

Transportation Information Update*

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AIR TRANSPORTATION

1. Quarterly civil aviation statistics, fourth quarter 2014

Canadian Level I and II air carriers reported 16.4 million enplaned passengers in the fourth quarter of 2014, up 6.8% from the same quarter in 2013. These 25 carriers reported total operating revenues of \$4.9 billion in the 2014 fourth quarter, up 8.1% from the same quarter in 2013, while total operating expenses rose 10.0% to \$4.7 billion. This resulted in an operating income of \$227.7 million, which (after including non-operating expenses) produced a net loss of \$10.8 million. The average number of employees reported in the fourth quarter grew 0.4% to 49,718, while total wages and salaries paid increased 5.1% to \$881.4 million.

2. Air Freight Volumes Flat After Recent Declines

The International Air Transport Association (IATA) released data for global air freight markets showing that in August 2015 freight markets stabilized after two months of decline. Measured in Freight Tonne Kilometers, air cargo volumes rose 0.2% compared to the same month a year ago. This is a modest improvement on July 2015 performance when freight demand contracted by 0.6% year-over-year. The results varied widely by region.

3. Global air cargo stabilizes after slowdown

Global air cargo traffic stabilized in August 2015 following two months of decline as strong growth in the Middle East offset lower volumes in North and South America, according to the International Air Transport Association.

4. Spring comes early Family Day weekend with Porter's seasonal service to Myrtle Beach

Porter Airlines resumes seasonal service to Myrtle Beach, beginning February 11, 2016. Tickets are available now on www.flyporter.com.

5. Strong Demand Momentum Maintained in August - Load Factor Reaches Record 84.7%

The International Air Transport Association (IATA) announced global passenger traffic results for 2015 August showing a continuation of the strong growth in air travel demand for both domestic and international traffic. Total revenue passenger kilometers (RPKs) rose 7.1% compared to the year-ago period. August 2015 capacity (available seat kilometers or ASKs) increased by 5.9%, and load factor rose 0.9 percentage points to a record 84.7%. "August results continue the trend of strong demand for air travel, despite some softening in global economic growth, particularly in emerging markets," said Tony Tyler, IATA's Director General and CEO.

6. FAA signs agreements with Transport Canada, EASA

The FAA (Federal Aviation Administration) has signed agreements with

AIR

TRANSPORTATION

Canada

1. Quarterly civil aviation statistics, fourth quarter 2014, September 30, 2015, www.statcan.gc.ca
2. Air Freight Volumes Flat After Recent Declines, September 30, 2015, www.iata.org
3. Global air cargo stabilizes after slowdown, September 30, 2015, www.joc.com
4. Spring comes early Family Day weekend with Porter's seasonal service to Myrtle Beach, September 29, 2015, www.flyporter.com
5. Strong Demand Momentum Maintained in August - Load Factor Reaches Record 84.7%, October 1, 2015, www.iata.org
6. FAA signs agreements with Transport Canada, EASA, October 1, 2015, www.ctl.ca
7. Iceland's Wow Air expanding into Canada, sparking potential fare war among transatlantic flights, October 1, 2015, www.nationalpost.ca
8. WestJet reports September load factor of 77.4 per cent, October 4, 2015, www.westjet.ca
9. Air Canada Reports September Traffic Results, October 6, 2015, www.aircanada.ca
10. Porter Airlines lands in 'Gateway to the North' with inaugural North Bay flight, October 7, 2015, www.flyporter.com
11. August On-Time Performance Up From Previous Year, July 2015, October 8, 2015, www.dot.gov
12. WestJet guests to enjoy speedier security checks, October 9, 2015, www.westjet.ca
13. Aircraft movement statistics: Small airports, June 2015, October 15, 2015 www.statcan.gc.ca
14. Embrace the snow with Porter Airlines' seasonal service to Vermont, October 15, 2015, www.flyporter.com
15. August 2015 Freight Transportation Services Index (TSI), October 15, 2015, www.bts.gov

* The views indicated are those of the authors and not of Industry Canada or the CTRF.

the European Aviation Safety Agency (EASA) and Transport Canada (TCCA), which will allow the regulatory authorities to rely on each other's systems. The agreements aim to eliminate duplicate processes, install safety enhancing equipment on aircraft more quickly, and save time and money, the regulators said.

7. Iceland's Wow Air expanding into Canada, sparking potential fare war among transatlantic flights

Two weeks after WestJet Airlines Ltd. announced its first flights to London, another low-cost competitor is set to enter the transatlantic market, increasing the possibility of a fare war that could hurt profitability at the major airlines. Wow Air, an ultra-low-cost carrier based in Iceland, will expand into Canada with four weekly flights from Toronto and Montreal to Europe, via Reykjavik, beginning in May 2016. One-way fares will start at \$99 including taxes from Canada to Iceland and another \$149 from Iceland to Wow Air's 16 European destinations, the company is scheduled to announce on October 1, 2015. WestJet's lowest airfare to London in May 2016 is \$292.66 in comparison and Air Canada's fare is \$1491.

8. WestJet reports September load factor of 77.4 per cent

WestJet on October 4, 2015 announced September 2015 traffic results with a load factor of 77.4 per cent. Revenue passenger miles (RPMs), or traffic, increased 7.8 per cent year over year, and capacity, measured in available seat miles (ASMs) grew 5.9 per cent over the same period. WestJet achieved an on-time performance rate of 90.7 per cent in the month of September 2015, an improvement of 3.7 percentage points year-over-year. In the third quarter of 2015, the airline flew a record 5.5 million guests, a year-over-year increase of 5.2 per cent or approximately 270,000 additional guests.

9. Air Canada Reports September Traffic Results

For the month of 2015 September, Air Canada reported a system-wide capacity of 7,301m (ASM- available seat miles) an increase of 11.5 per cent and a load factor of 83.6 per cent (down 1.1 points). On this additional capacity, system wide traffic (6,104m RPM – revenue per passenger) for 2015 September increased 10.1 per cent. Air Canada reports traffic results on a system-wide basis, including regional airlines from which Air Canada purchases capacity - Air Canada *rouge*. Calin Rovinescu, President and Chief Executive Officer said "I am pleased to report continued strong traffic growth of 10.1 per cent and a load factor of 83.6 per cent for the month of September."

10. Porter Airlines lands in 'Gateway to the North' with inaugural North Bay flight

Porter Airlines arrived on October 7, 2015 in the 'Gateway to the North,' with its inaugural flight to North Bay, Ont. Passengers enjoyed non-stop service from Billy Bishop Toronto City Airport (BBTCA) to North Bay Jack Garland Airport. A second route featuring service between North Bay and Timmins, Ont., also began on October 7, 2015. Both routes feature one daily round-trip flight. Robert Deluce, president and CEO of Porter Airlines said "Porter recognizes how vital air travel is for cities like North Bay, so we are happy to be re-establishing competitive regional flights for the area."

11. August On-Time Performance Up From Previous Year, July 2015

The US's largest airlines posted an on-time arrival rate of 80.3 percent in August 2015, up from both the 77.7% on-time rate in August 2014

16. July 2015 U.S. Airline Traffic Data, October 16, 2015, www.bts.gov

17. August 2015 Passenger Airline Employment Data, October 19, 2015, www.bts.gov

18. News Brief: Travel Agents See Opportunities in NDC, Seek to Know More, October 19, 2015, www.iata.org

19. WestJet increases service to Orlando, October 20, 2015, www.westjet.ca

20. Air Canada and CUPE Reach New 10-Year Agreement Subject to Ratification on Contract Terms for Flight Attendants, October 20, 2015, www.aircanada.ca

21. Air freight volumes indicate slowing growth in second quarter 2015: OECD, October 15, 2015, www.ctl.ca

22. News Brief: NDC Innovation Fund to Invest in ETA - the Executive Travel App, October 21, 2015, www.iata.org

23. WestJet increases service from London, Ontario, October 22, 2015, www.westjet.ca

24. Civil aviation operating statistics, August 2015, October 22, 2015, www.statcan.gc.ca

25. WestJet's first wide-body aircraft takes to the sky, October 22, 2015, www.westjet.ca

26. Porter voted a top 10 international airline: Condé Nast Traveler, October 22, 2015, www.flyporter.com

27. News Brief: Consumers Support Improved Air Travel Shopping Enabled by NDC, October 23, 2015, www.iata.org

28. Weak global trade drags down air cargo in third quarter, October 22, 2015, www.joc.com

29. Porter Airlines is on cloud 9, October 23, 2015, www.flyporter.com

30. Deeper Partnership to Improve Passenger Experience, October 26, 2015, www.iata.org

31. Porter takes you to the slopes with seasonal Mont Tremblant service, October 26, 2015, www.flyporter.com

32. Competition and Cooperation for Stronger Middle East Aviation, October 27, 2015, www.iata.org

33. WestJet ranked third-best brand in Canada, October 27, 2015, www.westjet.ca

34. Air Canada Adds Toronto-Seoul Non-Stop Flights to its Growing International Network, October 29, 2015, www.aircanada.ca

35. Aircraft movement statistics: Major airports, August 2015, October 29, 2015, www.statcan.gc.ca

36. Viva, Abbotsford, October 29, 2015, www.westjet.ca

and the 78.1 percent mark in July 2015, according to the U.S. Department of Transportation's Air Travel Consumer Report (ATCR) released on October 8, 2015

12. WestJet guests to enjoy speedier security checks

WestJet on October 9, 2015 announced it has sped up security processing for its guests by offering TSA Precheck to eligible travellers. This innovative program offers trusted guests a less-intrusive search when departing from U.S. airports.

13. Aircraft movement statistics: Small airports, June 2015

Take-offs and landings at 126 Canadian airports without air traffic control towers reached 67,437 movements in June 2015. Five airports, each with more than 2,000 movements, accounted for 25% of the activity in June: Peterborough, Ontario (6,241 movements), Red Lake, Ontario (3,245), Goose Bay, Newfoundland and Labrador (3,121), Trois-Rivières, Quebec (2,405) and Drummondville, Quebec (2,051).

14. Embrace the snow with Porter Airlines' seasonal service to Vermont

Porter Airlines is resuming seasonal service between Billy Bishop Toronto City Airport and Burlington, Vt. Service begins December 17, 2015 and runs until April 3, 2016 two-times weekly. Porter continues to be the only airline offering non-stop scheduled flights to Vermont from Canada.

15. August 2015 Freight Transportation Services Index (TSI)

The Freight Transportation Services Index (TSI), which is based on the amount of freight carried by the for-hire transportation industry, rose 0.2 percent in August 2015 from July 2015, rising for the second consecutive month, according to the U.S. Department of Transportation's Bureau of Transportation Statistics.

16. July 2015 U.S. Airline Traffic Data

The U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported on October 16, 2015 that U.S. airlines' systemwide (domestic and international) scheduled service load factor – a measure of the use of airline capacity – rose to 84.2 percent in July 2015, seasonally adjusted, rising for the third consecutive month.

17. August 2015 Passenger Airline Employment Data

U.S. scheduled passenger airlines employed 3.3 percent more workers in August 2015 than in August 2014, the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported on October 19, 2015.

18. News Brief: Travel Agents See Opportunities in NDC, Seek to Know More

The International Air Transport Association (IATA) announced the results of a joint study with select members of the World Travel Agents Associations Alliance ([WTAAA](#)). Travel agents look forward to the opportunities New Distribution Capability (NDC) will bring and seek more information about the initiative.

19. WestJet increases service to Orlando

WestJet announced it will double its schedule of weekly flights between St. John's and Orlando, effective January 2016. The airline will add another flight to Orlando each week, on top of the one flight announced earlier this year.

20. Air Canada and CUPE Reach New 10-Year Agreement Subject to Ratification on Contract Terms for Flight Attendants

Air Canada and the Canadian Union of Public Employees (CUPE) on October 20, 2015 announced they have reached a new agreement, subject to ratification, on collective agreement terms for ten years for the approximately 6,500 flight attendants at Air Canada and 700 at Air Canada rouge.

21. Air freight volumes indicate slowing growth in second quarter 2015: OECD

The latest update of global freight data collected by the International Transport Forum at the OECD through June 2015 shows that: International trade related air freight volumes in tonnes of goods moved, considered as a lead indicator, fell during the second quarter in the United States while remaining below pre-crisis peak in the EU area. Exports to BRICS and Asia remain locomotives of growth.

22. News Brief: NDC Innovation Fund to Invest in ETA - the Executive Travel App

The International Air Transport Association (IATA) announced the first investment by the NDC Innovation Fund, a strategic investment fund supporting innovation in airline distribution using the New Distribution Capability (NDC) standard. The NDC Innovation Fund is a partnership between IATA and Travel Capitalist Ventures (TCV), a leading travel-focused investment firm.

23. WestJet increases service from London, Ontario

WestJet announced on October 22, 2015 it will launch new, twice-daily service between London, Ontario, and Toronto Pearson International Airport on board WestJet Encore's fleet of Canadian-made Bombardier Q400 NextGen aircraft beginning in March 2016. The new service opens up 52 new WestJet destinations

and 47 new codeshare destinations via Toronto Pearson to Eastern Canada, the United States, Caribbean, Mexico and Europe.

24. Civil aviation operating statistics, August 2015

The two major Canadian air carriers flew 4.9 million passengers on scheduled and charter services in August 2015, up 6.8% from the same month in 2014. Air Canada and WestJet, with almost 3 million and 2 million passengers carried respectively, set new single-month records in August 2015. Together, these two airlines carried more passengers in August than the entire Canadian airline industry carried in 1960 (4.8 million). On average, each passenger travelled 2 883 kilometres, up 1.7% compared with August 2014.

25. WestJet's first wide-body aircraft takes to the sky

WestJet's first Boeing 767-300 extended-range aircraft will perform its inaugural flight on October 22, 2015, departing Toronto Pearson International Airport at 9 a.m. EDT. Operating as WestJet flight 655, the aircraft will arrive at Calgary International Airport at 11:12 a.m. MDT. Bob Cummings, WestJet Executive Vice-President, Commercial said "Today's inaugural flight of our first wide-body aircraft ushers in a new era in the history of WestJet".

26. Porter voted a top 10 international airline: Condé Nast Traveler

Porter Airlines is one of the Best International Airlines according to Condé Nast Traveler's 2015 Readers' Choice Awards. It secured ninth place among 20 global airlines and was the only carrier in the Americas to make the list. U.S. airlines are ranked separately.

27. News Brief: Consumers Support Improved Air Travel Shopping Enabled by NDC

The International Air Transport Association (IATA) announced the results of a study of air travelers showing that passengers would welcome a richer travel shopping experience that will be enabled by the New Distribution Capability (NDC).

28. Weak global trade drags down air cargo in third quarter

Asia's air cargo markets weakened in the third quarter of 2015, hampered by slowing global trade and tough comparisons with last year, with the industry still holding thumbs for a pre-Christmas bump to push up full-year traffic figures.

29. Porter Airlines is on cloud 9

Porter Airlines is celebrating nine successful years of service. Since the first day of operation, Porter has flown more than 360,000 flights and 15 million passengers, as of October 22, 2015. Porter began service in 2006 with two Bombardier Q400 aircraft and one route between Billy Bishop Toronto City Airport and Ottawa. The company has grown to include an all-Canadian Q400 fleet of 26 aircraft and flies to 24 destinations in Canada and the U.S.

30. Deeper Partnership to Improve Passenger Experience

The International Air Transport Association (IATA) called for a deeper partnership with governments to improve the passenger experience of security and facilitation processes. Implementation of Smart Security and better use of passenger information provided to governments have the potential to contribute to the dual goals of heightening the effectiveness of security measures and increasing passenger convenience.

31. Porter takes you to the slopes with seasonal Mont Tremblant service

Porter Airlines begins its annual seasonal winter service between Billy Bishop Toronto City Airport and Mont Tremblant on December 5, 2015 through April 6, 2016. Flights are available up to 12 times weekly during the peak schedule.

32. Competition and Cooperation for Stronger Middle East Aviation

The International Air Transport Association (IATA) highlighted the importance of overcoming airspace congestion, taking advantage of innovations with the New Distribution Capability (NDC) and aligning with the global industry strategy for reducing aviation's climate change impact for the further successful development of aviation in the Middle East.

33. WestJet ranked third-best brand in Canada

Canadian Business magazine has ranked WestJet third among the top 25 brands in the country, based on a national survey of Canadians. This is the fourth consecutive year the airline has finished in the top three.

34. Air Canada Adds Toronto-Seoul Non-Stop Flights to its Growing International Network

Air Canada on October 29, 2015 announced the introduction of non-stop flights between Toronto and Seoul, South Korea as part of its ongoing expansion of international services. The new year-round non-stop flights between Toronto's Pearson International Airport and Seoul's Incheon International Airport will begin June 17, 2016 with daily service. To promote the new route, Air Canada is offering a special introductory fare starting as low as CAD\$1,399, round-trip all-in, until November 8, 2015 for travel June 17-23 and September 1-30, 2016. Tickets are now available for purchase.

35. Aircraft movement statistics: Major airports, August 2015

Aircraft take-offs and landings at Canadian airports with NAV CANADA air traffic control towers and flight service stations decreased 3.3% in August from the same month a year earlier. These 91 airports reported 506,609 movements during the month compared with 523,652 movements in August 2014.

36. Viva, Abbotsford

WestJet launched twice-weekly service from Abbotsford to Las Vegas on October 29, 2015, marking the 12th Canadian city with non-stop WestJet service to The Entertainment Capital of the World.

WATER TRANSPORTATION

1. Canada's ports positive about future

Canada's ports are continuing to push the limits and build on their success as they forge ahead in this technological age. At the 57th annual conference of the Association of Canadian Port Authorities (ACPA) in the first week of October 2015, Canada's port authorities indicated that they are well positioned to capitalize on global realities that include increased free trade, cyber security risks and more digital communication.

2. West Coast port crisis casts a long fall shadow

The labor dispute that clogged West Coast ports with containers for months is still shaping freight markets, speakers at the JOC Inland Distribution Conference say, months after a contract was signed and the freight logjam broke.

3. New Marine Carrier Will Expand Prince Rupert's Reach in Transpacific Trade

The Prince Rupert Port Authority on October 8, 2015 welcomed the vessel Columbine Maersk, part of the newest marine carrier alliance to add a weekly service at the Fairview Container Terminal. The 2M Alliance of Mediterranean Shipping Company and Maersk Line (a unit of the A.P. Moller-Maersk Group, based in Copenhagen) has added the Port of Prince Rupert as the first North American port of call to its amended TP8 transpacific service. The service made its first call in Prince Rupert seven days ago when the MSC Rania berthed at Fairview Terminal.

4. Long Beach volume up in September

Long Beach had one its best Septembers ever in 2015, continuing a recent trend in which West Coast ports are regaining some of the market share they lost this past year due to congestion and work slowdowns that accompanied the coastwide dockworker negotiations.

5. Port Metro Vancouver: Accumulated container traffic (January to September 2015)

The Port of Metro Vancouver reported its container traffic on October 17, 2015. For the period January 2015 to September 2015, total container traffic increased 2.5% to 2,318,788 TEUs. Imports increased 2.2% to 1,207,005 TEUs and exports increased 9.7% to 1,111,783 TEUs.

6. Port of Halifax: Container traffic – 3rd quarter 2015

The Port of Halifax reported its container traffic for the third quarter of 2015. Total container traffic increased by 6.9% to 108,420 TEUs. Imports increased by 8.8% to 55,374 TEUs and exports increased by 4.9% to 53,046.

7. Port of Montreal: Container traffic – 3rd quarter 2015

The Port of Montreal reported its container traffic for the third quarter of 2015. Total container traffic increased by 4.2% to 1,106,865 TEUs. Imports increased by 4.6% to 556,929 TEUs and exports increased by 3.9% to 549,936.

8. Megaships, mega mergers make for less competitive shipping

The advent of megaships results in mergers that leaves more countries served by too few shipping lines to ensure a competitive market, said the UN Conference on Trade and Development (UNCTAD). Globally, there is now an average of 15.7 companies offering regular container shipping services to each country, a number that has declined steadily from 22.1 in 2004, UNCTAD said in its annual Review of Maritime Transport. The big three - Maersk, Mediterranean Shipping Company and CMA CGM - have 35 per cent

WATER TRANSPORTATION

Canada

1. Canada's ports positive about future, October 7, 2015, www.mmdonline.com
2. West Coast port crisis casts a long fall shadow, October 7, 2015, www.joc.com
3. New Marine Carrier Will Expand Prince Rupert's Reach in Transpacific Trade, www.rupertport.com
4. Long Beach volume up in September, October 12, 2015, www.joc.com
5. Port Metro Vancouver: Accumulated container traffic (January to September 2015), October 19, 2015, www.portmetrovancover.com
6. Port of Halifax: Container traffic – 3rd quarter 2015, October 22, 2015, www.portofhalifax.ca
7. Port of Montreal: Container traffic – 3rd quarter 2015, October 22, 2015, www.portofhalifax.ca
8. Megaships, mega mergers make for less competitive shipping, October 21, 2015, www.transportweekly.com

of the world market, the report said. At the start of this year, the top 20 firms controlled 83 per cent of container shipping capacity.

RAIL TRANSPORTATION

1. Railway carloadings, July 2015

The volume of rail freight carried in Canada totalled 30.1 million tonnes in July 2015, up 0.2% from the same month last year. Freight originating in Canada and destined within Canada and to other parts of the world increased 1.6% to 27.0 million tonnes. These shipments are composed of non-intermodal freight (that is, cargo moved via box cars or loaded in bulk) and intermodal freight (that is, cargo moved via containers and trailers on flat cars). Intermodal freight loadings rose 0.8% to 191,000 units in July 2015. From a tonnage perspective, intermodal traffic grew 0.2% to 2.8 million tonnes as a result of an increase in containerized cargo shipments.

2. Innovations in technology to transform global freight forwarding market: white paper

Small- and mid-sized freight forwarders need to tap into the potential of innovative new technologies if they hope to remain competitive with logistics giants, according to a new white paper published by *Ti* in association with technology provider Kewill. As recent acquisitions have shown, the large forwarders are increasing their scale not only to leverage their buying power and their geographic scope but also to develop their range of services, especially those that add value and increase margin.

3. CSX profits flat in Q3 as revenues decline

CSX Corporation posted relatively flat profits in the third quarter of 2015, as net earnings dipped 0.39 percent to \$507 million compared to the third quarter of 2014, according to the company's most recent financial statements. Earnings per share (EPS) were \$0.52 for the quarter, a Q3 record for the company, and \$1.52 for the first nine months of 2015, up 2 percent and 6 percent, respectively, from the previous year.

4. Canadian rail companies cut crude freight rates to lure shipments

Canadian rail companies are slashing rates for shipping crude in their first serious effort to revive an industry rocked by the rout in global oil prices, according to shippers and terminal operators who are seeing discounts of as much as 25 per cent. The move highlights how railroads are struggling to compete with pipelines for a share of shrinking crude shipments across North America, particularly in Canada, where a long hoped-for boom in oil sands traffic has fizzled with the oil bust.

5. Canadian railroads slash crude transportation rates

Canadian National Railway and Canadian Pacific Railway, which together account for the vast majority of crude-by-rail cargoes shipped across the country, are cutting rates by as much as 25 percent in an effort to entice shippers as crude oil prices continue to plummet. The news service said the amount by which each railroad has decreased prices varied depending on the sources interviewed.

6. CP announces ratification of hourly-rate agreement with Brotherhood of Locomotive Engineers and Trainmen

Canadian Pacific Railway Ltd. on October 20, 2015 announced that it has ratified a transformational multi-year collective agreement with its 450 U.S. engineers represented by the Brotherhood of Locomotive Engineers and Trainmen (BLET).

7. CP reports Q3 2015 adjusted earnings per share of \$2.69 Reported diluted EPS of \$2.04

Canadian Pacific Railway Limited on October 20, 2015 announced the highest-ever revenue for the 2015 third quarter, 16-percent growth in adjusted earnings per share and the lowest operating ratio for the period in the company's history. Revenue rose to \$1.71 billion, a gain of 2 percent, while the adjusted operating

RAIL TRANSPORTATION

Canada

1. Railway carloadings, July 2015, September 30, 2015, www.statcan.gc.ca
2. Innovations in technology to transform global freight forwarding market: white paper, October 2, 2015, www.ctl.ca
3. CSX profits flat in Q3 as revenues decline, October 15, 2015, www.americanshipper.com
4. Canadian rail companies cut crude freight rates to lure shipments, October 16, 2015, www.globeandmail.ca
5. Canadian railroads slash crude transportation rates, October 15, 2015, www.americanshipper.com
6. CP announces ratification of hourly-rate agreement with Brotherhood of Locomotive Engineers and Trainmen, October 20, 2015, www.cpr.ca
7. CP reports Q3 2015 adjusted earnings per share of \$2.69 Reported diluted EPS of \$2.04, October 20, 2015, www.cpr.ca
8. CP Rail quarterly profit falls 19pc, October 23, 2015, www.transportweekly.com
9. CN to purchase its common shares under specific share repurchase plans, October 27, 2015, www.cn.ca
10. CN reports Q3-2015 net income of C\$1,007 million, or C\$1.26 per diluted share, October 27, 2015, www.cn.ca
11. Canadian National Railway Co beats expectations as profit rises 18%, October 27, 2015, www.nationalpost.ca
12. Railway Carloadings, August 2015, October 28, 2015, www.statcan.gc.ca
13. CN issues Delivering Responsibly sustainability report, October 29, 2015, www.cn.ca

ratio improved 290 basis points to a record-low for the period of 59.9 percent. "I am proud of the CP team's execution this quarter amid stubborn economic softness and the lowest commodity prices in more than a decade," said E. Hunter Harrison, CP's Chief Executive Officer.

8. CP Rail quarterly profit falls 19pc

The Canadian Pacific Railway 2015 third quarter net profit fell 19 per cent year on year to C\$323 million (US\$245.8 million), drawn on revenue of C\$1.71 billion, which increased 2.3 per cent, according to Shipping Gazette. Results were hurt by a foreign exchange loss on long-term debt though the company reported better-than-expected quarterly profit amid higher freight rates and lower operating costs, Reuters reported. The country's No 2 railway said freight revenue per carload rose five per cent in the third quarter ended September 30 even as carloads fell 2.6 per cent.

9. CN to purchase its common shares under specific share repurchase plans

CN announced on October 27, 2015 that, further to its notice of intention to make a Normal Course Issuer Bid for up to 33 million common shares announced on Oct. 27, 2015, CN will purchase common shares under specific share repurchase plans during the term of the Bid. The purchases will form part of CN's Bid.

10. CN reports Q3-2015 net income of C\$1,007 million, or C\$1.26 per diluted share

On October 27, 2015 CN reported its financial and operating results for the third quarter ended Sept. 30, 2015. *The Third-quarter 2015 financial highlights were:* Net income increased 18 per cent to C\$1,007 million, while diluted EPS increased 21 per cent to C\$1.26; Q3-2015 operating income increased 16 per cent to C\$1,487 million; Third-quarter 2015 revenues increased three per cent to C\$3,222 million. Carloadings and revenue ton-miles each declined by six per cent; CN's operating ratio for Q3-2015 improved by five percentage points to a record 53.8 per cent; and Free cash flow for the first nine months of 2015 was C\$1,741 million, compared with C\$2,045 million for the year-earlier period. Luc Jobin, CN executive vice-president and chief financial officer, said: "CN delivered record third-quarter results thanks to strong team execution in safely and efficiently meeting our customers' needs while recalibrating resources to the weaker volume environment."

11. Canadian National Railway Co beats expectations as profit rises 18%

Canadian National Railway beat expectations as its net profit surged 18 per cent in the 2015 third quarter on higher revenues. The country's largest railway reported on October 27, 2015 that it earned more than \$1 billion in the three months ended Sept. 30, up from \$853 million a year earlier. Its diluted earnings per share rose 21 per to \$1.26 from \$1.04.

12. Railway Carloadings, August 2015

The volume of rail freight carried in Canada totalled 28.0 million tonnes in August 2015, down 5.0% from the same month last year. Freight originating in Canada decreased by 4.9% to 24.8 million tonnes. These shipments are composed of both intermodal and non-intermodal freight. Intermodal freight loadings rose by 1.5% to 192,000 units in August 2015. In terms of weight, intermodal traffic grew 1.7% to 2.8 million tonnes as a result of an increase in containerized cargo shipments. Freight traffic received from the United States fell 6.3% to 3.2 million tonnes as a result of a decrease in both non-intermodal and intermodal shipments.

13. CN issues Delivering Responsibly sustainability report

On October 29, 2015, CN issued its fifth sustainability report, Delivering Responsibly, outlining the company's programs and achievements in safety, corporate governance, community involvement, human resources and environmental sustainability. "CN has intensified its commitment to build a sustainable future," said Luc Jobin, CN executive vice-president and chief financial officer. "I am proud to say sustainability is an integral part of our business strategy touching all aspects of our operation. CN's long-term success depends on running a safe, sustainable railroad."

HIGHWAY TRANSPORTATION

1. Audit Finds Vancouver Port Truckers Underpaid

Truck drivers serving Port Metro Vancouver have been underpaid by container trucking companies as part of a settlement following a March 2014 strike at the port, according to an audit, while the union representing truckers is challenging a new truck licensing system at the facility. According to the Office of the British Columbia Container Trucking Commissioner, six audits of fleets have been completed. It found they did not meet their obligations to pay their drivers rates retroactive to early April 2014, as required. The commissioner's office is currently evaluating what sanctions it will take against the six licensees.

2. Spot Freight Market Rebounds, Best in Three Months

A measure of the spot freight market closed out September 2015 on an up note, following two consecutive months of disappointing load volume. The *TransCore Link Logistics* Canadian Freight Index picked up modestly with load volume increasing 7% from the month before but was still down 25 percent compared the same time last year.

3. US truck driver shortage set to quadruple by 2024, ATA warns

The shortage of truck drivers has expanded by 10,000 since last year, and is on track to quadruple to 175,000 by 2024, according to a report released on October 6, 2015.

4. TransCore Link Logistics' Canadian Freight Index picks up in September

To close out the 2015 third quarter, TransCore Link Logistics Canadian Freight Index picked up modestly in September 2015 after two consecutive months of unflattering load volumes. Compared to last month, load volumes increased seven%, while year-over-year volumes withdrew 25

5. ATA: Qualified Truck Driver Shortage Worsening

The shortage of truck drivers in the U.S. has grown to nearly 48,000 and could expand further due to industry growth and a retiring workforce, according to analysis by the American Trucking Association. "The ability to find enough qualified drivers is one of our industry's biggest challenges," said ATA President and CEO Bill Graves. "This latest report plainly lays out the problem – as well as some possible solutions – to the driver shortage." The report, ATA's fourth major analysis since 2005, shows that by the end of 2015, the driver shortage will reach nearly 48,000. If current trends hold, the shortage may balloon to almost 175,000 by 2024.

6. Insurance Bureau of Canada pushing to get Uber drivers covered

Uber has received a hand from Canadian insurers as it attempts to gain full legitimacy here. The Insurance Bureau of Canada says it is pushing some provinces for rule changes that would allow drivers working with the ride-sharing service to obtain a new type of coverage. The association of property and casualty insurers has sent a three-page legislative proposal to finance departments in Ontario and Alberta and to Ontario MPPs, IBC spokesman Steve Kee said. The proposal, which sets out minimum insurance requirements and types of activities covered, is aimed at "eliminating some gaps and allowing for competitive insurance markets for transportation network companies," he said. IBC and its members began working on the file in the spring, and completed the document last month. "Things have moved quickly," Mr. Kee said.

7. North American freight volumes rebound in September

North American shipment volumes and expenditures both increased in September 2015 after falling for two consecutive months, according to the latest Cass Freight Index Report. The logistics payment solutions provider said overall shipment volumes grew 1.7 percent in September compared to the previous month following 1.2 percent declines in both August and July. Cass said the increase was "expected," as "September is often the final growth spurt for the year."

8. Bison opens new driver-friendly Mississauga terminal

HIGHWAY TRANSPORTATION Canada

1. Audit Finds Vancouver Port Truckers Underpaid, October 1, 2015, www.todaystrucking.com
2. Spot Freight Market Rebounds, Best in Three Months, October 5, 2015, www.todaystrucking.com
3. US truck driver shortage set to quadruple by 2024, ATA warns, October 6, 2015, www.joc.com
4. TransCore Link Logistics' Canadian Freight Index picks up in September, October 7, 2015, www.ctl.ca
5. ATA: Qualified Truck Driver Shortage Worsening, October 9, 2015, www.ontruck.org
6. Insurance Bureau of Canada pushing to get Uber drivers covered, October 13, 2015, www.globeandmail.ca
7. North American freight volumes rebound in September, October 14, 2015, www.americanshipper.com
8. Bison opens new driver-friendly Mississauga terminal, October 16, 2015, www.ctl.ca
9. FedEx gets EU green light for TNT takeover, October 21, 2015, www.joc.com
10. ATA: Lowering age restriction could ease truck driver shortage, October 22, 2015, www.americanshipper.com
11. UPS bullish on holiday business, Coyote acquisition, October 27, 2015, www.joc.com
12. August 2015 North American Freight Numbers, October 29, 2015, www.bts.gov

Bison Transport held a grand opening for its new Mississauga terminal on October 17, 2015. The building was a \$25 million investment for the Winnipeg-based company that has plans to double its fleet size in Ontario within the next two years.

9. FedEx gets EU green light for TNT takeover

European Union antitrust regulators will not challenge FedEx's 4.4 billion euros (\$5 billion) acquisition of TNT Express, the companies said.

10. ATA: Lowering age restriction could ease truck driver shortage

The trucking industry is looking to change a federal law that prohibits licensed truck drivers from crossing state lines if they are under the age of 21, according to Rob Abbott, vice president of safety policy at the American Trucking Associations. Under current federal regulations, states are allowed to issue a commercial driver's license to anyone over the age of 18, but few people between the ages of 18 and 21 apply due to the abovementioned restriction.

11. UPS bullish on holiday business, Coyote acquisition

UPS is expecting a short-term revenue bump from a double-digit increase in holiday shipments this year and a longer-term boost, to the tune of some \$100 million, from its recent acquisition of freight broker Coyote Logistics, the company said on October 27, 2015.

12. August 2015 North American Freight Numbers

The value of U.S.-NAFTA freight totaled \$92.4 billion in August 2015 as all modes of transportation carried less value of freight than a year earlier, according to the TransBorder Freight Data released on October 29, 2015 by the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS). Year-over-year, the value of U.S.-NAFTA freight flows by all modes decreased by 8.1 percent. Large decreases in the value of commodities moved by pipeline and vessel in August 2015 were due to the reduced unit price of mineral fuel. The value of U.S.-Canada freight totaled \$48.0 billion in August 2015, down 13.6 percent from August 2014, as all modes of transportation carried less value of U.S.-Canada freight than a year earlier. Trucks carried 58.1 percent of the \$48.0 billion of freight to and from Canada, followed by rail, 15.8 percent; pipeline, 9.6 percent; vessel, 4.9 percent; and air, 4.3 percent. The surface transportation modes of truck, rail and pipeline carried 83.5 percent of the total U.S.-Canada freight flows.

GENERAL TRANSPORTATION

Canada

1. Trade delegates reach deal on Trans-Pacific Partnership (TPP)

The TPP agreement, which includes the United States and 11 other countries in the Pacific Rim and the Americas was reached on October 5, 2015. It covers a range of industries and promises to reduce or eliminate tariffs and quotas on numerous products.

2. Economists: Canada's 'Recession' Over, Stronger Growth Ahead

Canada's shot-lived recession is already over and the economy should grow through the rest of the year and into 2016, attendees at the

Surface Transportation Summit heard on October 14, 2015. Carlos Gomes, senior economist with Scotiabank, reported that economic conditions weakened in the first half of the year with two negative quarters, but the decline was fairly concentrated within a couple of sectors, particularly the oil sector which accounted for most of the decline.

3. Travel between Canada and other countries, August 2015

Travel from Canada to the United States continued its downtrend in August 2015, decreasing for the 11th time in 12 months. Year over year, trips from Canada to the United States fell 20.7%. Canadian residents made 3.6 million trips to the United States in August 2015, down 5.0% compared with July 2015. Both overnight travel (-4.2%) and same-day car travel (-5.6%) declined. In the other direction, travel from the United States to Canada decreased 0.2% in August 2015 compared with July 2015. Travel from Canada to overseas countries rose 1.7% in August to 997,000 trips. Residents of overseas countries made 458,000 trips to Canada in August, down 2.4% from July.

4. New Freight Transportation Data

U.S. Department of Transportation's Federal Highway Administration (FHWA) and Bureau of Transportation Statistics (BTS) on October 20, 2015 released the first product from the newest version of

Canada

1. Trade delegates reach deal on Trans-Pacific Partnership (TPP), October 6, 2015, www.americanshipper.com
2. Economists: Canada's 'Recession' Over, Stronger Growth Ahead, October 14, 2015, www.cantruck.ca
3. Travel between Canada and other countries, August 2015, October 20, 2015, www.statcan.gc.ca
4. New Freight Transportation Data, October 20, 2015, www.bts.gov

the “Freight Analysis Framework,” the most comprehensive publicly available data set of freight movement.