

Transportation Information Update*

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New fed transport minister appointed

Denis Lebel has been appointed Minister of Transport, Infrastructure and Communities and keeps his post as Minister of the Economic Development Agency of Canada for the Regions of Quebec. Lebel was the mayor of Roberval between 2000 and 2007 and has served on Quebec industry boards and groups. He takes over for Chuck Strahl who retired.

New fed transport minister appointed, May 18, 2011, www.todaystrucking.ca

AIR TRANSPORTATION

1. WestJet celebrates the launch of new service between Vancouver and Orange County with some special friends

WestJet celebrates the launch of new service between Vancouver and Orange County, Anaheim on May 2, 2011 from Vancouver International Airport.

2. Air Canada poised for takeoff at Toronto island

Mr. Smith, Air Canada's chief commercial officer, believes Air Canada will measure up well against Porter Airlines Inc. on flights between Toronto's island air terminal and Montreal's Trudeau Airport. While Air Canada has 30 new takeoff and landing slots, Porter controls 156 of the 202 slots awarded by the Toronto Port Authority, which oversees the island airport. Billy Bishop is expected to expand to 300 takeoff and landing slots within three years, creating more room for both Air Canada and Porter. At Pearson International Airport, Air Canada will be faced with increased competition from the improved air service that WestJet will begin on May 2, 2011.

3. Air Canada pilots' contract up in air over discount carrier

Air Canada has refused to reopen labour talks with its pilots, resulting in a ratification vote on a tentative deal that calls for a new discount leisure airline.

4. WestJet reports strong first quarter net earnings

WestJet reported first quarter net earnings of \$48.2 million or 34 cents a share for the first quarter of 2011, a significant improvement compared to \$2.4 million or 2.4 cents per share for the first quarter of 2010. Its total earnings for the first period of 2011 were \$772.4 compared to \$619.3 in 2010, a 24.7 percent increase.

5. Air Travel Shrinks in March - Events in Japan and MENA Impact Air Transport

The International Air Transport Association (IATA) announced on May 3, 2011 that international traffic results for March 2011 showed that year-on-year growth in passenger demand had slowed to 3.8% from the 5.8% recorded in February 2011. In contrast, year-on-year growth in freight markets rebounded to 3.7% in March 2011 from the 1.8% recorded in February 2011. Compared to February, global passenger

CANADA

1. WestJet celebrates the launch of new service between Vancouver and Orange County with some special friends, May 2, 2011, www.westjet.ca
2. Air Canada poised for takeoff at Toronto island, April 29, 2011, www.globeandmail.ca
3. Air Canada pilots' contract up in air over discount carrier, May 1, 2011, www.globeandmail.ca
4. WestJet reports strong first quarter net earnings, May 3, 2011, www.westjet.ca
5. Air Travel Shrinks in March - Events in Japan and MENA Impact Air Transport, May 3, 2011, www.iata.org
6. WestJet's 737s: Too big, too small or just right?, May 3, 2011, www.globeandmail.ca
7. Air Canada Reports April Traffic, May 4, 2011, www.aircanada.ca
8. Air Canada Reports First Quarter 2011 Results, May 4, 2011, www.aircanada.ca
9. WestJet reports April load factor of 83.6 percent, May 5, 2011, www.westjet.ca
10. Pilots' complaint against Air Canada union dismissed, May 6, 2011, www.globeandmail.ca
11. Air Canada head pitches pact to pilots, May 8, 2011, www.globeandmail.ca
12. WestJet Vacations 2010-2011 winter packages now available, May 9, 2011, www.westjet.ca
13. WestJet announces "moments" advertising campaign, May 9, 2011, www.westjet.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.

6. WestJet's 737s: Too big, too small or just right?

WestJet has 95 planes all 737's and 40 more are on order over the next seven years. But these planes are becoming inadequate for certain segments where larger planes are needed for the Calgary-Hawaii route and smaller planes are needed for the Toronto-Ottawa-Montreal triangle. WestJet's vice-president Hugh Dunleavy says that the 737s have served WestJet well in the past, but for the future, planes of other sizes may be added to its fleet. However, atleast for 2011 no other size planes are going to be added to its fleet.

7. Air Canada Reports April Traffic

For the month of April 2011, Air Canada reported a system load factor of 81.9 percent, versus 82.4 per cent in April 2010, a decrease of 0.5 percentage points. System traffic increased 11.6 per cent on a system-wide capacity increase of 12.2 percent.

8. Air Canada Reports First Quarter 2011 Results

On May 4, 2011, Air Canada reported a first quarter operating loss of \$66 million compared to an operating loss of \$136 million in the first quarter of 2010, a \$70 million improvement. Earnings before interest, taxes, depreciation, amortization and impairment, and aircraft rent (EBITDAR) of \$207 million increased \$57 million from the first quarter of 2010. The latest quarterly results included foreign exchange gains of \$104-million. Losses per share were 7 cents compared to a loss of 41 cents per share a year ago.

9. WestJet reports April load factor of 83.6 percent

WestJet reported April 2011 load factor of 83.6 percent, available seat miles of 1.758 billion and revenue passenger miles of 1.492 billion. These key indicators represented changes of -0.4, +12.3% and +11.8% compared to April 2010. Its chief operating officer Gregg Saretsky said "We are happy with the double digit traffic growth and this month's load factor, which is our second highest April ever."

10. Pilots' complaint against Air Canada union dismissed

The Canada Industrial Relations Board has dismissed complaints from the Fly Past 60 Coalition, which alleged the Air Canada Pilots Association unfairly refused to file union grievances on behalf of veteran pilots who oppose mandatory retirement at age 60.

11. Air Canada head pitches pact to pilots

Air Canada's Chief Executive Officer, Calin Rovinescu made a 11th-hour plea to pilots to ratify a tentative agreement that will create a low-cost carrier. He said the country's largest airline can't afford to stand still because competitors are aggressively wooing travellers.

On May 9, 2011, WestJet announced that winter packages for Christmas 2011 and the 2010-2011 winter vacations are now available for booking. They include packages to Mexico, Caribbean, Hawaii, Las Vegas, California, Florida and other sunspots.

13. WestJet announces "moments" advertising campaign

WestJet announced a new "moments" advertising campaign that depicts the experiences of employees who go beyond to assist their guests.

14. Airlines boosted by business travel recovery

Carriers across the world have seen first and business-class travel -- the most profitable part of their passenger businesses -- grow steadily in recent months, fuelled by increased travel to emerging markets. However, economy class continues to suffer because of economic uncertainty over oil prices, which may rise again. In the first week of May 2011, IAG was formed by the merger of British Airways and Iberia.

15. IATA chief takes aim at Ottawa's high airport rents

In the battle of global air hubs, Mr. Bisignani (IATA's CEO) said Toronto, Vancouver and Montreal are slipping in competitiveness because they pay high federal taxes in the form of airport rent, which in turn shows up in hefty landing fees charged to airlines. He said they are losing the opportunity compared to the US to become major hubs. The high rents are also responsible for Canada losing tourists. US airports also gain through subsidies.

14. Airlines boosted by business travel recovery, May 10, 2011, www.globeandmail.ca
15. IATA chief takes aim at Ottawa's high airport rents, May 10, 2011, www.globeandmail.ca
16. Moncton airport targets more int'l cargo, May 10, 2011, www.ctl.ca
17. Ground Handling - Common Ground, May 11, 2011, www.iata.org
18. Air Canada parent ACE Aviation books loss, May 11, 2011, www.globeandmail.ca
19. Aircraft movement statistics: Small airports, May 12, 2011, www.statcan.gc.ca
20. Air Canada's labour deal with pilots comes to a head, May 16, 2011, www.globeandmail.ca
21. EU Antitrust Probe Includes Asian Carriers, May 18, 2011, www.joc.com
22. Air Canada pilots reject labour pact, May 19, 2011, www.nationalpost.ca
23. Air Canada comments on ACPA ratification vote, May 19, 2011, www.aircanada.ca

16. Moncton airport targets more int'l cargo

Regional truckers working the Greater Moncton International Airport could get a major boost in volume if the airport is successful in expanding its main runway to 10,000 feet. The reason is that the world's largest freighter aircrafts need at least a 10,000-ft runway and the airport is attempting to remain competitive with Halifax Stanfield International Airport's.

17. Ground Handling - Common Ground

The tight profit margins—just 1.4% forecast for 2011—means airlines have to keep a tight rein on costs. Ground handlers need to increasingly operate more innovative technology to reduce their own costs. The deficiency has resulted in a huge bill for damages. One solution offered is for carriers to work in collaboration in the use of ground handling equipment, an example is the Airport Collaborative Decision Making (A-CDM). It could increase efficiency and reduce costs.

18. Air Canada parent ACE Aviation books loss

ACE Aviation Holdings Inc. Air Canada's largest single shareholder, has reported a \$4-million first-quarter loss. In 2010 it made a loss of \$28 million. It is planning to wind up operations next year after having spun off many of its companies.

19. Aircraft movement statistics: Small airports

The number of take-offs and landings at the 131 airports without air traffic control towers reached 36,181 movements in February. Of the 128 airports for which year-over-year comparisons were possible, increases were reported by 65 of these airports.

20. Air Canada's labour deal with pilots comes to a head

By May 21, 2011, Air Canada's pilots will vote on a tentative labour pact that calls for pension reforms and the launch of a discount leisure airline. While the union's negotiating committee recommends supporting it a group of pilots oppose it. The issues are: the defined-contribution pension plans for newly hired persons which don't provide a guaranteed level of payout upon retirement; a minimum 30 years service to qualify for retirement; and uncertainty whether a discount

21. EU Antitrust Probe Includes Asian Carriers

European Union antitrust officials raided the European offices of a number of Asian carriers on May 17, 2011 in addition to European shipping lines as part of a probe into suspected price fixing in the sector, the lines said on May 18, 2011.

22. Air Canada pilots reject labour pact

The Air Canada Pilots Association is expected to return to the bargaining table next month (June 2011) after the union's members (67%) rejected a new tentative agreement with the airline on May 19, 2011. The Canadian Auto Workers union, which represents 3,800 sales and service agents at Air Canada, have concluded a strike vote on May 19, 2011. If approved, as widely expected, it could see a possible labour disruption at the airline as early as June 13. This cast doubts over Air Canada's plan to launch a low cost carrier and its pension reforms.

23. Air Canada comments on ACPA ratification vote

Air Canada confirms it is business as usual for the airline and that customers can continue to book Air Canada flights with confidence.

US

1. 4th-Quarter 2010 Domestic Air Fares Rose 5.2% from 4th Quarter 2009; Top 100 Airports: Highest Fare in Newark, Lowest Fare in Atlantic City, May 4, 2011, www.dot.com
2. Drewry Air Price Index Hits Five-Month High, May 9, 2011, www.joc.com
3. DOT Proposes to Approve Antitrust Immunity for Delta/Virgin Blue Alliance, May 10, 2011, www.dot.gov
4. [US] No Tarmac Delays Longer Than Three Hours in Four of the Last Six Months, www.bts.gov
5. February 2011 Airline System Traffic Up 2.9 Percent from February 2010, May 12, 2011, www.bts.gov
6. March 2011 Passenger Airline Employment Rose 1.5 Percent from March 2010, May 17, 2011, www.dot.gov

WATER TRANSPORTATION

1. Prince Rupert Port Authority Monthly Traffic Summary

The Port of Prince Rupert reported total traffic of 22,544.3 TEUs for April 2011, a 15.3% decline compared to April 2010. Imports declined 8.4% and exports declined 25.6%. Year-to-date (2011) total traffic was 87,925.3 TEUs or a decline of 15% compared to 2010.

2. B.C. tugboat operator joins Green Marine program

SMIT Marine Canada, which provides harbour towage services for six ports in British Columbia, has joined the Green Marine environmental improvement program.

3. Agency finds Marine Atlantic making progress in ensuring accessibility for persons with disabilities

On May 10, 2011, the Canadian Transportation Agency released a report finding that Marine Atlantic continues to demonstrate leadership in improving passenger ferry and terminal accessibility.

4. Effects of Japan's earthquake linger for Vancouver port

Trade this year through Port Metro Vancouver is static and one of the reasons is Japan's earthquake and tsunami which has affected demand and therefore shipping. About \$75-billion worth of goods flows through this port each year, with Japan accounting for around 20 per cent of the total, roughly \$15-billion.

5. Port Metro Vancouver, Accumulated Container Traffic Report YTD - April 2011

Accumulated container traffic at the Port of Vancouver till the end of April 2011 was 791,111 TEUs a rise of 9% from 724,434 TEUs. Imports increased 10% and exports increased 8% from April 2010.

6. Port Metro Vancouver, Accumulated Container Traffic Report

For the month of April 2011, the total number of containers moving through the Port of Vancouver was 214,400. The total number of containers inbound was 111,008 TEUs and the total number of containers outbound was 103,392. Following a sharp drop to 184,836 TEUs, the total exceeded the total number in January 2011. The drop has been attributed to the earthquake and tsunami in Japan.

7. Minister Raitt visits Port Metro Vancouver to highlight historic agreement

On May 10, 2011, the Honourable Lisa Raitt, Canada's Minister of Labour, visited Port Metro Vancouver to congratulate workers (International Longshore and Warehouse Union Canada) and employers (BC Maritime Employers Association) for ratifying a historic eight-year collective agreement, which will help ensure the continued recovery of Canada's still-fragile economy.

8. FMC Fines MOL \$1.2 million

The Federal Maritime Commission said on May 19, 2011 that it has reached a compromise agreement under which Japanese liner company MOL has paid \$1.2 million in civil penalties for allegations that it had violated numerous provisions of the Shipping Act".

9. Neptune Terminals investing \$63.5 million in North Vancouver

Neptune Bulk Terminals (Canada) Ltd. (Neptune) is investing \$63.5 million in new equipment to improve the terminal coal handling capacity, optimize energize efficiency, and enhance its environmental performance at the North Vancouver facility.

CANADA

1. Prince Rupert Port Authority Monthly Traffic Summary, May 6, 2011, www.rupertpost.ca
2. B.C. tugboat operator joins Green Marine program, May 9, 2011, www.ctl.ca
3. Agency finds Marine Atlantic making progress in ensuring accessibility for persons with disabilities, May 10, 2011, www.cta-otc.gc.ca
4. Effects of Japan's earthquake linger for Vancouver port, May 11, 2011, www.globeandmail.ca
5. Port Metro Vancouver, Accumulated Container Traffic Report YTD - April 2011, May 13, 2011, www.portmetrovancover.com
6. Port Metro Vancouver, Accumulated Container Traffic Report Month of April 2011, May 13, 2011, www.portmetrovancover.com
7. Minister Raitt visits Port Metro Vancouver to highlight historic agreement, May 10, 2011, www.portvancover.com
8. FMC Fines MOL \$1.2 million, May 23, 2011, www.americanshipper.com
9. Neptune Terminals investing \$63.5 million in North Vancouver, May 18, 2011, www.portmetrovancover.com

RAILWAY TRANSPORTATION

1. CN secures new four-year \$800-million credit facility

CN announced on May 6, 2011 that it has refinanced its revolving credit facility with a new four-year \$800-million facility co-led by The Bank of Nova Scotia, J.P. Morgan Securities LLC, and BMO Capital Markets. CN plans to use the credit facility for working capital and general corporate purposes, including backstopping the Company's commercial paper program.

2. CN makes network investments to increase capacity, train velocity in Alberta rail corridors seeing growing freight traffic

To keep with the growing traffic CN announced on May 10, 2011 major investments to double track key segments of its high-volume main line east of Edmonton, add capacity to its rail line to the oil sands region of northern Alberta, and improve velocity at its Walker Yard freight car classification facility in Edmonton.

3. Canadian Pacific Railway announces dividend increase

On May 11, 2011, the Board of Directors of Canadian Pacific Railway Limited declared an increase in CP's next quarterly dividend to thirty cents (\$0.30) Canadian per share on the outstanding Common Shares, from twenty-seven cents (\$0.27) per share. The increase was a result of a more positive future business outlook.

4. CN announces capacity improvements at Brampton terminal

CN has announced a series of capacity improvements to accommodate growing container volumes at its Brampton Intermodal Terminal (BIT), the largest in Canada, and to ensure a high level of service for intermodal customers across its system. The improvements include: installation of new track and extension of existing track to increase rail capacity by close to 15%; creation of approximately 25% more ground space for international containers by staging CN containers offsite; purchasing five new cranes in 2011, after the acquisition of five new ones last fall; and, increasing the labour force by about 10% in 2011.

CANADA

1. CN secures new four-year \$800-million credit facility, May 6, 2011, www.cn.ca
2. CN makes network investments to increase capacity, train velocity in Alberta rail corridors seeing growing freight traffic, May 10, 2011, www.cn.ca
3. Canadian Pacific Railway announces dividend increase, May 11, 2011, www.cpr.ca
4. CN announces capacity improvements at Brampton terminal, May 17, 2011, www.ctl.ca

HIGHWAY TRANSPORTATION

1. TransForce to buy DHL Express Canada's domestic business

TransForce Inc, a mid-tier Canadian trucker, said it will buy the assets of DHL Express Canada's domestic business, to boost its presence in package and courier services. The deal is expected to add more than \$275 million to TransForce's annual revenue, the companies said in a statement. Under the deal, Loomis Express, a unit of TransForce, and DHL Express Canada will provide Canadian businesses with an integrated international and domestic suite of logistics and shipping services. Montreal, Quebec-based TransForce is the only significant Canadian player in a package and courier delivery business dominated by DHL and U.S.-based UPS and FedEx Corp.

2. CTA Questions Rationale for Proposed Tanker Wetline Regulation

In its official comments to the US Pipeline and Hazardous Materials Safety Administration (PHMSA) on behalf of Canadian transborder tank truck carriers, the Canadian Trucking Alliance (CTA) argues that there is no clear-cut rationale for a proposed regulation on wetlines and suggests that the current regulatory proposal should be withdrawn.

3. February 2011 Surface Trade with Canada and Mexico Rose 11.8 Percent from February 2010

According to the Bureau of Statistics, trade using surface transportation between the United States and its North American Free Trade Agreement (NAFTA) partners Canada and Mexico was 11.8 percent higher in February 2011 than in February 2010, reaching \$66.5 billion. U.S.-Canada surface transportation trade totaled \$40.0 billion in February, up 10.1 percent compared to February 2010. Of all the US states, Michigan accounted for the largest trade with Canada reaching \$5 billion dollars. Trucking accounted for 61.2% of all trade transported by surface.

4. Canadian Longshoremens Ratify Labour Contract

Canadian longshoremens (International Longshore and Warehouse Union Canada) ratified a watershed contract that should guarantee labour peace at the country's Pacific Coast ports (British Columbia Maritime Employers Association) for eight years. The contracts provides for wage and benefit increases, with a cost of living factor during the final three years of the agreement. It includes insurance benefits for paternity and maternity leave.

5. CTA Announces Results of Groundbreaking Cargo Crime Study

The purpose of the CTA study was to clearly explain cargo crime in Canada and to promote awareness of the issues and challenges facing Canada in coming to grips with the problem of cargo crime, estimated to be a \$5 billion a year problem in this country. Cargo crime covers a number of criminal acts including theft, larceny and robbery. It is also linked to smuggling and national security threats.

crime. Many steps have been taken by trucking companies to deal with this problem.

CANADA

1. TransForce to buy DHL Express Canada's domestic business, April 29, 2011, www.nationalpost.ca
2. CTA Questions Rationale for Proposed Tanker Wetline Regulation, April 28, 2011, www.cantruck.ca
3. February 2011 Surface Trade with Canada and Mexico Rose 11.8 Percent from February 2010, May 3, 2011, www.dot.gov
4. Canadian Longshoremens Ratify Labour Contract, May 4, 2011, www.joc.com
5. CTA Announces Results of Groundbreaking Cargo Crime Study, May 4, 2011, www.cantruck.ca
6. Merger services firm drives fleet acquisition for Titanium, May 4, 2011, www.todaystrucking.ca
7. Mullen Group to acquire Hi-Way 9, May 5, www.ctl.ca
8. Trucking showed profitable growth in final quarter of 2010, May 5, 2011, www.ctl.ca
9. Agency issues decision on City of Ottawa request for the Agency to modify its order that OC Transpo bus operators call out stops, May 5, 2011, www.cta-otc.gc.ca
10. Transport Canada supports the United Nations Decade of Action for Road Safety, May 11, www.tc.gc.ca
11. Escalating Fuel Prices Could Get Even Worse With Federal Biodiesel Mandate Says Consumer Coalition, May 11, 2011, www.cantruck.ca
12. Quarterly Trucking Survey - Fourth Quarter 2010, May 5, 2011, www.statcan.gc.ca
13. Travel between Canada and other countries, May 18, 2011, www.statcan.gc.ca
14. TransForce plans to roll into U.S., CEO says, May 19, 2011, www.nationalpost.ca
15. TransForce doubles Q1 profit, May 19, 2011, www.ctl.ca
16. McGuinty Government Helping Economy Turn the Corner, Creating Over 17,000 jobs, May 19, 2011, www.mto.gov.on.ca
17. Winnipeg working to regain role as transportation 'gateway to the West', May 23, 2011, www.globeandmail.ca
18. Death toll on Canada's roads continues to decrease, May 20, 2011, www.tc.gc.ca
19. Large urban transit, May 24, 2011, www.statcan.gc.ca

6. Merger services firm drives fleet acquisition for Titanium

Titanium Logistics has expanded its trucking services division after the acquisition of family-run carrier Flex Mor Industries.

7. Mullen Group to acquire Hi-Way 9

Mullen Group has announced that it has entered into an agreement to acquire Hi-Way 9 and its subsidiaries, a Alta.-based LTL carrier. It includes Hi-Way 9 Express, Load-Way, Streamline Logistics and 1006213 Alberta Ltd. Mullen expects the acquisition to add about \$50 million to its consolidated revenue with margins consistent with its other trucking companies.

8. Trucking showed profitable growth in final quarter of 2010

According to Statistics Canada, the operating profit of trucking companies improved 19% in the fourth quarter of 2010 compared with the same quarter in 2009. Operating revenue (+10%) increased more than operating expenses (+9%). Fourth quarter profit reached \$1.2 billion on revenue of \$10.8 billion and expenses of \$9.6 billion. Increases in expenses were the result of wages and salaries (3%), fuel prices (14%) and increased fuel consumption.

9. Agency issues decision on City of Ottawa request for the Agency to modify its order that OC Transpo bus operators call out stops

In earlier decisions, the Agency found that OC Transpo's failure to call out stops was an undue obstacle to the complainant and other persons who require that a stop be called because of their disability. The Agency therefore ordered OC Transpo to ensure that bus operators call out major and requested stops on all of its routes.

10. Transport Canada supports the United Nations Decade of Action for Road Safety

On May 11, 2011 to celebrate official launch of the United Nations Decade of Action for Road Safety, Transport Canada is challenging all Canadian road users to make Canada's roads the safest in the world. Canadian road users can make a difference by making safe decisions on the roadways by driving sober; wearing a seatbelt; observing speed limits; not using cell phone or texting devices while driving; and properly securing our children in the appropriate child car seats.

11. Escalating Fuel Prices Could Get Even Worse With Federal Biodiesel Mandate Says Consumer Coalition

With the dramatic spike in fuel prices, a coalition of Canadian on-road diesel fuel user associations is raising the alarm over the price impact that a government-imposed biodiesel mandate scheduled to come into force on July 1st of this year will have on their members. This has raised concern as the mandate was shown to have little benefit.

12. Quarterly Trucking Survey - Fourth Quarter 2010

The operating profit of trucking companies improved 19% in the fourth quarter compared with the same quarter in 2009, as operating revenue (+10%) increased more than operating expenses (+9%). Fourth quarter profit reached \$1.2 billion on revenue of \$10.8 billion and expenses of \$9.6 billion. The operating ratio (operating expenses/ operating revenue) was .889 for the quarter. For the entire year 2010, trucking companies experienced year-over-year increases in quarterly profits averaging 26%, reflecting the general economic upturn. Quarterly revenue increased 12%, on average, and outgrew expenses in each of the four quarters.

13. Travel between Canada and other countries [March 2011]

Travel by Canadian residents to the United States and other countries increased in March 2011 compared with February 2011 (.1% and .8%). Travel to Canada by residents of overseas countries also increased while travel by US residents declined (3% and -1.6%).

14. TransForce plans to roll into U.S., CEO says

TransForce Inc. says the company's acquisition of Texas-based Dynamex Inc., North America's leading same-day courier service, late last year has whet his appetite for more U.S. acquisitions. The acquisition of Dynamex has given TransForce a window into the US and over the next two years Transforce wants to focus in the U.S. through tuck-in acquisitions for the Dynamex brand. In 2010, nearly 60% of its revenue was derived from traditional trucking business, while about 40% came from non-traditional trucking

US

1. Decline in Person Crossings from Mexico and Canada into the United States, April 29, 2011, www.bts.gov
2. U.S. Department of Transportation Unveils Strong New Measures to Improve Passenger Bus Safety, May 5, 2011, www.dot.gov
3. Trucking conditions continue to improve: FTR Associates, May 5, www.ctl.ca
4. US fleets acknowledge driver shortage a problem, report finds, May 6, 2011, www.ctl.ca
5. [US] Freight Transportation Services Index (TSI): Freight Shipments Rose 1.9% in March from February, May 11, 2011, www.bts.gov

services, like package and courier and other specialty services.

15. TransForce doubles Q1 profit

TransForce more than doubled its 2011 first quarter adjusted profit (which excludes the after-tax effect of changes in the fair value of derivatives and of items that are not in the Company's normal business) from a year ago to \$12.2 million. The company's first quarter revenue increased 20% over the same period in 2010.

16. McGuinty Government Helping Economy Turn the Corner, Creating Over 17,000 jobs

Ontario is improving the province's highways, roads and bridges for drivers across the province and creating over 17,000 construction jobs that will help strengthen the economy.

17. Winnipeg working to regain role as transportation 'gateway to the West'

Winnipeg is once again trying to become the gateway to the West. CentrePort Canada, a 8,000-hectare inland port is being developed on the city's edge as a one-stop shop for air, truck and rail shipments and is designed to reroute North American trade through the middle of the country. Containerization, China and other factors are cited as catalyst to this development. In addition, in 2008 the Manitoba government voted unanimously to create the CentrePort Canada Act. The Federal government also designated the area a foreign trade zone, allowing for sales-tax exemptions and duty deferrals within its parameters.

18. Death toll on Canada's roads continues to decrease

As part of National Road Safety Week, Transport Canada is pleased to announce that fewer people are dying and suffering injuries on Canadian roads every year. Transport Canada on May 20, 2011 released statistics that confirm the continuing decline in severe road collisions. The latest numbers show that in 2009 there were 2,209 road user fatalities, down from 2,419 the previous year.

19. Large urban transit [March 2011]

Total operating revenue (excluding subsidies) for 10 of Canada's largest urban transit properties (80% of total urban transit) rose 6.1% from March 2010 to \$262.5 million in March 2011. Ridership levels rose to 147.0 million passenger trips in March 2011, a 5.7% increase from the same month a year earlier.