

# Transportation Information Update\*

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## AIR TRANSPORTATION

### 1. Air Canada St. John's, NL-London Heathrow Flights to Become Year-Round

Air Canada on June 2, 2014 announced that its non-stop St. John's to London Heathrow, U. K. flights will operate year-round beginning October 26, 2014. Air Canada flights offer convenient connections via London to points throughout Europe, the Middle East and Africa with its Star Alliance partner carriers. Air Canada will operate the only year-round non-stop service between Newfoundland and Labrador and Europe.

### 2. Transport Canada introduces new regulatory amendments for the oversight of private operators

The Honourable Lisa Raitt, Minister of Transport, on May 30, 2014 announced new regulatory amendments for the oversight of private air operators. These new regulations cover all aspects of an operation including aircraft maintenance, cabin safety, flight operations and safety management systems.

### 3. Transportation Safety Board says industry slow to implement safety recommendations

The Transportation Safety Board of Canada (TSB) released its annual reassessment of responses to the Board's recommendations. The reassessments show that progress has been slow especially in Aviation where only 61% of the Board's recommendations have been implemented, said the TSB, which is urging industry and regulators to take action on a number of outstanding safety recommendations.

### 4. WestJet gives the go-ahead for PEDs

WestJet announced on June 2, 2014 that guests now have full access to their personal electronic devices (PEDs) during all phases of flight, including taxi-in and out, take-off and landing in non-transmitting or flight mode, starting immediately.

### 5. Air Canada's Rovinescu tapped as new IATA chair

Air Canada's president and chief executive officer Calin Rovinescu is taking over as chairman of the International Air Transport Association (IATA) board of governors for a one-year term. Mr. Rovinescu succeeds Richard Anderson, CEO of Delta Air Lines, whose one-year term has just expired.

### 6. WestJet reports May load factor of 79.0 per cent

WestJet on June 4, 2014 announced the May 2014 traffic results. Its load factor was 79.0 per cent an increase of 0.5 points from the same month a year ago. Revenue passenger miles (RPMs), or traffic, increased 4.8 per cent year-over-year, and capacity, measured in available seat miles (ASMs), grew 4.1 per cent over the same period.

### 7. Air Canada Reports Record May Load Factor

For the month of May 2014, Air Canada reported a record system load factor of 83.3 per cent, versus 81.8 per cent in May 2013, an increase

## AIR TRANSPORTATION

### Canada

1. Air Canada St. John's, NL-London Heathrow Flights to Become Year-Round, June 2, [www.aircanada.ca](http://www.aircanada.ca)
2. Transport Canada introduces new regulatory amendments for the oversight of private operators, May 30, 2014, [www.tc.gc.ca](http://www.tc.gc.ca)
3. Transportation Safety Board says industry slow to implement safety recommendations, May 30, 2014, [www.ctl.ca](http://www.ctl.ca)
4. WestJet gives the go-ahead for PEDs, June 2, 2014, [www.westjet.ca](http://www.westjet.ca)
5. Air Canada's Rovinescu tapped as new IATA chair, June 3, 2014, [www.globeandmail.ca](http://www.globeandmail.ca)
6. WestJet reports May load factor of 79.0 per cent, June 4, 2014, [www.westjet.ca](http://www.westjet.ca)
7. Air Canada Reports Record May Load Factor, June 4, 2014, [www.aircanada.ca](http://www.aircanada.ca)
8. Air Canada shares climb to six-year high after analysts praise 'fundamental' cost-cutting moves, June 6, 2014, [www.nationalpost.ca](http://www.nationalpost.ca)
9. Canada reaches expanded air transport agreement with the Philippines, making more flight options and routes possible, June 6, 2014, [www.tc.gc.ca](http://www.tc.gc.ca)
10. WestJet brand tops in Canadian travel industry, June 9, 2014, [www.westjet.ca](http://www.westjet.ca)
11. Airports see air cargo growth in April, June 11, 2014, [www.americanshipper.com](http://www.americanshipper.com)
12. WestJet makes first scheduled transatlantic flight, June 15, 2014, [www.westjet.ca](http://www.westjet.ca)
13. Remarks of Tony Tyler at the International Center for Competitiveness Studies in the Aviation Industry, Rome, June 17, 2014, [www.iata.org](http://www.iata.org)
14. Air Canada Moves to London Heathrow's New Terminal 2, June 18, 2014, [www.aircanada.ca](http://www.aircanada.ca)
15. Civil aviation operating statistics, April 2014, June 19, 2014, [www.statcan.gc.ca](http://www.statcan.gc.ca)
16. Quarterly civil aviation statistics, second quarter 2013, June 19, 2014, [www.sttcan.gc.ca](http://www.sttcan.gc.ca)

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

of 1.5 percentage points on a system-wide capacity increase of 8.1 per cent. On this additional capacity, system wide traffic for May 2014 increased 10.1 per cent.

#### **8. Air Canada shares climb to six-year high after analysts praise 'fundamental' cost-cutting moves**

Air Canada's shares soared past a six-year high on June 6, 2014 after industry analysts upgraded their outlook for the country's largest carrier on "fundamental" cost-cutting moves and improving passenger travel demand. The Montreal-based carrier's shares hovered around a peak of \$10.48 set in morning trading. They were up 47 cents or 4.78 per cent at \$10.40 in later trading. Air Canada's shares had the best performance of all public companies in Canada last year and are up from a 52-week low of \$2.07. Analysts believe that several initiatives, including the launch of low-cost Rouge subsidiary, addition of more seating on Boeing 777s and the delivery of long-haul Boeing 787 Dreamliners, give the airline a promising future.

#### **9. Canada reaches expanded air transport agreement with the Philippines, making more flight options and routes possible**

The Honourable Lisa Raitt, Minister of Transport, on June 6, 2014 announced an expanded Canada-Philippines Air Transport Agreement that allows for more flights between the two countries. Canada's Blue Sky policy encourages long-term, sustainable competition and the development of international air services. The newly expanded agreement with the Philippines offers: 1) increased flights to any destination between our two countries; 2) greater flexibility for airlines to offer air services using the flights of airlines of other countries (i.e. code-sharing); and 3) greater flexibility for airlines to introduce new prices to respond to consumer demand.

#### **10. WestJet brand tops in Canadian travel industry**

WestJet is the twentieth most valued brand in Canada, with a brand value of \$736 million, according to Interbrand Canada's 2014 Best Canadian Brands report. This is the first time the brand consultancy has included WestJet in its annual list of Canada's most-valued brands. According to Interbrand Canada, key factors in brand value include a financial analysis measuring the overall financial return to an organization's investors or its economic profit; the role of brand which measures the portion of the consumer's decision to purchase what is attributable to the brand relative to other factors; and brand strength, measuring the ability of the brand to create loyalty and continue to generate demand and profit into the future.

#### **11. Airports see air cargo growth in April**

Air freight volumes at airports around the world rose 4.8 percent, year-over-year, in April 2014, according to Airports Council International. For the first four months of the year, cargo activity rose 3.7 percent, year-over-year. In April 2014, North American air freight, both domestic and international, rose by 6.1 percent, year-over-year — the largest total gain of any region. Asia-Pacific airports experienced a 5.1-percent bump in total freight, and airports in the Middle East reported seeing 4.4-percent more traffic.

#### **12. WestJet makes first scheduled transatlantic flight**

WestJet marks a key milestone in its 18-year history on June 15, 2014 with the launch of its first scheduled transatlantic service between Toronto and Dublin, Ireland, with a brief stop in St. John's, Newfoundland. Gregg Saretsky, WestJet President and CEO said "This represents a very significant strategic step in the growth of WestJet..."

#### **13. Remarks of Tony Tyler at the International Center for Competitiveness Studies in the Aviation Industry, Rome**

Tony Tyler, CEO of IATA spoke about competitiveness in the aviation industry in Europe, outlining some of the factors why it has fallen behind and some of the ongoing developments. He said Europe's airlines are not more successful because "... of the competitive disadvantages that Europe's governments place in their way. The industry here is over-taxed, onerously regulated and suffers from a chronically mismanaged ATM system, insufficient airport capacity and overall costs for infrastructure that are too high."

#### **14. Air Canada Moves to London Heathrow's New Terminal 2**

17. 1st Quarter 2014 Airline Financial Data, June 23, 2014, [www.bts.gov](http://www.bts.gov)

18. French Air Traffic Controllers Strike to Keep Borders in the Sky, June 24, 2014, [www.iata.org](http://www.iata.org)

19. WestJet bets on Fort McMurray, June 24, 2014, [www.westjet.ca](http://www.westjet.ca)

20. Air Canada Opens Maple Leaf Lounge at New London Heathrow Terminal 2 Showcasing Canadian Design and Artwork, June 24, 2014, [www.aircanada.ca](http://www.aircanada.ca)

#### **US**

1. DOT Fines Southwest for Violating Price Advertising Rule, Assesses Additional Penalties for Violating Previous Cease and Desist Provisions, May 29, 2014, [www.dot.gov](http://www.dot.gov)

2. April Airline On-Time Performance Up, Cancellations Down From Previous Year, March, June 10, 2014, [www.dot.gov](http://www.dot.gov)

3. April 2014 [US] Passenger Airline Employment Data, June 19, 2014, [www.dot.gov](http://www.dot.gov)

On June, 18, 2014, Air Canada marked the official move of all Air Canada flights and operations to London Heathrow Airport Terminal 2: The Queen's Terminal. The modern and spacious facilities of Heathrow Airport's new terminal provide customers with an improved travel experience including faster customs and immigration border control upon arrival and check-in and security clearance on departure.

**15. Civil aviation operating statistics, April 2014**

Operating data on civil aviation are now available for April 2014 on Statistics Canada website ([www.statcan.gc.ca](http://www.statcan.gc.ca)).

**16. Quarterly civil aviation statistics, second quarter 2013**

Operating and financial data on civil aviation are now available for the second quarter of 2013 on Statistics Canada website.

**17. 1st Quarter 2014 Airline Financial Data**

U.S. scheduled passenger airlines reported a net profit of \$507 million in the first quarter of 2014, down from a profit of \$7.3 billion in the fourth quarter of 2013 and up from a loss of \$392 million in the first quarter of 2013, the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported on June 23, 2014.

**18. French Air Traffic Controllers Strike to Keep Borders in the Sky**

The International Air Transport Association (IATA) strongly condemned the strike action by French air traffic controllers which targets vacationers at the start of the busy summer holiday season. "Unions bent on stopping progress are putting at risk the hard-earned vacations of millions of travelers, and from the public's perspective, the timing of the strike could even be regarded as malicious. In addition to vacationers, business people undertaking important trips, and those awaiting urgent shipments will all face hassles and uncertain waits as flights are cancelled, delayed or diverted around a major portion of European airspace," said Tony Tyler, IATA's Director General and CEO.

**19. WestJet bets on Fort McMurray**

WestJet on June 24, 2014 launched a new non-stop, twice-weekly service between Las Vegas and Fort McMurray, Alberta. This inaugural flight represents even more service to Fort McMurray as part of a major expansion of flights into the oil sands region.

**20. Air Canada Opens Maple Leaf Lounge at New London Heathrow Terminal 2 Showcasing Canadian Design and Artwork**

Air Canada on June 24, 2014 officially opened its latest International Maple Leaf Lounge at London Heathrow Airport's new Terminal 2, also known as The Queen's Terminal.

## **WATER TRANSPORTATION**

### **1. Canada's Transport Minister emphasizes need for strong partnerships at Shipping Federation of Canada's Annual Conference**

The Honourable Lisa Raitt, Minister of Transport, on May 29, 2014 addressed the Shipping Federation of Canada at their annual conference about recent free trade agreements, measures taken with regard to marine liability, the World Class Tanker Safety Regime, air emission standards and the importance of innovation and skills training for the marine community.

### **2. European Union approves P3 Alliance**

European Union antitrust regulators have approved the so-called P3 Alliance, comprised of three container shipping giants — Denmark's Maersk Line, Switzerland's Mediterranean Shipping Company and France's CMA CGM.

### **3. Port Metro Vancouver Releases 2013 Sustainability and Financial Reports**

Port Metro Vancouver on June 2, 2014 released its fourth annual Sustainability Report and 2013 Financial Report.

### **4. Prince Rupert Port Authority – Monthly Traffic Statistics – May 2014**

The Port of Prince Rupert Authority reported its traffic statistics on June 5, 2014. Total number of TEUs for the month of May 2014 increased 24.65 percent to 51,416 TEUs compared to the same period a year ago. Imports increased 23.74% to 29,475 TEUs and exports increased 25.88% to 21,941 TEUs. Year to date traffic indicates an increase of 3.77% to 228,227.50 TEUs.

### **5. Port of Montreal – Month to date Traffic Statistics – January to May 2014**

The Port of Montreal released its container traffic for the period January to May 2014. The total traffic in terms of TEUs increased 4.5% to 575,112 for this period from 550,542 a year ago. Total inbound traffic increased 9.5% whereas total outbound traffic decreased 0.2% in terms of TEUs.

### **6. Governments of Canada and British Columbia pleased with progress of trucking operations at Port Metro Vancouver, advisor Vince Ready to see it through the summer**

Government officials issued a joint statement on June 13, 2014 noting progress on the Joint Action Plan of March 26, 2014, to achieve stability in the Port Metro Vancouver trucking industry. “A great deal has been accomplished over the past two months, such as increases to the rates to be paid to truckers. However, we remain very concerned about the consistent application of these rates. As an immediate measure, the provincial audit program is being strengthened and targeted investigations are underway. “While we are actively working on rate compliance, the Action Plan also includes measures to reduce wait times at the port.” In response, the port marine terminals are extending their hours and the container truck GPS installation project aimed at reducing congestion and wait times at the port is already near completion.

### **7. Vancouver port starts project to ease truck congestion**

The Canadian government is giving Port Metro Vancouver \$3 million (US \$2.76 million) to implement a common data interface project at its four terminals to reduce trucker wait time. The port will contribute half of the \$6 million total cost of the project, with the government funding being paid over two years. With a goal of creating multi-shift operations, the program will collect data on the business of gates and terminals.

### **8. Port of Metro Vancouver – Accumulated container traffic – YTD**

## **WATER TRANSPORTATION Canada**

1. Canada's Transport Minister emphasizes need for strong partnerships at Shipping Federation of Canada's Annual Conference, May 29, 2014, [www.fc.gc.ca](http://www.fc.gc.ca)

2. European Union approves P3 Alliance, June 4, 2014, [www.cargobusinessnews.com](http://www.cargobusinessnews.com)

3. Port Metro Vancouver Releases 2013 Sustainability and Financial Reports, June 2, 2014, [www.metroportvancouver.com](http://www.metroportvancouver.com)

4. Prince Rupert Port Authority – Monthly Traffic Statistics – May 2014, June 5, 2014, [www.rupertport.com](http://www.rupertport.com)

5. Port of Montreal – Month to date Traffic Statistics – January to May 2014, June 11, 2014, [www.portofmontreal.ca](http://www.portofmontreal.ca)

6. Governments of Canada and British Columbia pleased with progress of trucking operations at Port Metro Vancouver, advisor Vince Ready to see it through the summer, June 13, 2014, [www.fc.gc.ca](http://www.fc.gc.ca)

7. Vancouver port starts project to ease truck congestion, June 13, 2014, [www.americanshipper.com](http://www.americanshipper.com)

8. Port of Metro Vancouver– Accumulated container traffic–YTD, June 16, 2014, [www.metrovancouverport.com](http://www.metrovancouverport.com)

9. Port Metro Vancouver launches new online entertainment channel PortTV, June 17, 2014, [www.portmetrovancover.com](http://www.portmetrovancover.com)

10. Vancouver port truckers consider another walkout, June 19, 2014, [www.globeandmail.ca](http://www.globeandmail.ca)

11. Europe extends exemption for shipping consortia to 2020, June 24, 2014, [www.americanshipper.com](http://www.americanshipper.com)

12. Low Great Lakes water could cost big: study, June 26, 2014, [www.portofmontreal.ca](http://www.portofmontreal.ca)

## **US**

1. U.S. Department of Transportation Awards \$123.5 Million to Improve Passenger Ferry Services, Ferry Boats and Terminals, June 2, 2014, [www.dot.gov](http://www.dot.gov)

The Port of Metro Vancouver reported its year-to-date container traffic in terms of TEUs on June 16, 2014. Total traffic for the period January to May 2014 increased 2.2% in terms of TEUs to 1,139,590 compared to the same period a year ago. Total imports increased by 3.3% to 625,512 and total exports increased by 0.8% to 514,078.

**9. Port Metro Vancouver launches new online entertainment channel PortTV**

Interested persons can take a look behind-the-scenes of Canada's largest port with their new online channel, PortTV. It is designed to engage and educate audiences. PortTV will share the stories of real people who live and work within the port communities and showcase the important role that the port plays across Canada.

**10. Vancouver port truckers consider another walkout**

Three months after a strike by container truck drivers at Port Metro Vancouver, unionized truckers are again considering whether to withdraw their services amid accusations that some companies are refusing to comply with agreed-upon pay rate increases.

**11. Europe extends exemption for shipping consortia to 2020**

The European Commission said on June 24, 2014 that it has extended by another five years until April 2020 the validity of its existing legal framework exempting liner-shipping consortia from EU antitrust rules, if certain conditions are met. The European maritime consortia block exemption regulation allows shipping lines exemption with combined market shares below 30% to enter into cooperation agreements to provide joint cargo transport services (so-called "consortia"). Such agreements usually allow liner shipping carriers to rationalise their activities and achieve economies of scale. If consortia face sufficient competition and are not used to fix prices or share the market, users of services provided by consortia are usually able to benefit from improvements in productivity and service quality. The Commission has therefore exempted such agreements from the prohibition of anticompetitive agreements in Article 101 of the Treaty on the Functioning of the European Union (TFEU). The first consortia block exemption regulation was adopted in 1995 and prolonged several times.

**12. Low Great Lakes water could cost big: study**

A study, conducted by the Mowat Centre for the Council of the Great Lakes Region, said water levels in the Great Lakes — which hold about 20 per cent of the world's surface freshwater supply — and St. Lawrence River "fell dramatically" in 1997-98. Since then, the basin has experienced the longest extended period of lower water levels since the U.S. and Canada began tracking levels in 1918. If the low water levels recorded in the Great Lakes and St. Lawrence River in recent years continue for sustained periods, the long-term impact on the region's economy could reach more than C\$20 billion by 2050, according to the new report.

## RAIL TRANSPORTATION

### 1. CN Touts Intermodal Service Improvements

Canadian National Railway said its domestic and international intermodal services have returned to normal summer operating levels following a brutal winter that wracked most North American rail networks and played havoc with shippers' supply chains.

### 2. Minister Raitt addresses importance of a safe and reliable transportation system in remarks to the Federation of Canadian Municipalities

The Honourable Lisa Raitt, Minister of Transport, on May 30, 2014 addressed the Federation of Canadian Municipalities (FCM) about aspects of transportation and infrastructure that are important across Canada and to the Canadian economy. Minister Raitt emphasized the importance of modern, reliable infrastructure to maintain a safe, secure, efficient and environmentally responsible transportation system. Minister Raitt also discussed the measures that the Government of Canada has taken to address rail safety and the transportation of dangerous goods across the country. Also highlighted were the recent investments under the Grade Crossing Improvement Program to upgrade and improve crossings across Canada. She drew attention to the New Building Canada Plan which will see the Government invest \$53 billion into infrastructure.

### 3. Genesee & Wyoming Inc. subsidiary acquires DM&E rail line from Canadian Pacific

Genesee & Wyoming Inc.'s newly established subsidiary, Rapid City, Pierre & Eastern Railroad, Inc. has completed the acquisition of the west end of the Dakota, Minnesota & Eastern (DM&E) rail line from Canadian Pacific for approximately \$210 million plus approximately \$7.5 million for the purchase of certain inventory, equipment and vehicles. The new railroad has 177 employees, most of whom were hired from the DM&E operations, and expects to hire additional employees.

### 4. Canadian Pacific Announces Cash Tender Offer for up to \$400,000,000 Aggregate Purchase Price of its 7.125% Notes due 2031, 9.450% Notes due 2021, 5.950% Notes due 2037 and 5.750% Notes due 2033

Canadian Pacific Railway Limited on June 5, 2014 announced that its wholly owned subsidiary, Canadian Pacific Railway Company, has commenced cash tender offers for up to U.S. \$400,000,000 aggregate purchase price of its outstanding notes of certain dates.

### 5. Three new overpasses improve traffic and expand capacity of Roberts Bank Rail Corridor

The completion of three important Asia-Pacific Gateway projects along the Roberts Bank Rail Corridor was celebrated on June 6, 2014 by federal and local partners. Construction was finished on three road/rail overpasses at 54<sup>th</sup> Avenue, 196<sup>th</sup> Street, and 232<sup>nd</sup> Street, which will help to ease traffic congestion through the City of Surrey, the City of Langley and the Township of Langley. The project will also improve road safety, and increase the rail capacity of the Asia-Pacific Gateway. The overpasses will improve the flow of traffic and shipments through the Roberts Bank Rail Corridor, increase trade with the Asia-Pacific region and enhance the security and environmental sustainability of the transportation system, as well as the quality of life of neighboring residents.

### 6. Oil-by-rail shipments from Western Canada to triple in next two years amid pipeline crunch

Shipments of oil by rail from Western Canada are expected to more than triple in next two years, as the sector heads into a severe shortage of pipeline capacity in 2015-6, according to a new forecast by the Canadian Association of Petroleum Producers. Oil transportation by rail is expected to jump to about 700,000 barrels per day (bpd) by 2016 from 200,000 bpd in late 2013, the Calgary-based lobby group predicted on June 9, 2014 in its annual crude oil forecast. Oil supplies in Western Canada from the oil

## RAIL TRANSPORTATION Canada

1. CN Touts Intermodal Service Improvements, May 30, 2014, [www.joc.com](http://www.joc.com)
2. Minister Raitt addresses importance of a safe and reliable transportation system in remarks to the Federation of Canadian Municipalities, May 30, 2014, [www.tc.gc.ca](http://www.tc.gc.ca)
3. Genesee & Wyoming Inc. subsidiary acquires DM&E rail line from Canadian Pacific, June 2, 2014, [www.ctl.ca](http://www.ctl.ca)
4. Canadian Pacific Announces Cash Tender Offer for up to \$400,000,000 Aggregate Purchase Price of its 7.125% Notes due 2031, 9.450% Notes due 2021, 5.950% Notes due 2037 and 5.750% Notes due 2033, June 5, 2014, [www.cpr.ca](http://www.cpr.ca)
5. Three new overpasses improve traffic and expand capacity of Roberts Bank Rail Corridor, June 6, 2014, [www.tc.gc.ca](http://www.tc.gc.ca)
6. Oil-by-rail shipments from Western Canada to triple in next two years amid pipeline crunch, June 9, 2014, [www.nationalpost.ca](http://www.nationalpost.ca)
7. Canadian Pacific Railway Limited announces plan to purchase through private agreements up to 456,791 common shares under its share repurchase program, June 11, 2014, [www.cpr.ca](http://www.cpr.ca)
8. Minister Raitt announces new regulations for identifying dangerous goods in transport, June 20, 2014, [www.tc.gc.ca](http://www.tc.gc.ca)
9. Arbitration decision renews CN conductors' collective agreements in Canada, June 20, 2014, [www.ctl.ca](http://www.ctl.ca)
10. EDI Customer Bulletin 4, June 20, 2014, [www.cn.ca](http://www.cn.ca)
11. Railway Carloadings, April 2014, June 25, 2014, [www.statcan.gc.ca](http://www.statcan.gc.ca)
12. Minister Raitt launches review of Canada's transportation legislation, June 25, 2014, [www.tc.gc.ca](http://www.tc.gc.ca)
13. Minister Raitt discusses Canada's rail-based supply chain, June 26, 2014, [www.tc.gc.ca](http://www.tc.gc.ca)

sands and from new shale continue to increase, while four major pipeline projects-Keystone XL, the TransMountain expansion, Northern Gateway and Energy East-await regulatory approval and construction.

#### **7. Canadian Pacific Railway Limited announces plan to purchase through private agreements up to 456,791 common shares under its share repurchase program**

Canadian Pacific Railway Limited announced on June 11, 2014 that it intends to purchase for cancellation up to 456,791 of its common shares pursuant to private agreements to be entered into between CP and an arm's - length third - party seller.

#### **8. Minister Raitt announces new regulations for identifying dangerous goods in transport**

The Honourable Lisa Raitt, Minister of Transport, on June 20, 2014 announced that regulations for identifying the dangerous goods transported on Canadian roads and rails are being harmonized across Canada and with the United States and United Nations rules. The new regulations will bring cross border consistency to the way dangerous goods are identified, eliminating the need for interpretation and providing emergency personnel with a clearer understanding of the risks posed by goods being transported, so they can take appropriate response measures.

#### **9. Arbitration decision renews CN conductors' collective agreements in Canada**

CN has received -- and will begin to implement immediately -- Arbitrator Michel Picher's decision setting the terms and conditions of a new three-year collective agreement between CN and the Teamsters Canada Rail Conference - Conductors, Trainpersons and Yard persons (TCRC-CTY). The arbitration ruling is binding on both parties and concludes the voluntary mediation/arbitration process that the company and union agreed to on March 22, 2014. The TCRC-CTY represents approximately 3,000 CN train conductors, trainpersons, yard persons and traffic coordinators on CN's network in Canada.

#### **10. EDI Customer Bulletin 4**

As of September 20, 2014, all rail moves of the products mentioned below within Canada will require a valid ERAP (Emergency Response Assistance Plan) submitted at time of billing or interchange of the car. The ERAP is the responsibility of the consignor (shipper) for moves originating in Canada. If the material is a US or other origination with a Canadian destination, the ERAP is the responsibility of the importer of record (consignee). Any shipment of the above commodities tendered for rail transport on CN that do not have the ERAP provided will have billing rejected. Protective Directive 33 applies to movements by rail of the following commodities: UN 1170 Ethanol; UN1203 Gasoline; UN1268 Petroleum Distillates, N.O.S.; UN 1993 Flammable Liquid N.O.S.; UN 3475 Ethanol and Gasoline Mixture; UN1202 Diesel Fuel; UN1267 Petroleum Crude Oil; UN 1863 Fuel, Aviation, Turbine Engine and ; UN 3295 Hydrocarbons, Liquid, N.O.S.

#### **11. Railway Carloadings, April 2014**

The volume of rail freight carried in Canada totalled 30.0 million tonnes in April 2014, down 0.8% from the same month last year. The drop in freight occurred despite strong gains in traffic received from the United States. Non-intermodal freight decreased 3.2% to 288,000 carloads and intermodal freight loadings rose 9.8% to 184,000 units in April 2014.

#### **12. Minister Raitt launches review of Canada's transportation legislation**

The Honourable Lisa Raitt, Minister of Transport, on June 25, 2014 launched a statutory review of Canada's transportation legislation. The review is being done a year earlier than required to address a range of changing conditions and challenges, including those related to the transportation of grain on the Prairies. It will also examine what improvements could be made in a number of areas, including: our strategic transportation gateways and corridors; Canada's transportation safety and environmental regimes; the role of technological innovation in improving transportation services and infrastructure; the safe movement of goods through communities; support for the northern transportation system; federally regulated passenger rail services; the vitality of our aviation sector and air connectivity; and governance and service delivery for key federal operations, assets, and agencies. The announcement was welcomed by several agencies.

#### **13. Minister Raitt discusses Canada's rail-based supply chain**

The Honourable Lisa Raitt, Minister of Transport, on June 26, 2014 spoke of the importance of collaboration in a speech to the inaugural meeting of the Commodity Supply Chain Table. Minister Raitt said such collaboration across the rail supply chain would help improve the efficiency, effectiveness and reliability of the rail-based supply chain for bulk commodities. She emphasized the importance of bringing key players together to identify issues and explore a variety of potential solutions to the challenges facing Canada's rail-based supply chain. She noted that safe and efficient rail transportation in Canada is vitally

important to the economic future of Canada, and that collaboration and a consensus-based approach are essential to the success of the whole system.

## HIGHWAY TRANSPORTATION

### 1. March 2014 North American Freight Numbers

U.S.-NAFTA trade totaled \$101.5 billion in March 2014, the second highest amount on record, as four of the five transportation modes – air, vessel, pipeline, and trucks – carried more U.S.-NAFTA trade than in March 2013, according to the TransBorder freight data released on May 29, 2014 by the U.S. Department of Transportation’s Bureau of Transportation Statistics. Year-to-year, the value of U.S.-Canada trade by pipeline increased the most of any mode, growing 25.2 percent. U.S.-Canada pipeline trade comprised 94.9 percent of total U.S.-NAFTA pipeline trade in March. Vessel freight exports to Canada increased 105.3 percent due to an increase in exports of mineral fuels. Trade using trucks rose by 2.7 percent while air freight grew 2.5 percent. Trucks carried 54.3 percent of the \$56.6 billion of freight to and from Canada, followed by rail at 15.4 percent, pipeline at 14.0 percent, vessel at 5.3 percent and air at 4.4 percent.

### 2. TransForce boosts U.S. footprint with Transport America deal

TransForce Inc. is boosting its presence in the United States with the acquisition of a major transportation company. Montreal-based TransForce said on Monday that one of its subsidiaries has struck a deal to buy Transport America Inc. from Goldner Hawn Johnson & Morrison for about \$160-million (U.S.). It has acquired about 140 businesses over the past 15 years and last year posted revenue of \$1.3-billion (Canadian). The company has been shifting its focus to e-commerce and higher-margin package and courier operations in recent years.

### 3. April 2014 Freight Transportation Services Index (TSI)

The amount of freight carried by the US for-hire transportation industry rose 0.4 percent in April 2014 from March 2014, rising for the third consecutive month, according to the U.S. Department of Transportation’s Bureau of Transportation Statistics’ Freight Transportation Services Index released on June 11, 2014. The April 2014 index level (117.6) was 24.1 percent above the April 2009 low during the most recent recession.

### 4. Government of Canada announces funding to improve trucking efficiency at Canada's busiest port

The Honourable Lisa Raitt, Minister of Transport, on June 12, 2014 announced that the Government of Canada is contributing \$3 million to reduce trucker wait times by using new technologies to better link operations across Port Metro Vancouver's four terminals. The Common Data Interface (CDI) project will help to better coordinate and schedule container truck movements by providing the technological capabilities to: 1) collect data on gate and terminal activities, which will help to coordinate multi-shift operations, especially necessary now given the terminal’s recently announced [extended hours pilot](#); 2) develop an enhanced common reservation system (i.e. a centralized appointment scheduler for container trucks), which will reduce wait times and enhance efficiency of truck movements; and 3) measure operational performance and enforcement through the collection of location data (via GPS technology), which will help the port develop and enforce appropriate standards.

### 5. Truckers Applaud Agreement to Resume In-transit Truck Shipments Through US

The Canadian Trucking Alliance says an agreement between the Canada Border Services Agency (CBSA) and US Customs and Border Protection is a big step towards realizing one of the key outcomes of the Beyond the Border Action Plan – the restoration of carriers’ ability to conduct in-transit movements of Canadian domestic shipments through the United States. It was revealed earlier this week that the two agencies had reached a harmonization agreement on the data required for domestic goods transiting through the other country.

### 6. Easier In-Transit Shipments Overdue, but Good News: CTA

## HIGHWAY TRANSPORTATION

### Canada

1. March 2014 North American Freight Numbers, May 29, 2014, [www.bts.gov](http://www.bts.gov)
2. TransForce boosts U.S. footprint with Transport America deal, June 2, 2014, [www.globeandmail.ca](http://www.globeandmail.ca)
3. April 2014 Freight Transportation Services Index (TSI), June 11, 2014, [www.dot.gov](http://www.dot.gov)
4. Government of Canada announces funding to improve trucking efficiency at Canada's busiest port, June 12, 2014, [www.tc.gc.ca](http://www.tc.gc.ca)
5. Truckers Applaud Agreement to Resume In-transit Truck Shipments Through US, June 17, 2014, [www.cantruck.ca](http://www.cantruck.ca)
6. Easier In-Transit Shipments Overdue, but Good News: CTA, June 18, 2014, [www.todaystrucking.com](http://www.todaystrucking.com)
7. CTA objects to proposed USDA border crossing fee increase, June 19, 2014, [www.ctl.ca](http://www.ctl.ca)
8. CTA Speaks Out Against Agriculture Inspection Fee Raise, June 20, 2014, [www.todaystrucking.com](http://www.todaystrucking.com)
9. Large Urban Transit, April 2014, June 24, 2014, [www.statcan.gc.ca](http://www.statcan.gc.ca)
10. April 2014 North American Freight Numbers, June 26, 2014, [www.dot.gov](http://www.dot.gov)

### US

1. [US] BTS Releases March North American Freight Numbers, May 29, 2014, [www.dot.gov](http://www.dot.gov)



The Canada Border Services Agency and U.S. Customs and Border Protection have reached a harmonization agreement on the data required for domestic goods **transiting** through the other country. “This data harmonization agreement is an overdue but extremely important development,” says David Bradley, CTA’s president and CEO. But overdue or not, implementation could still be delayed if customs agencies require both countries’ systems to be able to accept each other’s information electronically, something the CTA has been told could take years. So the CTA is proposing a pilot project or trial, which would truck shipments at least on a limited basis.

#### **7. CTA objects to proposed USDA border crossing fee increase**

The Canadian Trucking Alliance (CTA) has let the US government know that it isn’t happy with plans to raise border-crossing fees on trucks. Recently, the US Department of Agriculture’s Animal and Plant Health Inspection Service proposed an increase in the amount it charges at border crossings. The fees are supposed to help the agency recoup the costs of conducting agricultural quarantine inspections at US ports of entry.

#### **8. CTA Speaks Out Against Agriculture Inspection Fee Raise**

The U.S. Department of Agriculture wants to substantially raise the Animal Plant and Health Inspection Service (APHIS) fees imposed on trucks crossing the border, but carriers shouldn’t be paying these fees in the first place, the Canadian Trucking Alliance (CTA) said. “CTA questions why carriers should be the ones to have to pay the fees, since they are not the actual owners of the goods, nor are they the users of APHIS services,” the Alliance wrote in a statement. “The fees are likely imposed on carriers because it’s easier to go after the truck and its owner than the person who owns the product.”

#### **9. Large Urban Transit, April 2014**

Canada's largest (ten) urban transit systems had total operating revenue (excluding subsidies) of \$276.2 million in April 2014 a 2.2% increase from the same month a year ago. For the same month, ridership levels fell 0.6% to 138.9 million passenger trips.

#### **10. April 2014 North American Freight Numbers**

According to the TransBorder freight data released on June 26, 2014 by the U.S. Department of Transportation’s Bureau of Transportation Statistics (BTS), two of five transportation modes – pipeline and trucks – carried more U.S.-NAFTA trade in April 2014 than in April 2013 as U.S.-NAFTA trade value rose to \$100.1 billion. Year-to-year, the value of U.S.-Canada trade by pipeline increased the most of any mode, growing 28.8 percent. U.S.-Canada pipeline trade comprised 95.3 percent of total U.S.-NAFTA pipeline trade in April. Vessel freight exports to Canada increased 18.5 percent while imports declined 33.3 percent; a total vessel trade decline of 16.6 percent. Trade using trucks rose by 0.4 percent while air freight declined 7.7 percent. U.S.-Canada trade by rail declined 6.5 percent, with a 11.3 percent fall in imports, due in part to a decrease in trade of vehicles and parts.

### **GENERAL TRANSPORTATION**

#### **Canada**

##### **1. New dispute adjudication rules and website increase access to justice**

The Canadian Transportation Agency is launching new dispute adjudication rules and a new website to provide more user-friendly, transparent and timely service to Canadians. The new Rules will make dispute adjudication processes faster, more transparent and more predictable. The improvements in the Rules reflect feedback from client surveys and consultations indicating a need for faster service and clearer, plain language information on how the Agency resolves disputes. In addition, an innovative, interactive annotation to the Rules gives people easy access to all the information and tools needed to participate effectively in dispute proceedings.

##### **2. Travel between Canada and other countries, April 2014**

Travel between Canada and other countries increased in both directions in April 2014. Travel by Canadian residents abroad was up 1.1% and travel to Canada from other countries rose 1.8%. Canadian residents took 4.5 million trips to the United States in April 2014, up 0.8% from March 2014. Canadian residents took 842,000 trips to countries other than the United States, up 2.5% and the highest level since record keeping began in 1972. In the other direction, United States residents made 1.7 million trips to Canada, up 1.8% from March. Residents from overseas countries made 411,000 trips to Canada in April 2014.

#### **Canada**

1. New dispute adjudication rules and website increase access to justice, June 11, 2014, [www.cta-otc.gc.ca](http://www.cta-otc.gc.ca)
2. Travel between Canada and other countries, April 2014, June 18, 2014, [www.statcan.gc.ca](http://www.statcan.gc.ca)

#### **US/EEU Publications**

1. Multimodal Transportation Indicators June 2014, June 20, [www.bts.gov](http://www.bts.gov)
2. Task Force offers recommendations to improve Port of NY/NJ, June 24, 2014, [www.americanshipper.com](http://www.americanshipper.com)