in load factor of 0.5 points, an increase in RPM of 9.1% and an increase in ASM of 8.4%. Calin Rovinescu, CEO and President of Air Canada, said "...these results highlight Air Canada's ongoing determination to highlight to operate the airline in a disciplined and efficient manner with respect to capacity and asset deployment."

### 7. Airlines keep eagle eye on rising fuel prices

Just as the air passenger traffic is finally rebounding, surging oil prices are threatening to squash it. IATA warned that the higher fuel prices could threaten the passenger recovery if air fares rise to compensate for the higher fuel prices.

### 8. Air Canada, unions ready to bargain

All five of Air Canada's unions have put wage increases at the top of their bargaining

## Current Developments in Brief

### Air Transportation

#### CANADA

1. Global air cargo jumped 20.6% in 2010, February 2, 2011, [www.joc.com](http://www.joc.com)
2. Strong 2010 but uncertainties in 2011 - Severe weather dents recovery, February 2, 2011, [www.iata.org](http://www.iata.org)
3. WestJet launches new non-stop service to Palm beach, February 2, 2011, [www.westjet.ca](http://www.westjet.ca)
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6. Air Canada reports January traffic, February 4, 2011, [www.aircanada.ca](http://www.aircanada.ca)
7. Airlines keep eagle eye on rising fuel prices, February 3, 2011, [www.globeandmail.ca](http://www.globeandmail.ca)
8. Air Canada, unions ready to bargain, February 4, 2011, [www.nationalpost.ca](http://www.nationalpost.ca)
9. Air Canada moves to protect Mumbai route, Feb. 5, 2011, [www.globeandmail.ca](http://www.globeandmail.ca)
10. WestJet, Delta Airlines launch interline agreement, February 7, 2011, [www.westjet.ca](http://www.westjet.ca)
11. Westjet announces expanded eastern triangle service, February 8, 2011, [www.westjet.ca](http://www.westjet.ca)
12. WestJet 'would not oppose' more slots for Emirates, February 7, 2011, [www.globeandmail.ca](http://www.globeandmail.ca)
13. WestJet reports record fourth quarter net earnings, February 9, 2011, [www.westjet.ca](http://www.westjet.ca)
14. Air Canada Announces Gander-Toronto Non-stop Flights, Feb. 8, 2011, [www.aircanada.ca](http://www.aircanada.ca)
15. Aircraft movement statistics: Small airports, Feb. 9, 2011, [www.stsatcan.gc.ca](http://www.stsatcan.gc.ca)
16. Air Canada Reports Full Year and Fourth Quarter 2010 Results, February 10, 2011, [www.aircanada.ca](http://www.aircanada.ca)
17. Exchange gains bolster Air Canada profit, February 10, 2011, [www.globeandmail.ca](http://www.globeandmail.ca)
18. Air Canada Adds Nearly Half-a-million Seats to and from Toronto with its Summer 2011 Schedule, February 11, 2011, [www.aircanada.ca](http://www.aircanada.ca)

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Agenda as they prepare to work out new labour pacts in the next few months. It has been nearly ten years that the country's largest airlines negotiated new labour agreements while not in perilous financial state.

### 9. Air Canada moves to protect Mumbai route

Air Canada has renewed its partnership with Jet Airways (India) Ltd., a strategic move to keep the Canada-India route competitive against Emirates Airways. Effective February 21, 2011, a new three year pact begins that will enable travellers to connect from Toronto onto Jet at London Heathrow's airport from where Jet flies to Mumbai. Air Canada and its Star Alliance partner Lufthansa also serves Canada-India from its hub in Frankfurt. Air Emirates has its Toronto-Dubai service and then serves India. Air Canada is also hoping to protect its non stop service to New Delhi.

### 10. WestJet, Delta Airlines launches interline agreement

WestJet announced the immediate start of an interline agreement between it and Delta Airlines. The agreement will allow the customers of the two airlines to purchase connecting flights on one ticket, receive boarding passes for flights on all segments at their first check-in, and bag tags through to their final destination.

### 11. WestJet announces expanded eastern triangle service

WestJet announced on February 8, 2011 details of a service to better serve the needs of business travellers flying between Toronto, Ottawa and Montreal. Ten flights will be offered between Toronto and Montreal and nine flights between Toronto and Ottawa. Flights will be offered at peak hour times and from dedicated easy access gates at these airports.

### 12. WestJet 'would not oppose' more slots for Emirates

WestJet said "We would not oppose more landing rights in Toronto for Emirates. WestJet can move traffic out of Toronto to the rest of our network." WestJet envisages signing up Emirates as a long term partner but would like to do so only if Emirates succeeds in getting more landing rights in Toronto to the Persian Gulf.

### 13. WestJet reports record fourth quarter net earnings

WestJet reported fourth quarter 2010 net earnings of \$47.9 million a 137.5% increase over the same quarter in 2009 (or a 217% increase excluding special items). For 2010, its net earnings were \$136.7 million a 39.3% increase over 2009 (or a 53.3% increase excluding special items). WestJet President, Gregg Saretsky said "...our net earnings increase 217 percent, is an accomplishment we are all proud of."

### 14. Air Canada Announces Gander-Toronto Non-stop Flights

Air Canada announced on February 8, 2011 that starting June 18, 2011, it will launch daily seasonal non-stop flights between Gander, NL and Toronto.

### 15. Aircraft movement statistics: Small airports (November 2010)

The number of take-offs and landings at the 134 airports without air traffic control towers reached 53,765 movements in November 2010. Year-over-year increases were reported by 62 of these airports.

### 16. Air Canada Reports Full Year and Fourth Quarter 2010 Results

On February 10, 2011, Air Canada reported full year operating income of \$361 million (before a net reduction of \$46 million to a provision for cargo investigations) compared to an operating loss of \$316 million in 2009, a \$677 million improvement. Earnings before interest, taxes, depreciation, amortization and aircraft rent of \$1.386 billion (before the net reduction of \$46 million to the provision for cargo investigations) increased \$707 million or 104 per cent from 2009. Air Canada reported net income of \$107 million or \$0.37 per diluted share in 2010 compared to a net loss of \$24 million or (\$0.18) per diluted share in 2009. For the fourth quarter of 2010, Air Canada recorded operating income of \$85 million (before the net reduction of \$46 million to the provision for cargo investigations) compared to an operating loss of \$83 million in the fourth quarter of 2009, a \$168 million improvement.

### 17. Exchange gains bolster Air Canada profit

For the full fiscal year, Air Canada reported a net profit of \$107-million, compared to a loss of \$24-million in 2009. For the fourth quarter, profits rose to \$134-million, well above a loss of \$56-million a year ago. The latest quarterly results included foreign exchange gains of \$111-million.

### 18. Air Canada Adds Nearly Half-a-million Seats to and from Toronto with its Summer 2011 Schedule

Air Canada announced on February 11, 2011 that through its continuing international expansion strategy it will add for

19. WestJet announces new and expanded service to the sun, February 14, 2011, [www.westjet.ca](http://www.westjet.ca)
20. Industry Expects 800 Million More Travelers by 2014 - China Biggest Contributor, February 14, 2011, [www.iata.org](http://www.iata.org)
21. WestJet launches additional service to Orlando, February 15, 2011, [www.westjet.ca](http://www.westjet.ca)
22. Air Canada, unions on different flight paths, Feb. 15, 2011, [www.globeandmail.ca](http://www.globeandmail.ca)
23. WestJet launches service to Orlando, February 17, 2011, [www.westjet.ca](http://www.westjet.ca)
24. WestJet launches service to Orlando, February 20, 2011, [www.westjet.ca](http://www.westjet.ca)
25. Air fare [First Quarter 2010], February 22, 2011, [www.statcan.gc.ca](http://www.statcan.gc.ca)
26. Canada's Airports Concerned over Proposed U.S. Air Passenger Fee, February 17, 2011, [www.cacairports.ca](http://www.cacairports.ca)
27. Minister of State Merrifield commends CATSA screeners for keeping air travellers safe at the Calgary International Airport, February 18, 2011, [www.tc.gc.ca](http://www.tc.gc.ca)
28. Aircraft Accident Rate is Lowest in History - Still Room for Improvement, Regional Concerns Remain, February 23, 2011, [www.iata.org](http://www.iata.org)
29. WestJet voices security, safety concerns at Calgary airport, February 23, 2011, [www.globeandmail.ca](http://www.globeandmail.ca)
30. Strong January Traffic Growth - Oil is the Emerging Worry, February 28, 2011, [www.iata.org](http://www.iata.org)

### US

1. November 2010 US Passenger Airline Employment Virtually unchanged from November 2009, February 1, 2011, [www.dot.gov](http://www.dot.gov)
2. 3<sup>rd</sup> Quarter 2010 Domestic Air Fares Roses 10.7% from 3<sup>rd</sup> Quarter 2009; Top 100 Airports; Highest Fare in Newark, Lowest Fare in Atlantic City, February 2, 2011, [www.dot.gov](http://www.dot.gov)
3. [US] Airline On-Time Performance Improves in 2010, February 10, 2011, [www.dot.gov](http://www.dot.gov)

this summer 450,000 more seats than summer 2010 to and from its Toronto hub, including new daily service to four major international destinations.

**19. WestJet announces new and expanded service to the sun**

WestJet announces new and expanded service to the sun by tripling flights from Halifax to the most popular sun destinations on WestJet's network.

**20. Industry Expects 800 Million More Travelers by 2014 - China Biggest Contributor**

The International Air Transport Association (IATA) industry forecast released on February 14, 2010 indicates that by 2014 there will be 3.3 billion air travelers, up by 800 million from the 2.5 billion in 2009. By 2014 international aviation will handle 38 million tonnes of air cargo, up 12.5 million tonnes from the 26 million tonnes carried in 2009. China will be the biggest contributor of new travelers.

**21. WestJet launches additional service to Orlando**

On February 15, 2011, WestJet launched additional non-stop service to Orlando, Florida from Hamilton, Ontario. It will add an additional flight on Tuesday to its present flight on Sunday.

**22. Air Canada, unions on different flight paths**

Air Canada is forecasting that its employees will reap \$2,125 each in extra compensation for 2010 after the airline met an array of financial and operating targets. But the pay-for-performance system clashes with union desires for sharp jumps in base wages. A new program to issue \$500 worth of Air Canada shares to each employee is being billed as a sound way to help engage the work force, union leaders said staff would rather see base wages grow.

**23. WestJet launches service to Orlando**

On February 17, 2011, WestJet launched new non-stop seasonal service to Orlando, Florida from Moncton, Ontario. It begins on February 17, 2011.

**24. WestJet launches service to Orlando**

On Feb. 20, 2011, WestJet launched new non-stop seasonal service to Orlando, Florida from St. John's. It begins on February 20, 2011.

**25. Air fare [First Quarter 2010]**

The average domestic and international air fare (all types) paid by passengers was \$235.50 in the first quarter of 2010, up 1.2% from the first quarter of 2009. This marked the first increase following five consecutive quarterly declines. Domestic fares rose more than international fares for the above period (1.5% v. 0.7%).

**26. Canada's Airports Concerned over Proposed U.S. Air Passenger Fee**

The Canadian Airports Council on Feb. 17, 2011 expressed concern over the prospect of an additional U.S. government fee (\$5.50 per passenger) being imposed on passengers flying by air between Canada and the U.S. The new fee, which would be in addition to about \$45 round trip in U.S. government fees already charged on trans-border plane tickets and a host of Canadian charges on air travel, would add to a passenger ticket tax burden among the highest in the world.

**27. Minister of State Merrifield commends CATSA screeners for keeping air travellers safe at the Calgary International Airport**

On February 18, 2011, the Honourable Rob Merrifield, responsible for the Canadian Air Transport Security Authority (CATSA), regarding the arrest of an individual at the Calgary International Airport said: "I'd like to commend CATSA screeners for their work in keeping air travellers safe by identifying a traveller attempting to fly with an unregistered loaded handgun".

**28. Aircraft Accident Rate is Lowest in History - Still Room for Improvement, Regional Concerns Remain**

On February 23, 2011, the International Air Transport Association (IATA) announced the aviation safety performance for 2010 showing that the year's accident rate for Western-built jet aircraft as the lowest in aviation history. The 2010 global accident rate (measured in hull losses per million flights of Western-built jet aircraft) was 0.61. That is equal to one accident for every 1.6 million flights. This is a significant improvement of the 0.71 rate recorded in 2009 (one accident for 1.4 million flights).

**29. WestJet voices security, safety concerns at Calgary airport**

WestJet's CEO, Gregg Saretsky, is warning about delays in Calgary International Airport's \$2-billion expansion. The airport's \$1.4-b. plan to double the size of its terminal and also build a \$620-m. runway are at risk of being thrown off course because security concerns over the proposed tunnel under the runway haven't been adequately addressed.

**30. Strong January Traffic Growth - Oil is the Emerging Worry**

On February 28, 2011, the International Air Transport Association announced international scheduled traffic results for January 2011 showing an 8.2% increase in air passenger traffic and 9.1% growth in air freight compared to January 2010. Oil and government taxes are raising concerns.

## WATER TRANSPORTATION

### 1. Halifax Harbour tolls going up

Starting April 1, 2011, commercial vehicles will see tolls increase 34 cents per axle if paying by cash and 17 cents with a Macpass. Halifax Harbour Bridges have not raised tolls for several years and they say the increase is needed to pay for increased operating cost increases and repairs.

### 2. BC strike could threaten Cantopex

Threats of work stoppage at British Columbia ports continues to alarm international shippers. Workers belonging to the International Longshore and Warehouse Union Canada have been without a contract for nearly a year and could go on strike if upcoming negotiations are not successful. The financial impact of the strike on Cantopex which exports potash is not known but if the federal government steps in as it has done in the past the potential strike could be short.

### 3. BC Ferries rate hike is a scare tactic, says Falcon

A BC Ferries proposal to raise rates on some routes by 100 percent, or make cuts over the next four years is a scare tactic to try to squeeze more money out of the province says former BC transportation minister Kevin Falcon. He says that BC Ferries is angling for a raise in the multi-million annual subsidy it receives from the province, just as the Commission that reviews ferry increases is about to make a decision for the 2012-2016 term.

### 4. Port of Montreal Cumulative containerized traffic summary January to December 2010

Cumulative traffic at the Port of Montreal rose 6.7% in terms of TEUs for 2010. The number of TEUs increased from 1,247,690 TEUs to 1,331,351 TEUs. In terms of containerized tonnage the traffic increased by 6.8% for 2010.

### 5. Prince Rupert Port Authority Monthly Traffic Report Summary

Total number of TEUs at the Port of Prince Rupert for the month of January 2011 was 23,037 a 12.1% decline compared to 26,236 TEUs in January 2010. Imports in terms of TEUs declined 17.1% and exports 5% in terms of TEUs in January 2011 compared to the same period a year ago.

### 6. Port Metro Vancouver - Accumulated Container Traffic Report January to YTD

Container traffic in terms of TEUs increased 14% to 202,161 in January 2011 compared to the same month in 2010. Imports increased 26% (115,92) and exports 2% (86,218).

### 7. FMC Approves Tariff Exemption for NVOs

The Federal Maritime approved rules February 16, 2011 that would exempt non-vessel-operating common carriers from the legal requirement to use published tariffs as the basis for rate-making. The new regulation will allow NVOs to negotiate "rate arrangements" with customers.

### 8. Port of Montreal - Cumulative Containerized Traffic [January 2010]

The Port of Montreal reported that containerized traffic in terms of TEU rose to 100,245 for January 2011 from 93,295 in January 2010, a 7.4% increase. Inbound traffic increased 13.4% and outbound traffic increased 2.5% in terms of TEUs.

## Water Transportation

### Canada

1. Halifax Harbour tolls going up, January 31, 2011, [www.todaystrucking.com](http://www.todaystrucking.com)
2. BC strike could threaten Cantopex, February 5, 2011, [www.nationalpost.ca](http://www.nationalpost.ca)
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6. Port Metro Vancouver - Accumulated Container Traffic Report January to YTD, Feb. 14, 2011, [www.portmetrovancover.com](http://www.portmetrovancover.com)
7. FMC Approves Tariff Exemption for NVOs, February 16, 2011, [www.joc.com](http://www.joc.com)
8. Port of Montreal - Cumulative Containerized Traffic [January 2010], February 28, 2011, [www.portmontreal.ca](http://www.portmontreal.ca)

## RAIL TRANSPORTATION

### Canada

### 1. Montreal, CN conclude terminal operator agreements

The Port of Montreal Authority and two companies that operator its three container terminals on February 3, 2011 announced two level of service agreements that are intended to produce supply chain efficiencies. The agreements are similar to the ones that CN has been concluding with other port authorities.

## 2. CP Rail, CAW reach tentative deal

CP Rail has reached a tentative deal with the Canadian Auto Workers (CAW) in the first week of February 2011, averting a potential strike. The deal has to be ratified by mechanics, welders and other workers. The ratification vote is expected to be completed in the next three weeks.

## 3. CN, CP push for a 'pipeline on rails'

The idea of a "pipeline on rails" has been quietly pursued by both CN and CP in recent years. The railways believe their tracks can divert oil to the best possible markets at any given time, freeing energy producers from the constraints of pipelines, which are built. The idea has gained popularity especially as the price of oil rises.

## 4. CN plans 1.6 billion capital spending in 2011

CN Rail plans to invest \$ 1.6 billion in capital spending.

## 5. Review of Railway Cost of Capital Methodology

The date for filling of submissions on the review of railway cost of capital methodology has been extended to March 31, 2011.

## 6. CN says CAW union members ratify new collective agreements

CN announced on February 14, 2011 that members of the Canadian Auto Workers union (3,400 members in three units) have ratified four-year collective agreements with the company and CNTL (a subsidiary of CN).

## 7. CN's Claude Mongeau calls for new paradigm anchored on innovation, productivity and greater collaboration

On February 17, 2011, Claude Mongeau, president and chief executive officer of CN speaking to the Winnipeg Chamber of Commerce, said: "We need to articulate a clear vision of how we're going to foster economic growth and compete more effectively in global markets. To that end, we require business and government to embrace change and foster innovation. At CN, we intend to be part of the solution."

## 8. Vancouver, Canadian Pacific Agree on Performance Plan

Port Metro Vancouver and Canadian Pacific Railway unveiled a "collaboration agreement" they say should improve productivity and reliability in moving goods through that major Canadian trade flow gateway.

## 9. Port Metro Vancouver and Canadian Pacific announce productivity and performance agreement

A collaboration agreement has been reached by Port Metro Vancouver and Canadian Pacific Railway. It sets the framework for the Port, CP 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 proactively communicate on service-related matters and resolve disputes between CP, the Port and port supply chain participants on a commercial basis. The agreement is expected to lead to more efficient and reliable trade through the gateway.

## 10. Railway Carloadings [December 2010]

The Canadian railway industry carried 23.2 million tonnes of freight in December 2010, a 7.5% gain from December 2009. Of the 63 commodity groups, 36 showed increases. Intermodal freight loadings, comprised of containers and trailers on flat cars, rose 8.9% from December 2009 to 2.1 million tonnes in December 2010.

## 11. How long can trains go?

The length of trains improves efficiency for the railways and has gone from 1.54 kilometres to 4 kilometres. But it also increases the risk of derailment. Some argue it is not the length but how the trains are built and assembled. So, Transport Canada has launched a six-part study into the long-train strategies at the country's largest railways this month with an eye on developing policies for how these longer, heavier trains are assembled and run. The goal of the two-year study is to develop science-based regulations that will hopefully reduce the number of derailments in the country.

## Rail Transportation

### Canada

1. Montreal, CN conclude terminal operator agreements, February 4, 2011, [www.joc.com](http://www.joc.com)
2. CP Rail, CAW reach tentative deal, February 5, 2011, [www.nationalpost.ca](http://www.nationalpost.ca)
3. CN, CP push for a 'pipeline on rails', February 7, 2011, [www.globeandmail.ca](http://www.globeandmail.ca)
4. CN plans 1.6 billion capital spending in 2011, February 10, 2011, [www.americanshipper.com](http://www.americanshipper.com)
5. Review of Railway Cost of Capital Methodology, February 11, 2011, [www.cta-otc.gc.ca](http://www.cta-otc.gc.ca)
6. CN says Canadian Auto Worker union members ratify new collective agreements, February 15, 2011, [www.cn.ca](http://www.cn.ca)
7. CN's Claude Mongeau calls for new paradigm anchored on innovation, productivity and greater collaboration, February 17, 2011, [www.cn.ca](http://www.cn.ca)
8. Vancouver, Canadian Pacific Agree on Performance Plan, February 22, 2011, [www.joc.com](http://www.joc.com)
9. Port Metro Vancouver and Canadian Pacific announce productivity and performance agreement, February 22, 2011, [www.cpr.ca](http://www.cpr.ca)
10. Railway Carloadings [December 2010], February 24, 2011, [www.statcan.gc.ca](http://www.statcan.gc.ca)
11. How long can trains go?, February 28, 2011, [www.nationalpost.ca](http://www.nationalpost.ca)

### US

1. Infringement Proceedings in the field of Rail Safety and Air Transport, January 27, 2011, [www.europa.eu](http://www.europa.eu)
2. Horizon Pleads Guilty, to Pay \$45 Million [Antitrust violations], February 24, 2011, [www.joc.com](http://www.joc.com)



## HIGHWAY TRANSPORTATION

### 1. UPS Profit jumps 44 percent

United Parcel Service saw its fourth quarterly profits jump 44 percent from a year ago, beating analysts expectations and sending its stock 3 percent higher. Operating profit rose 1.81 billion and revenue rose to \$13.42 billion. UPS handles 6 percent of the US GDP and 2 percent of the global GDP in its trucks and planes.

### 2. November numbers show 15.5% rise in NAFTA surface trade

Trade between three members of NAFTA show that surface trade increased 15.5% in November 2010 compared to November 2009. According to the US Bureau of Trade Statistics, trade between US, Mexico and Canada reached \$68.1 billion in November 2010.

### 3. SCL Canada, partners to launch first ever global logistics, innovation report

Supply Chain and Logistics Association Canada (SCL), in partnership with Canadian Manufacturers and Exporters (CME) and Industry Canada are planning to launch the first ever global report on global logistics and innovation in Canada. It will provide businesses with benchmarking statistics on the strategies that the top 20% of performing Canadian firms are utilizing.

### 4. ITS acquires CSL Logistics

International Truckload Logistics (ITS), a Belleville carrier, made a strategic acquisition of CSI logistics. CSI serves key domestic cities in eastern and central Canada. CSI is based in Caledon with its main terminal in Cornwall. It provides truck load and LTL services between Ontario, Quebec and the Maritimes as well as warehousing and distribution services. ITS is one of the largest truck fleets in Canada.

### 5. Tucking Commodity Origin and Destination Survey (2009)

Canadian trucking companies (those with revenue of \$1.3 million or more) made fewer shipments hauled less freight and earned less revenue in 2009 compared with 2008, mirroring the impact of the downturn. The total weight transported fell 7.8% to 543 million tonnes in 2009. The leading commodities shipped in 2009 in terms of weight were: general freight, gravel and crushed stone, and flat rolled products of iron and steel. They represented a quarter of total weight.

### 6. CTA warns new pallet requirements could slow Canada/US trade

The Canadian Trucking Alliance (CTA) has voiced concerns about supply chain disruptions that could result from US requirements that wood packaging materials such as pallets be treated for bugs before crossing the border. The Canadian Food Inspection Agency (CFIA) has said it would also eliminate a US exemption for pallets entering Canada from the US. The whole thing has the CTA worried about more border backups.

### 7. Harper, Obama agree to overhaul Can-Am border

The Prime Minister of Canada and the President of United States signed a pact calling for greater binational cooperation in trade, security and better streamlining at the

## Highway Transportation

### Canada

1. UPS profit jumps 44 percent, February 1, 2011, [www.globeandmail.ca](http://www.globeandmail.ca)
2. November numbers show 15.5% rise in NAFTA surface Trade, February 2, 2011, [www.todaystrucking.ca](http://www.todaystrucking.ca)
3. SCL Canada, partners to launch first ever global logistics, innovation report. February 4, 2011, [www.ctl.ca](http://www.ctl.ca)
4. ITS acquires CSL Logistics, February 7, 2011, [www.todaystrucking.ca](http://www.todaystrucking.ca)
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6. CTA warns new pallet requirements could slow Canada/US trade, February 16, 2011, [www.ctl.ca](http://www.ctl.ca)
7. Harper, Obama agree to overhaul Can-Am border, February 7, 2011, [www.todaystrucking.ca](http://www.todaystrucking.ca)
8. Travel between Canada and other countries, February 17, 2011, [www.statcan.gc.ca](http://www.statcan.gc.ca)
9. Spot market freight surges in January: TransCore, February 18, 2011, [www.ctl.ca](http://www.ctl.ca)
10. Large urban transit [December 2010-Preliminary], February 22, 2011, [www.statcan.gc.ca](http://www.statcan.gc.ca)
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12. Dynamex shareholders approve Trans Force takeover, Feb. 23, 2011, [www.ctl.ca](http://www.ctl.ca)
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1. Trucks carry the most freight in almost all states, BTS Reports, January 31, 2011, [www.dot.gov](http://www.dot.gov)
2. [US] Logistics facilities developers in mega-merger, February 2, 2011, [www.americanshipper.com](http://www.americanshipper.com)
3. Ryder buys total logistics control, February 7, 2011, [www.joc.com](http://www.joc.com)
4. Freight Transportation Services Index (TSI) Rose 1.5% in December from November, Feb. 10, 2011, [www.dot.gov](http://www.dot.gov)
5. [US] Truck demand remains strong in 2011, February 14, 2011, [www.joc.com](http://www.joc.com)
6. U.S. Transportation Secretary LaHood Announces Details of President's Plan to Invest Record \$3.2 Billion in Nation's Transit Infrastructure, February 15, 2011, [www.dot.gov](http://www.dot.gov)

## **8. Travel between Canada and other countries [December 2010]**

Canadian residents took 4.8 million trips abroad in December 2010, up 2.3% from November 2010. The majority of these trips (4.1 million) were to the United States, up 3.3% in December. Travel to Canada declined 1.2% to 2.0 million trips. Travel to Canada from the United States declined 1.6% to 1.7 million trips in December 2010. Overseas (other countries) residents took 359,000 overnight trips to Canada in December 2010, up 0.6% compared with November 2010. The top overseas markets were India and Japan.

## **9. Spot market freight surges in January: TransCore**

TransCore's Canadian Freight Index recorded its highest load volumes ever for the month of January 2011, with volumes exceeding the previous record set in 2008 by 4%. January 2011 load postings were up 30% compared to January 2010.

## **10. Large urban transit [December 2010-Preliminary]**

Total operating revenue (excluding subsidies) for 10 of Canada's largest urban transit properties rose 12.8% from December 2009 to \$237.5 million in December 2010. Ridership levels rose to 129.8 million passenger trips in December 2010, up 3.1% from the same month a year earlier.

## **11. Shippers see modest growth continuing in 2011**

A survey for CITA by Supply Chain Surveys Inc. Indicates that shippers expect modest growth in shipments by most modes in 2011. They also expect to be faced with small increases in rates and fuel surcharges.

## **12. Dynamex shareholders approve TransForce takeover**

On February 23, 2011 it was reported that TransForce has announced it has now completed its acquisition of same-day delivery and logistics provider Dynamex. The deal, for US\$248 million, was approved by shareholders on Feb. 18, 2011. Dynamex brings 1,500 workers and 3,700 independent contractors as well as a network of more than 60 business centres across the US and Canada into the TransForce fold.

## **13. Transportation companies listed among Canada's 50 best managed**

Three trucking transportation companies were listed among Canada's 50 best managed companies. The companies were: 4Refuel of Langley, B.C., Groupe Robert of Rougemont, Que., and TransX Group of Companies of Winnipeg, Man.

## **14. Armour expands reefer unit with Hillman's acquisition**

Atlantic trucking powerhouse Armour Trucking Systems has acquired 40-truck fleet, Hillman's Transfer of Sydney, N.S. Hillman is Cape Breton's strongest reefer carriers, with 40 trucks, 70 trailers, and 60 employees. The acquisition will significantly increase Armour's reefer fleet as well as their penetration in Newfoundland, the company stated.

## **15. Couriers and Messengers Services Price Index [January 2011]**

The Couriers and Messengers Services Price Index increased 5.3% in January 2011 compared with December 2010. The courier portion rose 6.3% and the local messenger component advanced 0.4%. On a year-over-year basis, the index advanced 8.0% in January 2011 compared with January 2010.

## **16. International travel account [Fourth Quarter 2010 - Preliminary]**

Canada's international travel deficit grew by \$157 million from the third quarter of 2010 to \$3.8 billion in the fourth quarter of 2010. The cause an increase of spending by Canadian travellers abroad. Spending by Canadian travellers outside of the country reached \$7.9 billion in the fourth quarter of 2010, an increase of 2.4% compared with the previous quarter. On an annual basis, the international travel deficit increased \$1.9 billion to \$14.1 billion in 2010.

### **Publications**

I. Canadian Transportation System, Volume I and Volume II, Joseph Monteiro and Gerald Robertson,  
[www.lulu.com](http://www.lulu.com)

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