

# Transportation Information Update\*

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## AIR TRANSPORTATION

### 1. Aircraft movement statistics: Major airports, June 2015

Aircraft take-offs and landings at Canadian airports with NAV CANADA air traffic control towers and flight service stations increased 2.7% in June 2015 from the same month a year earlier. These 91 airports reported 523,366 movements during the month compared with 509,747 at 92 airports in June 2014.

### 2. Air Canada Issues 2014 Corporate Sustainability Report

Air Canada on August 31, 2015 released the 2014 edition of *Citizens of the World*, the airline's fourth corporate sustainability report. The document provides an update on Air Canada's performance during 2014 in four key areas of sustainability: safety, the environment, employee well-being, and the company's community involvement. For the first time, Air Canada retained a third-party auditor to assure select indicators in the report to independently verify the company's disclosure.

### 3. Amazing deal or pricing error? Air Canada glitch sets off class-action lawsuit

A mistake by Air Canada in offering a package of flights at just 10 per cent of the value has triggered a proposed class-action lawsuit by customers who thought they got an amazing deal. The documents said Air Canada refused to live up to its contractual obligations and illegally removed the flight passes.

### 4. WestJet reports August load factor of 84.6 per cent

On September 3, 2015 WestJet announced August 2015 traffic results with a load factor of 84.6 per cent. Revenue passenger miles (RPMs) or traffic (2.432 billion), increased 1.7 per cent year over year, and capacity, measured in available seat miles (ASMs) (2.057 billion), grew 7.3 per cent over the same period. Its load factor for this month was 84.6% down 4.7% from the same month a year ago.

### 5. Air Canada reports August traffic results

For the month of August 2015, Air Canada reported a system-wide capacity of 8,165m. an increase of 10.4 per cent and a load factor of 89.6 per cent in line with last year's record August load factor of 89.8 per cent. On this additional capacity, system wide traffic (7,135 m) for August 2015 increased 10.1 per cent. Air Canada reports traffic results on a system-wide basis, including regional airlines from which Air Canada purchases capacity and Air Canada *rouge*.

### 6. WestJet launches service to Houston

WestJet on September 8, 2015 launched new non-stop service between Calgary and Houston six times a week. The inaugural flight leaves Calgary International Airport at 10:25 a.m. MDT.

### 7. Robust Passenger Demand Continues

The International Air Transport Association (IATA) announced global passenger traffic results for July 2015 showing robust demand growth

## AIR

## TRANSPORTATION

## Canada

1. Aircraft movement statistics: Major airports, June 2015, August 31, 2015, [www.statcan.gc.ca](http://www.statcan.gc.ca)

2. Air Canada Issues 2014 Corporate Sustainability Report, August 31, 2015, [www.aircanada.ca](http://www.aircanada.ca)

3. Amazing deal or pricing error? Air Canada glitch sets off class-action lawsuit, September 2, 2015, [www.globeandmail.ca](http://www.globeandmail.ca)

4. WestJet reports August load factor of 84.6 per cent, September 3, 2015, [www.westjet.ca](http://www.westjet.ca)

5. Air Canada reports August traffic results, Aug 3, 2015, [www.aircanada.ca](http://www.aircanada.ca)

6. WestJet launches service to Houston, September 8, 2015, [www.westjet.ca](http://www.westjet.ca)

7. Robust Passenger Demand Continues, September 4, 2015, [www.iata.org](http://www.iata.org)

8. Air freight demand falls in July, September 4, 2015, [www.iata.org](http://www.iata.org)

9. Air Canada Adds Africa and Four New European Cities to its Growing International Network for Summer 2016, September 9, 2015, [www.aircanada.ca](http://www.aircanada.ca)

10. Air Canada to Launch New Service from Montreal to Casablanca, September 9, 2015, [www.aircanada.com](http://www.aircanada.com)

11. Air Canada Buys Back 3,185,735 Shares at a Total Cost of \$36.7 Million, September 10, 2015, [www.aircanada.ca](http://www.aircanada.ca)

12. News Brief: Corporate Travel Buyer Study Affirms NDC Need, September 10, 2015, [www.iata.org](http://www.iata.org)

13. July On-Time Performance Up, Cancellations Down From Previous Year, June 2015, September 10, 2015, [www.bts.gov](http://www.bts.gov)

14. June 2015 U.S. Airline Traffic Data, September 14, 2015, [www.bts.gov](http://www.bts.gov)

15. Porter Airlines arriving in Central Florida, September 14, 2015, [www.flyporter.com](http://www.flyporter.com)

16. Fly WestJet to London for as little as \$199, September 15, 2015, [www.westjet.ca](http://www.westjet.ca)

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compared to July 2014 for both domestic and international traffic. Total revenue passenger kilometers (RPKs) rose 8.2%, which was an improvement on the June year-over-year increase of 5.5%. July 2015 capacity (available seat kilometers or ASKs) increased by 6.5%, and load factor rose 1.4 percentage points to 83.6%. Results were given a boost by the timing of Ramadan which fell partly in July this year but took place mostly in July in 2014. The holy month tends to subdue demand for air travel.

#### **8. Air freight demand falls in July**

The International Air Transport Association (IATA) released data for global air freight markets showing a fall in air cargo demand in July 2015 compared to the same month last year. Air freight volumes measured in freight tonne kilometers (FTK) fell 0.6%, in line with weaker global economic growth. The decline was broad-based across all regions with the exception of Africa and the Middle East. The most pronounced falls were in the Americas, where international FTK volumes were down more than 5% compared to July 2014.

#### **9. Air Canada Adds Africa and Four New European Cities to its Growing International Network for Summer 2016**

Air Canada on September 9, 2015 announced one of its most far-reaching summer schedule expansions ever with its first route to Africa and the addition of four major European cities (Prague, Budapest, Glasgow and Warsaw from Toronto) to its global network. The new Air Canada route service to Casablanca, Morocco, means Air Canada will be one of only a dozen airlines in the world that serve six continents.

#### **10. Air Canada to Launch New Service from Montreal to Casablanca**

Air Canada on September 9, 2015 announced that it will launch non-stop

service between Montreal and Casablanca, the carrier's first African route and the only scheduled non-stop service to North Africa by a North American carrier. Flights between Montreal and the famed Moroccan city will be operated by Air Canada route beginning in summer 2016, subject to government approval.

#### **11. Air Canada Buys Back 3,185,735 Shares at a Total Cost of \$36.7 Million**

Air Canada announced on September 10, 2015 that since commencing its normal course issuer bid on May 29<sup>th</sup>, 2015, it has purchased, for cancellation, a total of 3,185,735 Class A variable voting shares and Class B voting shares (collectively the "Shares") at an average Share price of \$11.53 for an aggregate consideration of \$36.7 million.

#### **12. News Brief: Corporate Travel Buyer Study Affirms NDC Need**

The International Air Transport Association (IATA) announced the results of a study of global corporate travel buyers showing that while the vast majority maintain a neutral opinion concerning the New Distribution Capability (NDC) they recognize the opportunity the standard offers. Moreover, the study found that there is a strong desire among travel buyers for greater in-depth knowledge about NDC and the implications that it will have for their business activities. NDC is a travel industry-supported program launched by IATA for the development and market adoption of a new, XML-based data transmission standard that is intended to enhance communications between airlines and travel agents.

#### **13. July On-Time Performance Up, Cancellations Down From Previous Year, June 2015**

The largest airlines in the U.S. posted an on-time arrival rate of 78.1 percent in July 2015, up from both the 75.6 percent on-time rate in July 2014 and the 74.8 percent mark in June 2015, according to the U.S. Department of Transportation's Air Travel Consumer Report.

#### **14. June 2015 U.S. Airline Traffic Data**

The U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported on September 14, 2015 that U.S. airlines' systemwide (domestic and international) scheduled service load factor – a measure of the use of airline capacity – rose to 83.2 percent in June 2015, seasonally adjusted, after remaining unchanged for two consecutive months.

17. Air fares, fourth quarter 2014, September 16, 2015, [www.statcan.gc.ca](http://www.statcan.gc.ca)
18. Porter Airlines launches enhanced VIPorter loyalty program, September 16, 2015, [www.flyporter.com](http://www.flyporter.com)
19. Aircraft movement statistics: Small airports, May 2015, September 18, 2015, [www.statcan.gc.ca](http://www.statcan.gc.ca)
20. Porter Airlines bridges Toronto and Pittsburgh with inaugural flight, September 21, 2015, [www.flyporter.com](http://www.flyporter.com)
21. 2<sup>nd</sup> Quarter 2015 Airline Financial Data, September 21, 2015, [www.bts.gov](http://www.bts.gov)
22. Express parcels industry under pressure 'as never before' — report, September 21, 2015, [www.joc.com](http://www.joc.com)
23. Air Canada Encourages Travelers to form a Toronto Connection, September 21, 2015, [www.aircanada.ca](http://www.aircanada.ca)
24. Civil aviation operating statistics, July 2015, September 23, 2015, [www.statcan.gc.ca](http://www.statcan.gc.ca)
25. Air Canada and Amadeus partner to distribute the airline's full content and advance its merchandising vision worldwide, September 25, 2015, [www.aircanada.ca](http://www.aircanada.ca)
26. Asian airlines experience freight decline in August, September 24, 2015, [www.joc.com](http://www.joc.com)
27. Aircraft movement statistics: Major airports, July 2015, September 29, 2015, [www.statcan.gc.ca](http://www.statcan.gc.ca)

#### **15. Porter Airlines arriving in Central Florida**

Porter Airlines will fly to Florida for the first time with the introduction of seasonal service to Orlando-Melbourne International Airport. From December 19, 2015, to April 30, 2016, Porter will offer weekly, non-stop flights between Billy Bishop Toronto City Airport (BBTCA) and Orlando-Melbourne International Airport.

#### **16. Fly WestJet to London for as little as \$199**

WestJet on September 15, 2015 announced that it will launch new non-stop service next spring to London (Gatwick) a total of four times daily from six Canadian cities: Vancouver, Edmonton, Calgary, Winnipeg, Toronto and St. John's. These new routes represent WestJet's first non-stop service to London, and the only non-stop service from Winnipeg to the United Kingdom.

#### **17. Air fares, fourth quarter 2014**

Total air fares, domestic and international combined, averaged \$240.00 in the fourth quarter of 2014, down 0.2% from the same quarter of 2013. This marked the fifth consecutive quarterly decline, following two consecutive year-over-year quarterly advances. The average domestic fare was \$189.20, down 1.3% from the same quarter a year earlier, while the average international fare fell 0.8% to \$304.60.

#### **18. Porter Airlines launches enhanced VIPorter loyalty program**

Porter Airlines is relaunching its VIPorter loyalty program, making significant changes for the first time since it was introduced in 2008. When members travel within the Porter network, they earn free flights and premium status faster than with any other Canadian carrier. Points are now earned on every dollar spent, from flights to seat selection and changes, as well as checked bags. This new structure means members can earn points faster.

#### **19. Aircraft movement statistics: Small airports, May 2015**

Take-offs and landings at 125 Canadian airports without air traffic control towers reached 61,913 movements in May 2015. Six airports, each with more than 2,000 movements, accounted for 27% of the activity in May: Peterborough, Ontario (4,446 movements), Moosonee, Ontario (2,952), Goose Bay, Newfoundland and Labrador (2,791), Red Lake, Ontario (2,151), St. Theresa Point, Manitoba (2,148) and Trois-Rivières, Quebec (2,139).

#### **20. Porter Airlines bridges Toronto and Pittsburgh with inaugural flight**

Porter Airlines arrived on September 21, 2015 in the City of Bridges with its inaugural flight to Pittsburgh. Passengers enjoyed non-stop service from Billy Bishop Toronto City Airport to Pittsburgh International Airport. "Pittsburgh has a rich history and strong identity," said Robert Deluce, president and CEO of Porter Airlines. "Passengers travelling to and from Pittsburgh will now enjoy much lower, competitive airfares. Bringing Porter's well-known customer experience to the city is something that we believe this market will immediately come to appreciate."

#### **21. 2<sup>nd</sup> Quarter 2015 Airline Financial Data**

U.S. scheduled passenger airlines reported an after-tax net profit of \$5.5 billion in the second quarter of 2015, up from \$3.1 billion in the first quarter of 2015 and up from \$3.6 billion in the second quarter of 2014, the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported on September 21, 2015.

#### **22. Express parcels industry under pressure 'as never before' — report**

The express parcels industry is coming under pressure "as never before" as e-retailing, technological disruption and macro-economic upheaval drive fundamental changes in the market, according to a leading logistics consultancy.

#### **23. Air Canada Encourages Travelers to form a Toronto Connection**

Air Canada customers travelling between the U.S. and Europe or Asia via the airline's Toronto Pearson global hub will have an opportunity to pause their journey in the city for up to one week with no stopover fee. This special offer, developed with the support of Tourism Toronto, is designed to encourage U.S. originating international customers to take advantage of their connection to experience Canada's largest and most vibrant city.

#### **24. Civil aviation operating statistics, July 2015**

The two major Canadian air carriers flew 4.7 million passengers on scheduled and charter services in July 2015, up 8.3% from the same month in 2014. On average, each passenger travelled 2 888 kilometres, up 1.2% compared with July 2014.

#### **25. Air Canada and Amadeus partner to distribute the airline's full content and advance its merchandising vision worldwide**

Air Canada and Amadeus on September 25, 2015 announced that they have reached a new multi-year

distribution agreement through which all Amadeus travel agency customers, both offline and online, will have access to all fares and seat availability. Air Canada will take advantage of Amadeus Fare Families and Amadeus Ancillary Services, providing travel agency customers with access to the airline's complete range of merchandising content. Amadeus will invest in development to support the airline's merchandising functionality.

## **26. Asian airlines experience freight decline in August**

Member airlines of the Association of Asia Pacific Airlines (AAPA) moved 5.29 million freight ton kilometers of cargo in August 2015 on scheduled international services, a 0.3 percent decline from August 2014, according to preliminary figures from the AAPA. Offered freight capacity on international scheduled services by member airlines rose 3.3 percent in 2015 August over last year to 8.68 million available freight ton kilometers.

## **27. Aircraft movement statistics: Major airports, July 2015**

Aircraft take-offs and landings at Canadian airports with NAV CANADA air traffic control towers and flight service stations decreased 1.2% in July 2015 from the same month a year earlier. These 91 airports reported 563,629 movements during the month compared with 570,281 at 92 airports in July 2014. July is typically the busiest month of the year for aircraft movements at major airports.

## **WATER TRANSPORTATION**

### **1. New Marine Carrier Will Expand Prince Rupert's Reach in Transpacific Trade**

The Prince Rupert Port Authority on August 31, 2015 welcomed Maersk Line as the newest marine carrier to add a weekly service at the Fairview Container Terminal. 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, which will make its first call in Prince Rupert this autumn. Maersk's inaugural vessel visit to Prince Rupert is planned for August 27th as a limited-time extension of its TP Alaska Eastbound service.

### **2. New mega-ships help lower carbon footprint of shipping industry, not just raise efficiency**

Mega-ships with their fuel-efficient designs are helping to lower the carbon footprint of ocean liners, together with slow-steaming and operations at steady engine speeds, according to a new report by the Clean Cargo Working Group (CCWG).

### **3. Port of Halifax welcomes another large cargo vessel**

The expanded G6 Alliance service through the Port of Halifax continues to bring additional large cargo vessels through the port. On September 8, 2015, the port community will welcome the OOCL Southampton, an 8063 TEU (twenty-foot equivalent unit) 323 metre vessel to the Fairview Cove Container Terminal, operated by Ceres-Halifax.

### **4. Foreign sailors paid \$2 per hour while Canadian crews remain jobless: union**

The Seafarers International Union of Canada is preparing to take the federal government to court over the use of foreign sailors -- some of whom are allegedly being paid as little as \$2 per hour -- on internationally-flagged ships in Canadian waters.

### **5. Seaway bolstered by construction, heavy lift cargo**

St. Lawrence Seaway results for the first half of the 2015 season were bolstered by shipments of construction materials and heavy lift cargo for the renewable energy sector, according to the latest figures released. However, global weakness for some commodities has slowed overall tonnage results, said the Seaway.

### **6. Container imports continue to rise in preparation for holiday season**

Import cargo volumes at the nation's major retail container ports increased more than expected in July 2015, growing 8.1 percent year-over-year compared to a previous projection of 7.3 percent made by the monthly *Global Port Tracker* report by the National Retail Federation and Hackett Associates. Ports

## **WATER TRANSPORTATION Canada**

1. New Marine Carrier Will Expand Prince Rupert's Reach in Transpacific Trade, August 31, 2015, [www.rupertport.com](http://www.rupertport.com)
2. New mega-ships help lower carbon footprint of shipping industry, not just raise efficiency, September 2, 2015, [www.transportweekly.com](http://www.transportweekly.com)
3. Port of Halifax welcomes another large cargo vessel, September 8, 2015, [www.portofhalifax.ca](http://www.portofhalifax.ca)
4. Foreign sailors paid \$2 per hour while Canadian crews remain jobless: union, September 8, 2015, [www.freewsp.com](http://www.freewsp.com)
5. Seaway bolstered by construction, heavy lift cargo, September 10, 2015, [www.ctl.ca](http://www.ctl.ca)
6. Container imports continue to rise in preparation for holiday season, September 10, 2015, [www.americanshipper.com](http://www.americanshipper.com)
7. Port stakeholders collaborate on renewed vision for a sustainable gateway, September 11, 2015, [www.portmetrovancover.com](http://www.portmetrovancover.com)
8. Port Metro Vancouver: Accumulated container statistics Y-T-D January to August 2015, September 15, 2015, [www.portmetrovancover.com](http://www.portmetrovancover.com)
9. Flat or declining volumes at most of China's top ports, September 21, 2015, [www.joc.com](http://www.joc.com)
10. Port Metro Vancouver updates progress on Fraser River cleanup program, September 23, 2015, [www.portmetrovancover.com](http://www.portmetrovancover.com)

covered by the Global Port Tracker report in July 2015, the latest month for which after-the-fact numbers are available, handled 1.62 million TEUs, a 2.9 percent increase from the previous month.

#### **7. Port stakeholders collaborate on renewed vision for a sustainable gateway**

Port Metro Vancouver has taken another look into the future, updating its vision for the port in the year 2050 and defining what being a sustainable port means. The port community first considered its long-term future back in 2010, bringing together terminal operators, railways, industry organizations, First Nations leaders, communities, municipalities and government agencies. Through a process known as scenario planning, the goal was to reach agreement on what the port may look like over the next 20, 30 and even 40 years.

#### **8. Port Metro Vancouver: Accumulated container statistics Y-T-D January to August 2015**

The Port of Metro Vancouver released its year-to-date container statistics for the period January to August 2015 on September 15, 2015. Total number of containers (TEUs) increased 6.1% over this period to 2,051,705 from 1,934,299. Imports increased 1.8% and exports increased 11.1%.

#### **9. Flat or declining volumes at most of China's top ports**

China's top 20 container ports have handled more than 120 million TEUs this year until the end of August 2015, but slowing export demand has seen little growth across most of the major ports including several year-over-year volume declines.

#### **10. Port Metro Vancouver updates progress on Fraser River cleanup program**

Port Metro Vancouver has so far addressed 118 of 151 sites identified in the Fraser River Improvement Initiative, a program to clean up municipal waterways and shipping channels. The update was provided on September 23, 2015 to attendees of the Union of British Columbia Municipalities conference in Vancouver.

### **RAIL TRANSPORTATION**

#### **1. Cenovus completes transaction to purchase rail terminal**

Cenovus Energy Inc. has closed its previously announced purchase of Canexus Corporation's North American Terminal Operations (NATO), a crude-by-rail trans-loading facility in central Alberta. The acquisition is part of Cenovus's strategy to build a strong portfolio of transportation options to help maximize market access and capture global prices for its oil.

#### **2. Crude-by-rail shows signs of life after losing steam in first half**

The oil-by-rail phenomenon has emerged over the past few years as pipelines clogged up in Western Canada and new projects began stalling. As discounts between Western Canada Select and West Texas Intermediate rose as high as \$20-25 per barrel, it made economic sense for companies to load barrels on rail and ship to, say, the Gulf Coast for around \$12 per barrel and still turn a profit. During this time, Western Canada's rail capacity has shot up to 776,000 bpd (barrels per day) and more terminals are being planned. But rail economic started derailing as the oil differentials narrowed considerably to around \$11 per barrel on average in the first half of 2015. Canadian rail shipments of oil also fell in tandem to 83,000 bpd in the second quarter, half of its peak in the third quarter of 2014, and considerably lower than the 25000-bpd estimated by the industry for this year. Canadian Pacific Railway Ltd. saw its crude carloads drop 24 per cent in the second quarter, while Canadian National Railway Co. witnessed a 27 per cent decline compared to the same period last year. But there are signs that the situation is improving.

#### **3. Canadian Pacific announces US\$1.2 billion debt offering**

Canadian Pacific Railway Limited announced that its wholly-owned subsidiary, Canadian Pacific Railway Company, is issuing: US\$300 million of 4.800 percent Notes due 2035; and US\$900 million of 6.125 percent Notes due 2115. The transaction is expected to close on September 11, 2015, subject to customary closing conditions.

#### **4. CN announces C\$850-million debt offering**

CN on September 14, 2015 announced a public debt offering of C\$350 million 2.8% Notes due 2025, C\$400 million 3.95% Notes due 2045, and C\$100 million 4.0% Notes due 2065. CN expects to close the offering on Sept. 22, 2015, subject to customary closing conditions. CN plans to use the net proceeds from

### **RAIL TRANSPORTATION Canada**

1. Cenovus completes transaction to purchase rail terminal, September 2, 2015, [www.ctl.ca](http://www.ctl.ca)
2. Crude-by-rail shows signs of life after losing steam in first half, September 2, 2015, [www.nationaloilst.ca](http://www.nationaloilst.ca)
3. Canadian Pacific announces US\$1.2 billion debt offering, September 8, 2015, [www.cpr.ca](http://www.cpr.ca)
4. CN announces C\$850-million debt offering, September 14, 2015, [www.cn.ca](http://www.cn.ca)
5. CN recognized as a transportation industry sustainability leader, September 16, 2015, [www.cn.ca](http://www.cn.ca)
6. Canadian Pacific completes sale of the southern portion of its Delaware & Hudson line, September 18, 2015, [www.cpr.ca](http://www.cpr.ca)
7. CN sues CP over alleged corporate espionage, September 23, 2015, [www.americanshipper.com](http://www.americanshipper.com)
8. Canadian Pacific acquires Steelcare Inc., September 29, 2015, [www.cpr.ca](http://www.cpr.ca)

the offering for general corporate purposes, including the redemption and refinancing of outstanding indebtedness, and share repurchases.

#### **5. CN recognized as a transportation industry sustainability leader**

CN said on September 16, 2016 that its sustainability practices have earned it a place on the Dow Jones Sustainability World Index (DJSI). This marks the fourth consecutive year that CN has been listed on the DJSI World Index and the seventh consecutive year that CN has been listed on the DJSI North America Index.

#### **6. Canadian Pacific completes sale of the southern portion of its Delaware & Hudson line**

Canadian Pacific Railway Limited on September 18, 2015 completed the sale to Norfolk Southern Corp. (NS) of more than 280 miles of track from Schenectady, N.Y., to Sunbury, Pa. The US\$214.5 million sale (subject to adjustments) of the Delaware & Hudson South (D&H) was first announced November 14, 2014 and approved by the U.S. Surface Transportation Board on May 15, 2015. "We are pleased to have completed this transaction in partnership with Norfolk Southern," said Keith Creel, CP President and Chief Operating Officer. "The sale allows CP to create value for our shareholders while better aligning the route with the railroad that already moves the majority of traffic over it.

#### **7. CN sues CP over alleged corporate espionage**

Canadian National Railway has filed a lawsuit against rival railroad Canadian Pacific, alleging that a former CN employee shared confidential client information with CP.

#### **8. Canadian Pacific acquires Steelcare Inc.**

Canadian Pacific Railway Limited has acquired Steelcare Inc., Canada's largest steel transload facility. James Clements, CP Vice President of Strategic Planning and Transportation Services, said "CP is committed to exceptional customer service and with direct ownership of Steelcare, we are better equipped to manage our own supply chain and utilize our in-house expertise."

### **HIGHWAY TRANSPORTATION**

#### **1. Amendments to Vehicle Weights and Dimensions Regulation in Manitoba**

The Government of Manitoba and the Manitoba Trucking Association (MTA) announced regulatory changes to the province's vehicle weights and dimensions regulations. The changes include: 1. An increase in the permissible length for aerodynamic devices (boat tails); 2. An increase in the permissible length for a B-train configuration; and 3. An increase in the permissible weight for wide-base single tires and axle groups fitted with wide-based single tires. All three changes addressed in Manitoba have been longstanding positions of Canadian Trucking Alliance.

#### **2. Tomorrow, Ontario Changes Rules of The Road**

Tougher penalties for certain driving violations plus increased driver and vehicle license fees in Ontario all take effect on Tuesday, Sept. 1, and the Toronto Trucking Association wants everybody to know about it. To that end, the organization has sent a bulletin to members outlining tougher penalties for distracted driving, new rules to protect cyclists and measures to ensure the safety of tow truck drivers. The province has also changed the rules pertaining to children riding school buses.

#### **3. Women Drivers Smashing Stereotypes**

Whether measuring accidents, inspections or compliance issues, many women drivers are outperforming their male counterparts, says Werner Enterprises Inc. Chief Operating Officer Derek Leathers. Speaking to Bloomberg Business News during the Great American Truck Show in Dallas, Leathers said more and more carriers are looking to women as a large untapped labor pool that could help ease the driver shortage. He said he expects women to make up about 10 percent of his company's 9,000 drivers by year's end – almost twice the national average.

#### **4. BCTA: We'll Take Truck Drivers Over Driverless Trucks**

News articles earlier this year about driverless trucks operating in

### **HIGHWAY TRANSPORTATION Canada**

1. Amendments to Vehicle Weights and Dimensions Regulation in Manitoba, August 28, 2015, [www.cantruck.ca](http://www.cantruck.ca)
2. Tomorrow, Ontario Changes Rules of The Road, Aug 31, 2015, [www.todaystrucking.com](http://www.todaystrucking.com)
3. Women Drivers Smashing Stereotypes, September 1, 2015, [www.cantruck.ca](http://www.cantruck.ca)
4. BCTA: We'll Take Truck Drivers Over Driverless Trucks, September 2, 2015, [www.cantruck.ca](http://www.cantruck.ca)
5. US trucking employment hits new peak, but hiring slows, September 5, 2015, [www.joc.com](http://www.joc.com)
6. Uber partners with Intact Financial to offer first ride-sharing insurance policy, September 8, 2015, [www.nationalpost.ca](http://www.nationalpost.ca)
7. Toronto's drive to level playing field between Uber and taxis could mean lower fares for customers, September 9, 2015, [www.nationalpost.ca](http://www.nationalpost.ca)
8. XPO Logistics to buy Con-way for \$3 billion, September 9, 2015, [www.joc.com](http://www.joc.com)
9. Canada's Dicom Purchases U.S.-Based Parcel Carrier, September 9, 2015, [www.todaystrucking.com](http://www.todaystrucking.com)
10. Court Upholds Ontario Truck Speed Limiter Law, September 8, 2015, [www.todaystrucking.com](http://www.todaystrucking.com)
11. Protesting truck drivers disrupt Toronto cargo deliveries, September 10, 2015, [www.joc.com](http://www.joc.com)
12. July 2015 Freight Transportation Services Index (TSI), September 10, 2015, [www.dot.gov](http://www.dot.gov)
13. Trucking Conditions Index at Highest Level This Year, September 11, 2015, [www.todaystrucking.com](http://www.todaystrucking.com)

Nevada and the Alberta oil sands under restricted conditions set off speculation about whether we'll need truck drivers within a few decades – and whether autonomous vehicles are an answer to the driver shortage. The trucking industry appealed to enough quality candidates to meet our needs today – and in the future? Today, there are about 300,000 truck drivers in Canada – that's 1% of the population and 1.5% of the labour force. In BC, most truck drivers are male (96%), and nearly half (47%) are between the ages of 45 and 64.

#### **5. US trucking employment hits new peak, but hiring slows**

U.S. trucking employment rose for the fifth straight month in August 2015, but at a slower pace, as the hiring crunch that slowed employment growth across the U.S. economy squeezed the industry.

#### **6. Uber partners with Intact Financial to offer first ride-sharing insurance policy**

Uber Technologies Inc. is partnering with Intact Financial Corp. to create the first auto insurance policy in Canada geared specifically towards ride-sharing services, the *Financial Post* reported. The agreement, set to be announced on September 8, 2015, will fill a gap that has left many Uber drivers at risk of finding themselves without coverage in the event of an accident.

Details of the policy won't be released until it has been approved by insurance regulators in Ontario, Quebec and Alberta, something Uber hopes will happen in the near future.

14. Toronto truck strike over alleged misclassification expands, September 15, 2015, [www.joc.com](http://www.joc.com)

15. Canada's Dicom builds cross-border connections, September 14, 2015, [www.joc.com](http://www.joc.com)

16. Toronto truck strike ends after deal struck on wage increases, September 16, 2015, [www.joc.com](http://www.joc.com)

17. Next threat to truck capacity: technician shortage, September 21, 2015, [www.joc.com](http://www.joc.com)

18. Large urban transit, July 2015, September 23, 2015, [www.statcan.gc.ca](http://www.statcan.gc.ca)

19. Driver shortage to get worse, Werner's Leathers warns, September 23, 2015, [www.joc.com](http://www.joc.com)

20. Couriers and Messengers Services Price Index, August 2015, September 25, 2015, [www.statcan.gc.ca](http://www.statcan.gc.ca)

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23. Global Study: Big Hurdles in the Way of Autonomous and e-Vehicles, September 29, 2015, [www.cantruck.ca](http://www.cantruck.ca)

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#### **7. Toronto's drive to level playing field between Uber and taxis could mean lower fares for customers**

The city's Municipal Licensing and Standards department released a series of recommendations on June 9, 2015 that aim to create a more level playing field between Uber Technologies Inc. and the traditional taxi industry. The main goal of the report is to cut red tape for taxis while bringing Uber X drivers — those who use their private vehicles to ferry passengers around — under the city's regulatory umbrella. It also recommends lowering the base fare for a cab ride to \$3.25 from \$4.25 to enable a more competitive environment. The recommendations take a page from several U.S. jurisdictions by seeking to designate Uber and other companies like it as "transportation network companies," acknowledging that they're distinct from traditional taxicabs but are more than simply ride-sharing services, as Uber calls itself. If adopted, this could mean higher costs for Uber, which would be required to obtain an operating licence and provide proof of "adequate insurance," as well as proof of requisite criminal background checks, driving-record screening and vehicle inspections, among other things. The UberX service has been available in Toronto since September 2014. Earlier this year, the city sought a court injunction to shut it down but the court refused, ruling that it is not a taxicab or limousine service and therefore doesn't fall under the city's jurisdiction. City staff hope to rectify this regulatory loophole by amending the definition of a taxicab, taxicab brokerage and limousine service to ensure Uber is included.

#### **8. XPO Logistics to buy Con-way for \$3 billion**

XPO Logistics plans to buy \$5.8 billion Con-way, the parent of LTL giant Con-way Freight, Menlo Logistics and Con-way Truckload.

#### **9. Canada's Dicom Purchases U.S.-Based Parcel Carrier**

The Montreal-based Dicom Transportation Group has expanded its regional overnight parcel network into the Northeast U.S. through the acquisition of Eastern Connection. Eastern Connection, an asset-light provider of business-to-business (B2B) pick-up and delivery services, is one of the largest regional parcel service providers in the Northeast U.S. with a network of 19 terminals and cross-dock locations covering more than 6,800 zip codes from Maine to Ohio, and southern US to Virginia, according to the U.S.-based investment firm Wind Point Partners, which purchased Dicom in 2014.

#### **10. Court Upholds Ontario Truck Speed Limiter Law**

An Ontario appeals court ruled last week that speed limiters preventing trucks from going faster than 105 kilometers are legal, upholding earlier passed provincial legislation. The case dates back to 2009 when truck driver Gene Michaud was ticketed for not having his speed limiter set properly. He challenged the citation

and won a court decision in 2012, only to have it overturned on appeal by the province in 2014 and last week.

#### **11. Protesting truck drivers disrupt Toronto cargo deliveries**

A group of truck drivers protesting their classification as independent drivers are disrupting Toronto-area container deliveries by blocking trucking terminals.

#### **12. July 2015 Freight Transportation Services Index (TSI)**

The U.S. Freight Transportation Services Index (TSI), which is based on the amount of freight carried by the for-hire transportation industry, rose 0.6 percent in July 2015 from June 2015, rising after a single month of decline, according to the U.S. Department of Transportation's Bureau of Transportation Statistics' (BTS). The July 2015 index level (122.8) was 29.7 percent above the April 2009 low during the most recent recession.

#### **13. Trucking Conditions Index at Highest Level This Year**

A measure of trucking conditions in the U.S. continues to improve, reaching a new high for the 2015 year, according to freight transportation forecasting firm FTR (Freight Transportation Intelligence).

#### **14. Toronto truck strike over alleged misclassification expands**

The weeklong truck drivers strike in Ontario is growing in size and continues to disrupt cargo deliveries in the greater Toronto area, according to the group of independent owner-operators behind the protests.

#### **15. Canada's Dicom builds cross-border connections**

The acquisition of regional package carrier Eastern Connections expands Dicom's footprint in the Northeast and complements the Montreal-based company's efforts to build a multimodal North American transportation network.

#### **16. Toronto truck strike ends after deal struck on wage increases**

Independent truckers ended a more than week-long protest after ground Toronto area cargo deliveries came to a near-halt when the transport companies agreed to raise their wages.

#### **17. Next threat to truck capacity: technician shortage**

A shortage of qualified technicians and mechanics means more trucks could be sidelined in maintenance shops rather than hauling freight, the American Trucking Associations warns.

#### **18. Large urban transit, July 2015**

Total operating revenue (excluding subsidies) for 10 of Canada's largest urban transit systems rose 2.1% from the same month in 2014 to \$273.8 million in July 2015. Over the same period, ridership increased 4.4% to 130.7 million passenger trips.

#### **19. Driver shortage to get worse, Werner's Leathers warns**

Truck driver pay is rising higher, shippers are becoming more "driver friendly," but demographics make finding solutions to the shortage of qualified drivers difficult.

#### **20. Couriers and Messengers Services Price Index, August 2015**

The Couriers and Messengers Services Price Index (CMSPI) increased 0.6% in August 2015. The couriers component rose 0.8% while the local messengers and local delivery component was unchanged.

#### **21. Taxi feud at Ottawa's airport exposes industry's regulatory mess**

The clash is about the regulatory mess in Canada's cab industry. At the heart of the seven-week-long strike is the airport's decision to end a long-standing airport cab monopoly, a common practice in cities across Canada. Until this summer, one dispatch company and its fleet of 150 cars enjoyed – for a fee – an exclusive and lucrative monopoly to pick up passengers at the terminal. The deal was so good that the value of a single airport taxi licence soared to a quarter-million dollars. It led to an inefficient situation. Airport cabs couldn't pick up passengers anywhere outside the airport, forcing them to return empty to the terminal and, with the fleet size capped, often leaving too few cabs available at the airport. Likewise, the rest of the city's taxi fleet was allowed to drop passengers off at the airport, but not make pickups. The airport authority decided to break up the taxi cartel in order to grab more revenue. It raised the fee cabs pay to access the airport, while opening access to all taxis in the city. The airport taxi drivers launched a strike against their employer, Coventry Connections – a company with a near-monopoly of its own on the city's taxi dispatch industry. The city and the airport secured a court injunction, ordering striking cabbies to stop blocking airport traffic.

#### **22. July 2015 North American Freight Numbers**

The value of U.S.-NAFTA freight totaled \$93.0 billion in July 2015 as all modes except air carried less freight than in July 2014, according to the TransBorder Freight Data released on September 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 8.0 percent. Large decreases in the value of commodities moved by pipeline and vessel in July were due to the reduced unit price of mineral fuel. The value of U.S.-Canada freight totaled \$47.5 billion in July 2015, down 14.0 percent from July 2014, as no mode of transportation carried a higher value of U.S.-Canada freight than a year earlier.



### 23. Global Study: Big Hurdles in the Way of Autonomous and e-Vehicles

Imminent driverless vehicles on our roadways is a popular topic among transportation futurists and manufacturers, but a global survey of 65,000 consumers in 10 countries finds that enthusiasm for autonomous and electric vehicles is limited. In a *Global Automotive Mobility Study*, global consulting company *Arthur D. Little* says less than a third of respondents would be willing to use an autonomous vehicle, while high purchase prices limited range and lack of charging infrastructure and support remain major barriers for electric vehicles.

### 24. Study: Operations Cost Increasing in Trucking

A new study shows operational costs in trucking are on the rise again, at least south of the border, according to the American Transportation Research Institute.

## GENERAL TRANSPORTATION

### Canada

#### 1. Report identifies tech as infrastructure “tipping point”

The “innovative” power of 3D printing, commercial drones, self-driving vehicles, electricity storage, and the Internet of Things are pushing the North American infrastructure market toward a tipping point, according to the latest study by infrastructure advisory firm CG/LA Infrastructure. The *Building Prosperity: 2015 Strategic 100 North American Infrastructure Report* identifies those strategic projects, all incorporating transformative technologies to unleash \$376 billion in infrastructure opportunities over the next 12 months, said a release.

#### 2. CTA Review Submissions are now available

CTA Review submissions are now available on the westac website ([www.westac.ca](http://www.westac.ca))

#### 3. A five-year \$50 bn public infrastructure investment would generate high long-term ROI for Canadians, says study

A five-year \$50-billion public infrastructure spending initiative would generate a return on investment to Canadians over the long term as high as \$3.83 per dollar spent, trigger significant private sector investment and stimulate wage increases, according to a new study (*The Economic Benefits of Public Infrastructure Spending in Canada*) by an independent economic modelling firm.

#### 4. Travel between Canada and other countries, July 2015

Travel between Canada and overseas countries reached record highs in July 2015. Residents of overseas countries made 473,000 trips to Canada in July 2015, up 2.5% from June 2015 and the highest figure since record keeping began in 1972. Travel from Canada to overseas countries also set a new record with 979,000 trips in July, up 1.6% from June.

#### 5. Passenger Travel Facts and Figures 2015

The U.S. Department of Transportation’s Bureau of Transportation Statistics (BTS) on September 18, 2015 released Passenger Travel Facts and Figures 2015, a snapshot of the characteristics and trends of personal travel in the United States; the network over which passenger travel takes place; and the related economic, safety, and environmental implications.

#### 6. National Tourism Indicators, Second Quarter 2015

Tourism spending by Canadians at home rose 0.5% in the 2015 second quarter, following a 0.7% increase in the 2015 first quarter. Outlays on most tourism goods and services were up, with air transportation (+1.8%) and food and beverage services (+1.0%) contributing most to the increase. Spending by tourists on non-tourism goods and services, including groceries and clothing, was down 0.2% in the second quarter. Spending by international visitors in Canada rose 1.7% in the second quarter, after increasing 0.4% in the first quarter. Visitors to Canada spent more on most tourism goods and services, with passenger air transport (+2.1%), food and beverage services (+1.9%) and accommodation (+1.7%) contributing most to the stronger outlays. Tourism spending on non-tourism goods was also up.

### Canada

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