

Transportation Information Update*

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AIR TRANSPORTATION

1. Cargolux takes delivery of another 747-8F

Cargolux Airlines, Europe’s largest all-cargo airline, has taken delivery of another 747-8 freighter from Boeing. The aircraft was handed over at a ceremony at Boeing’s Everett factory in Seattle. LX-VCN, ‘Spirit of Schengen’, is Cargolux’s 14th 747-8F. The aircraft was originally scheduled to be delivered in 2017, however, Boeing and Cargolux have agreed to advance the delivery to September 2016. Cargolux expects to cover increasing demand for cargo space during the upcoming high season with this aircraft.

2. Air Canada Cargo adds additional day of South America lift

Air Canada Cargo announced its freighter service is growing. On October 9, 2016 the Canada – US – South America freighter service will benefit from an additional day of service, with a new flight on day 7, the company announced. Freight service to and from Dallas – Fort Worth (DFW) on flight 7140 starts October 1, the company added.

3. Moderating Demand Trend for Air Cargo Continues in August

The International Air Transport Association (IATA) released data for global air freight markets in August 2016 showing that demand, measured in freight tonne kilometers (FTKs), rose 3.9% year-on-year. Freight capacity measured in available freight tonne kilometers (AFTKs) increased by 4.1% over the same period. Load factors remained historically low, keeping yields under pressure. Industry conditions have improved since the particularly soft patch at the start of the year. Carriers in all regions except Latin America reported an increase in year-on-year demand in August 2016. However, regional results varied considerably. For the third time in four months airlines based in Europe posted the highest collective annual growth of all regions, while airlines in the Middle East experienced their slowest growth in more than seven years.

4. World ACD: Global airfreight market grows for third straight month

Global airfreight volumes grew for the third straight month in August 2016, rising 2.3 percent from the previous year, according to the latest figures from industry analyst World ACD. The August growth followed revised increases of 3 percent in June and 1.8 percent in July compared with the same 2015 period. World ACD said despite the improvement from the early part of the year, which saw several months of declining volumes, the summer growth figures “still fail to impress.

5. Drone Delivery Canada receives special flight operations certificate

Drone Delivery Canada (DDC) has received a Special Flight Operations Certificate from Transport Canada. The certificate now allows DDC the ability to advance its drone delivery technology and accelerated testing in the Canadian skies beginning with Southern Ontario.

AIR

TRANSPORTATION Canada

1. Cargolux takes delivery of another 747-8F, September 30, 2016, www.transportweekly.com
2. Air Canada Cargo adds additional day of South America lift, October 3, 2016, www.ctl.ca
3. Moderating Demand Trend for Air Cargo Continues in August, October 5, 2016, www.iata.org
4. World ACD: Global airfreight market grows for third straight month, October 4, 2016, www.americanshipper.com
5. Drone Delivery Canada receives special flight operations certificate, October 4, 2016, www.ctl.ca
6. Passenger Growth Slowed in August, October 6, 2016, www.iata.org
7. Aircraft movement statistics: Major airports, July 2016, October 6, 2016, www.statcan.gc.ca
8. Air Canada Completes C\$1.25 Billion Refinancing, October 6, 2016, www.aircanada.ca
9. EasyJet profit expected to fall 28pc - first profit drop since 2009, October 10, 2016, www.transportweekly.com
10. WestJet reports record September load factor of 79.9 per cent, October 16, 2016, www.westjet.ca
11. UK airports post boost in cargo volumes, October 11, 2016, www.americanshipper.com
12. Flying to Canada? Entry rules have changed, October 12, 2016, www.atac.ca
13. Aircraft movement statistics: Small airports, June 2016, October 14, 2016, www.statcan.gc.ca
14. New Partnership for Aviation Security in Europe, October 14, 2016, www.iata.org
15. Transport Canada bans Samsung Galaxy Note 7 smartphones from all aircraft, Oct. 14, 2016, www.tc.gc.ca
16. Air Canada Notifies Customers of Ban on Samsung Galaxy Note 7, October 15, 2016, www.aircanada.ca
17. DOT Bans All Samsung Galaxy Note7 Phones from Airplanes, October 14, 2016, www.dot.gov

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

6. Passenger Growth Slowed in August

The International Air Transport Association (IATA) announced global passenger traffic data for August 2016 showing that demand (measured in total revenue passenger kilometers or RPKs) climbed 4.6% compared to the year-ago period. This represented a slowing from the 6.4% increase recorded in July 2016 (revised). August capacity (available seat kilometers or ASKs) increased by 5.8%, and load factor slipped 0.9 percentage points to 83.8%. "Growth in passenger demand dipped to 4.6%. While that's disappointing compared to the previous month's performance, it is still healthy growth. And although terrorist attacks in Europe have dampened demand, the impact is ebbing," said Alexandre de Juniac, IATA's Director General and CEO.

7. Aircraft movement statistics: Major airports, July 2016

In July 2016, there were 548,845 aircraft take-offs and landings at the 91 Canadian airports with NAV CANADA air traffic control towers and flight service stations, compared with 563,665 movements in July 2015. Both itinerant movements (flights from one airport to another) and local movements (flights that remain in the vicinity of the airport) decreased in July 2016. Itinerant movements fell 3.4% to 394,393, while local movements decreased 0.6% to 154,452.

8. Air Canada Completes C\$1.25 Billion Refinancing

Air Canada announced on October 6, 2016 that it has completed its previously announced private offering of C\$200 million of 4.75% senior secured first lien notes due 2023 (the "2016 Senior Notes") and the closing of its previously announced U.S.\$1.1 billion new senior secured credit facility, comprised of a U.S.\$800 million term loan maturing in 2023, together with a new, undrawn U.S.\$300 million revolving credit facility expiring in 2021 (collectively with the term loan, the "2016 Credit Facility"). The benefits include: 1. Reduction of outstanding indebtedness by approximately C\$355 million; 2. Extension of maturities of senior secured debt to 2023; 3. Annualized interest expense savings of approximately C\$60 million; and 4. Increase in unencumbered assets by C\$650 million to approximately C\$2 billion.

9. EasyJet profit expected to fall 28pc - first profit drop since 2009

Luton, England's budget airline EasyJet is expecting its annual profit to fall for the first time since 2009 due mainly to a spate of terror attacks which clipped demand, and the decline of sterling following Brexit.

10. WestJet reports record September load factor of 79.9 per cent

WestJet announced September 2016 traffic results with a load factor of 79.9 per cent an increase of 2.5 percentage points year over year. Revenue passenger miles (RPMs), or traffic, increased 16.3 per cent year over year, and capacity, measured in available seat miles (ASMs), grew 12.6 per cent over the same period. For the third quarter of 2016, load factor, traffic, and capacity were: 84%, 6.414b, and 7.635b representing an increase of 2.2 points, 13.6% and 10.6%. In this quarter, the airline flew a record 5.9 million guests, a year-over-year increase of 7.0 per cent or approximately 384,000 additional guests. "We are pleased with our fifth consecutive month of double-digit traffic growth, as we achieved our second highest load factor for a third quarter at 84.0 per cent and flew a record 5.9 million guests," said WestJet President and CEO Gregg Saretsky. "As we transition through our shoulder period into the busy winter season, I want to thank our almost 12,000 WestJetters for their commitment to providing our brand of friendly caring service."

11. UK airports post boost in cargo volumes

The London Heathrow Airport and the Gatwick Airport both reported boosts in cargo throughput in September 2016 compared to a year prior. The London Heathrow Airport said September cargo volumes

18. Air Canada's Newest Maple Leaf Lounge Opens at Newark Airport, October 14, 2016, www.aircanada.ca

19. July 2016 U.S. Airline Traffic Data, October 14, 2016, www.dot.gov

20. Airlines Report 15 Tarmac Delays Over Three Hours on Domestic Flights, Five Tarmac Delays Over Four Hours on International Flights in August, October 14, 2016, www.bts.gov

21. IATA Forecasts Passenger Demand to Double Over 20 Years, October 18, 2016, www.iata.org

22. Transforming the Passenger Journey, October 18, 2016, www.iata.org

23. Minister Garneau instructs officials to examine options for flight data and voice recorders, October 18, 2016, www.tc.gc.ca

24. U.S. Department of Transportation Announces Enhanced Protections for Air Travelers, Actions to Promote Airline Competition, October 18, 2016, www.dot.gov

25. Delta's quarterly net profit down 4pc to US\$1.26 billion, sales off 6pc, October 18, 2016, www.transportweekly.com

26. Porter recognized as a top 10 international airline by Condé Nast Traveler, October 18 2016, www.flyporter.com

27. A very Vermont winter with Porter Airlines, October 13, 2016, www.flyporter.com

28. Real-Time Tracking of Bags to Save Air Transport Industry \$3 Billion, October 19, 2016, www.iata.org

29. Liberals ask Credit Suisse to study benefits of privatizing airports, October 20, 2016, www.globeandmail.ca

30. Air Canada Inaugurates the Only Non-Stop Flights from Vancouver to India: "Ab Delhi Door Nahin!", October 20, 2016, www.aircanada.ca

31. August 2016 Passenger Airline Employment Data, October 20, 2016, www.bts.gov

32. Porter Airlines soars beyond 10 years of service Nearly 18 million passengers served since first flight, October 24, 2016, www.flyporter.com

33. Travellers will pay the price if Canada's airports are sold, October 24, 2016, www.globeandmail.ca

34. Monthly civil aviation statistics, August 2016, October 26, 2016, www.statcan.gc.ca

35. 2nd-Quarter 2016 Air Fare Data, October 25, 2016, www.bts.gov

36. WestJet recognized as Canada's most trusted airline, October 28, 2016, www.westjet.ca

surged 5.9 percent year-over-year to 126,109 metric tons, on the back of growth to East Asia and Latin America. On a rolling 12-month basis, the airport handled 1.5 million metric tons, up 1.2 percent from the same period a year earlier.

12. Flying to Canada? Entry rules have changed

Canada has introduced a new entry requirement, known as an [Electronic Travel Authorization \(eTA\)](#), for visa-exempt foreign nationals travelling to or transiting through Canada by air. Exceptions include U.S. citizens and travellers with a valid visa. This new requirement is now mandatory and travellers need an eTA before they can board their flight to Canada.

13. Aircraft movement statistics: Small airports, June 2016

In June 2016, take-offs and landings at 114 Canadian airports without air traffic control towers totalled 62,718 movements. For this month, 10 airports accounted for just over 40% of the activity: Peterborough, Ontario (8,084 movements), Goose Bay, Newfoundland and Labrador (3,168), Red Lake, Ontario (2,257), Comox, British Columbia (2,010), Barrie-Orillia-Lake Simcoe Regional, Ontario (1,866), Tillsonburg, Ontario (1,765), Sherbrooke, Quebec (1,744), Trois-Rivières, Quebec (1,739), Muskoka, Ontario (1,657), and Collingwood, Ontario (1,646).

14. New Partnership for Aviation Security in Europe

The International Air Transport Association (IATA) and the [Secretariat of the Organization for Security and Cooperation in Europe \(OSCE\)](#) signed a Memorandum of Understanding (MoU) to strengthen, promote, and develop cooperation on aviation facilitation and border integrity issues—two of the key components for governments to fulfill their national security responsibilities.

15. Transport Canada bans Samsung Galaxy Note 7 smartphones from all aircraft

To protect Canadian passengers and flight crews, Transport Canada issued a Notice to Airmen on October 14, 2016 advising airlines and air operators that Samsung Galaxy Note 7 smartphones are no longer allowed in any aircraft effective immediately. This safety measure applies to both carry-on and checked baggage on flights within Canada and is in compliance with the *Transportation of Dangerous Goods Regulations*. Transport Canada officials are reaching out to airlines so they can take the necessary steps to protect passengers and crew. The department is also in close contact with the Federal Aviation Administration in the United States to exchange safety information.

16. Air Canada Notifies Customers of Ban on Samsung Galaxy Note 7

Air Canada on October 15, 2016 announced that as result of new regulations in Canada and the U.S. prohibiting Samsung Galaxy Note 7 devices aboard commercial aircraft, it will not permit the devices aboard its aircraft effective immediately. Travellers will not be permitted to board Air Canada or Air Canada Express aircraft with this device or in their checked luggage. Customers arriving at the airport with the device and attempting to travel could experience travel disruptions and possibly miss their flight.

17. DOT Bans All Samsung Galaxy Note7 Phones from Airplanes

The U.S. Department of Transportation (DOT), with the Federal Aviation Administration (FAA) and the Pipeline and Hazardous Materials Safety Administration (PHMSA), on October 14, 2016 announced it is issuing an emergency order to ban all Samsung Galaxy Note7 smartphone devices from air transportation in the United States. Individuals who own or possess a Samsung Galaxy Note7 device may not transport the device on their person, in carry-on baggage, or in checked baggage on flights to, from, or within the United States. This prohibition includes all Samsung Galaxy Note7 devices.

18. Air Canada's Newest Maple Leaf Lounge Opens at Newark Airport

Air Canada on October 14, 2016 announced that it has opened a Maple Leaf Lounge at Newark Liberty International Airport. The new lounge, Air Canada's third in the U.S., is conveniently located beyond security near Air Canada gates, giving eligible Air Canada and Star Alliance customers a calm atmosphere to relax or work prior to their flight.

19. July 2016 U.S. Airline Traffic Data

The U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported on October 14, 2016 that U.S. airlines' systemwide (domestic and international) scheduled service load factor – a measure of the use of airline capacity – fell to 83.4 percent in July 2016, seasonally adjusted, falling after three consecutive months of growth from April to June 2016. Seasonal adjustment allows the comparing of monthly load factors to all other months.

20. Airlines Report 15 Tarmac Delays Over Three Hours on Domestic Flights, Five Tarmac Delays Over Four Hours on International Flights in August

Airlines reported 15 tarmac delays of more than three hours on domestic flights and five tarmac delays of

more than four hours on international flights in August 2016, according to the U.S. Department of Transportation's *Air Travel Consumer Report* released on October 14, 2016.

21. IATA Forecasts Passenger Demand to Double Over 20 Years

The International Air Transport Association (IATA) expects 7.2 billion passengers to travel in 2035, a near doubling of the 3.8 billion air travelers in 2016. The prediction is based on a 3.7% annual Compound Average Growth Rate (CAGR) noted in the release of the latest update to the association's 20-Year Air Passenger Forecast. "People want to fly. Demand for air travel over the next two decades is set to double. Enabling people and nations to trade, explore, and share the benefits of innovation and economic prosperity makes our world a better place," said Alexandre de Juniac, IATA's Director General and CEO. The biggest driver is the Asia-Pacific region. The 20-year forecast puts forward three scenarios. The central scenario foresees a doubling of passengers with a 3.7% annual CAGR. If trade liberalization gathers pace, demand could triple the 2015 level. Conversely, if the current trend towards trade protectionism gathers strength, growth could cool to 2.5% annual CAGR which would see passenger numbers reach 5.8 billion by 2035.

22. Transforming the Passenger Journey

The International Air Transport Association (IATA) laid out a transformative vision for air travel that will enable aviation to successfully accommodate a near doubling in demand for air travel over the next two decades. According to IATA's latest passenger forecast, some 7.2 billion air trips will take place in 2035, up from 3.8 billion in 2016. "My dream journey through the airport would offer security processes that are both effective and convenient, constant communication that makes me aware of changes to my journey or opportunities nearby, and a more efficient way of identifying myself to the airline, security staff and border management," said Alexandre de Juniac, IATA's Director General and CEO.

23. Minister Garneau instructs officials to examine options for flight data and voice recorders

The Honourable Marc Garneau, Minister of Transport, issued the following statement on October 18, 2016 regarding flight data and voice recorders: "The safety and security of Canadians is the government's top priority and we take all Transportation Safety Board (TSB) recommendations very seriously. "I've instructed Transport Canada officials to look into expanding requirements for the use of flight data and cockpit voice recorders on aircraft that don't currently require them. ... "The use of flight data and cockpit voice recorders would assist investigators in determining the cause of accidents and how to prevent them in the future."

24. U.S. Department of Transportation Announces Enhanced Protections for Air Travelers, Actions to Promote Airline Competition

U.S. Transportation Secretary Anthony Foxx on October 18, 2016 announced that the U.S. Department of Transportation (DOT) is taking a number of actions to enhance protections for air travelers and promote competition in the airline industry.

25. Delta's quarterly net profit down 4pc to US\$1.26 billion, sales off 6pc

Delta Air Lines posted a third quarter four per cent year-on-year loss to US\$1.26 billion, drawn on revenues of \$10.48 billion, which fell six per cent, according to Shipping Gazette. Third-quarter operating income was \$1.97 billion, down 11 per cent. Delta CEO Ed Bastian said US airlines were experiencing the "weakest revenue environment in recent memory". "We will be taking a cautious approach to 2017 by keeping our capacity in line with the December quarter's one per cent growth level," he said.

26. Porter recognized as a top 10 international airline by Condé Nast Traveler

Porter Airlines is flying with the world's best airlines, according to Condé Nast Traveler's 2016 Readers' Choice Awards. Porter is the smallest carrier on the list, securing ninth place among 20 global airlines.

27. A very Vermont winter with Porter Airlines

Porter Airlines' is ready to deliver visitors to the winter wonderland of Vermont beginning Dec. 22, 2016. Flights operate twice weekly from Billy Bishop Toronto City Airport to Burlington International Airport until March 28, 2017.

28. Real-Time Tracking of Bags to Save Air Transport Industry \$3 Billion

The global deployment of Radio Frequency Identification (RFID) technology, which can accurately track passengers' baggage in real time across key points in the journey, can enable the air transport industry to save more than US\$3 billion over the next seven years.

29. Liberals ask Credit Suisse to study benefits of privatizing airports

The federal government has asked one of the world's top investment banks to determine how much of an economic windfall Ottawa could reap by privatizing Canadian airports. The government, through a Crown

agency responsible for selling off federal assets, has hired Credit Suisse AG to analyze several privatization options before the end of the year.

30. Air Canada Inaugurates the Only Non-Stop Flights from Vancouver to India: "Ab Delhi Door Nahin!"

Air Canada's inaugural flight AC72 departed on October 20, 2016 from Vancouver and arrived in Delhi on October 22, 2016, marking the only non-stop service linking Vancouver and the Indian subcontinent. It is the Fastest elapsed flying time to the Indian subcontinent from Vancouver, Calgary, Edmonton, Seattle, Portland and Los Angeles.

31. August 2016 Passenger Airline Employment Data

U.S. scheduled passenger airlines employed 4.3 percent more workers in August 2016 than in August 2015, the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported on October 20, 2016.

32. Porter Airlines soars beyond 10 years of service Nearly 18 million passengers served since first flight

On October 24, 2016, Porter Airlines celebrated its 10th Anniversary. Since then it has served 23 destinations in Canada and the U.S. from a home base at Billy Bishop Toronto City Airport. It continues to receive international acclaim for its refined approach to service. Nearly 18 million passengers have flown with Porter over the last 10 years, while the airline travelled more than 240 million kilometers.

33. Travellers will pay the price if Canada's airports are sold

This article indicates that the experience of other jurisdictions, notably Britain and Australia, tells us that there are serious consequences to this approach (privatization of airports). It documents four reasons: First, the cost to the consumer of air travel will increase. Second, the passenger experience may suffer as for-profit owners seek new ways of reducing their costs. Third, local representatives on the Board will be eliminated and local concerns will be lost. Fourth, the debt carried by the airports may result in it being passed on to passengers. Therefore, the long-term result is not in the best interest of Canadians because of the increased costs to passengers and the decrease in Canadian competitiveness.

34. Monthly civil aviation statistics, August 2016

The six Canadian Level I air carriers flew 7.4 million passengers on scheduled and charter services in August 2016, up 10.5% from August 2015. Together, these six airlines carried approximately the same number of passengers in August 2016 as the entire Canadian airline industry carried 50 years ago (7.7 million passengers in 1966 as a whole). Traffic increased 14.4% to 20.5 billion passenger-kilometres in August 2016—more than double the 10.0 billion passenger-kilometres recorded by the industry in 1966 as a whole. Capacity rose 15.1% to 23.2 billion available seat-kilometres. This resulted in a slightly lower passenger load factor in August (88.4%) than in the same month a year earlier (88.9%), as capacity growth outpaced traffic growth.

35. 2nd-Quarter 2016 Air Fare Data

The average US domestic air fare decreased to \$353 in the second quarter of 2016, down 9.6 percent from \$390 in the second quarter of 2015, adjusted for inflation, the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported on October 25, 2016.

36. WestJet recognized as Canada's most trusted airline

WestJet is Canada's most trusted airline according to the Gustavson School of Business at the University of Victoria's Brand Trust Index. The results are based on a survey of more than 6,000 Canadians across 276 brands.

WATER TRANSPORTATION

1. South Africa's Competition Commission raids six container shipping firms

South Africa's Competition Commission (SACC) said on September 29, 2016 that it conducted a search and seizure operation at the premises of six cargo shipping companies on allegations they may have engaged in collusive practices to fix incremental cargo rates from Asia to South Africa.

2. US shippers should expect higher terminal fees as ship sizes increase

US ports so far have been doing a reasonably good job loading and unloading mega-ships within the required berthing windows, but carriers' relentless deployment of ever-larger vessels will soon catch up with terminal operators and lead to higher terminal fees.

3. C.H. Robinson finalizes APC Logistics acquisition

Eden Prairie, Minn.-based third-party logistics provider C.H. Robinson said on September 30, 2016 that it has finalized the acquisition of APC Logistics, a freight forwarder and customs broker based out of Melbourne, Australia. C.H. Robinson financed the \$300 million AUD (U.S. \$229.7 million, based on September 30th, 2016 exchange rate) acquisition, along with the related fees and expenses, with cash and funds drawn from its existing revolving credit facility.

4. FMC serves stiff penalties to NVOs, carrier

The US Federal Maritime Commission has announced fines against seven logistics companies that violated either the Shipping Act or other FMC regulations.

5. Halifax Port Authority receives Information Technology award

The Halifax Port Authority's air gap monitoring program has received an award from the American Association of Port Authorities (AAPA). The AAPA's Information Technology Award in the Improvements in Intermodal Freight Transportation category was awarded to the Halifax Port Authority for its submission, The Big Lift – Air Gap Monitoring During Bridge Reconstruction Project.

6. US east coast to take more west coast market share

Today's 50:50 east-west coast market share of US containerised cargo will switch to 60:40 per cent in favour of the east coast, predicts Atlanta bank vice president Kiernan Conway. Speaking at the annual South Carolina International Trade Conference, Mr Conway, of Atlanta's Sun Trust Bank, said the south eastern's region's thriving economy, the Panama Canal expansion and combined with Los Angeles and Long Beach congestion to bring about a fundamental change in coastal market shares. "There will be a remaking of the North American supply chain from the west coast to the east coast," said Mr Conway, according to IHS Media.

7. Marine Emergency Duties Centre opens in Owen Sound

The new Algoma Central Corporation Marine Emergency Duties (MED) Centre was officially opened at the Owen Sound Campus of Georgian College. The \$7.5 million, 13,600-square-foot facility is a key part of the college's renowned Centre for Marine Training and Research. It will be used extensively by students enrolled in Georgian's postsecondary marine programs as well as by working mariners who require certification or refresher training.

8. Montreal Port opts for truck routing to cut wait times, GHGs

The Montreal Port Authority (MPA) has designed a new project to reduce delivery wait times and greenhouse gas emissions by optimizing

WATER TRANSPORTATION

Canada

1. South Africa's Competition Commission raids six container shipping firms, September 29, 2016, www.americanshipper.com

2. US shippers should expect higher terminal fees as ship sizes increase, September 30, 2016, www.joc.com

3. C.H. Robinson finalizes APC Logistics acquisition, September 30, 2016, www.americanshipper.com

4. FMC serves stiff penalties to NVOs, carrier, October 3, 2016, www.joc.com

5. Halifax Port Authority receives Information Technology award, October 3, 2016, www.portofhalifax.ca

6. US east coast to take more west coast market share, October 6, 2016, www.transportweekly.com

7. Marine Emergency Duties Centre opens in Owen Sound, October 11, 2016, www.ctl.ca

8. Montreal Port opts for truck routing to cut wait times, GHGs, October 11, 2016, www.todaystrucking.com

9. US Great Lakes/Seaway volume down year to date, October 13, 2016, www.joc.com

10. St. Lawrence Seaway experiences 5.3% drop in cargo shipments, October 13, 2016, www.americanshipper.com

11. DP World changes Canada's Saint John into a gateway for US imports, October 13, 2016, www.ctl.ca

12. Port of Metro Vancouver: Accumulated container traffic – Year-to-date September 2016, October 15, 2016, www.portmetrovancover.com

13. Port of Metro Montreal: Accumulated container traffic – Year-to-date September 2016, October 17, 2016, www.portofmontreal.ca

14. Port of Los Angeles sees box volumes rise in September, October 17, 2016, www.americanshipper.com

15. Algoma Central Corp. sells Ridley Square in St. Catharines, October 17, 2016, www.ctl.ca

16. Public Notice: Milton Logistics Hub Project — Information Sessions, October 14, 2016, www.cta-otc.gc.ca

17. Prince Rupert Port Authority – Monthly Traffic Report: January to August, 2016, October 19, 2016, www.rupertport.com

18. Growth at container terminals is slowing, says Drewry analyst, October 18, 2016, www.americanshipper.com

19. Port of Halifax – Accumulated container traffic – Third quarter 2016, Oct. 20, 2016, www.portofhalifax.ca

20. Prince Rupert Port Authority – Monthly Traffic Report: January to August, 2016, October 19, 2016, www.rupertport.com

truck routes to and from port terminals. The port will use an app-based data capture system to measure truck trips entering and leaving the Port. It will relay this information via Bluetooth wireless and licence plate readers in real-time to drivers and dispatchers. Tracking the movement of truck trips is expected to result in a comprehensive view of the traffic, bottlenecks and wait times at the various terminals.

9. US Great Lakes/Seaway volume down year to date

Cargo volume through US ports on the Great Lakes and St. Lawrence Seaway was down through September 2016.

10. St. Lawrence Seaway experiences 5.3% drop in cargo shipments

The Great Lakes Seaway Partnership said cargo shipments on the St. Lawrence Seaway between March 21 and Sept. 30 totaled 21 million metric tons, a 5.3 percent decline from the corresponding period in 2015. Coal shipments on the Seaway between March 21 and Sept. 30 tumbled 15 percent year-over-year, while iron ore shipments dropped 13 percent, and dry bulk shipments fell 11 percent.

11. DP World changes Canada's Saint John into a gateway for US imports

DP WORLD said it plans to make Saint John, New Brunswick, an Atlantic gateway for imports US-bound imports similar to what its Prince Rupert terminal does in the other direction on Canada's Pacific coast. The port is currently undergoing a seven-year, US\$155.6 million expansion and modernisation plan, according to IHS Media. The plan, still in the early stages, will more than double the port's annual container capacity to 330,000 TEU, add on-dock rail capacity, and expand its berth and harbour to handle 8,500-TEU ships, which is what it expects will be workhorses.

12. Port of Metro Vancouver: Accumulated container traffic – Year-to-date September 2016

The Port of Metro Vancouver reported its container traffic on October 15, 2016. For the first nine months (January to September 2016) total container traffic (TEUs) was 2,185,955 a 5.7% decline from the same period in 2015 (2,318,788). Total import traffic (TEUs) was 1,157,329 a 4.1% decline from the same period in 2015 (1,207,005). Total export traffic (TEUs) was 1,028,625 a 7.5% decline from the same period in 2015 (1,111,783).

13. Port of Montreal: Accumulated container traffic – Year-to-date September 2016

The Port of Montreal reported its container traffic on October 17, 2016. For the first nine months (January to September 2016) total container traffic (TEUs) was 1,082,647 a 1% decline from the same period in 2015 (1,093,682). Total import traffic (TEUs) was 540,578 a 2.7% decline from the same period in 2015 (555,369). Total export traffic (TEUs) was 542,069 a 0.7% increase from the same period in 2015 (538,313).

14. Port of Los Angeles sees box volumes rise in September

The Port of Los Angeles handled 747,707 TEUs in September 2016, an increase of 2.4 percent compared to September 2015. Loaded exports totaled 145,096 TEUs and were particularly strong, increasing 16.7 percent compared to last September. Loaded imports reached 388,958 TEUs in September, up 4.3 percent year-over-year. In addition, the Southern California port reported an 8.3 percent drop in empty containers from September 2015 to 213,653 TEUs. For the first nine months of 2016, overall container volumes through the port totaled 6.37 million TEUs, a 4.1 percent increase from the same period in 2015.

15. Algoma Central Corp. sells Ridley Square in St. Catharines

Algoma Central Corporation has sold Ridley Square in St. Catharines for \$14.1 million. "We are pleased to have accomplished another sale," said Ken Bloch Soerensen, president and CEO of the Company. "Ridley Square is the third property we have sold from our real estate portfolio. The proceeds from the sale of our properties will enable new growth for the company in an ever evolving marine industry."

16. Public Notice: Milton Logistics Hub Project — Information Sessions

The Canadian Environmental Assessment Agency and the Canadian Transportation Agency will have information sessions (October 26-27, 2016) on the joint process being established for the proposed Milton Logistics Hub Project and invite the public to attend. The information sessions will give members of the public and Indigenous groups an opportunity to learn about the review panel process and the upcoming public participation opportunities, as well as to ask questions of federal representatives.

17. Prince Rupert Port Authority – Monthly Traffic Report: January to August, 2016

The Port of Prince Rupert released its monthly traffic for August 2016 and for the period January to August 2016 on October 18, 2016. Total traffic (TEUs) for the period January to August 2016 was 507,889.25, a 4% decline (from 527, 035.25) for the same period a year ago. Total imports (TEUs) for this period were

21. FMC approves Ocean Alliance, October 21, 2016, www.americanshipper.com
22. Minister Garneau welcomes the Pacific Pilotage Authority's new marine safety measures, October 24, 2016, www.fc.gc.ca
23. News Digest MARAD 08-16, October 24, 2016, www.dot.gov

304,061, a 3% increase (from 295,158.50) for the same period a year ago. Total exports (TEUs) for this period were 203,828.25, a 12% decline (from 231, 876.75) for the same period a year ago.

18. Growth at container terminals is slowing, says Drewry analyst

Growth in the container terminal industry is slowing, a change investors in the industry are recognizing, said Neil Davidson, senior analyst in Drewry's ports and terminals practice. Drewry is forecasting annual growth of 3 percent in the container terminal industry, much more modest growth than in prior years. Margins will be lower, but Davidson believes the business will still be profitable. "The container port industry has been an extraordinary industry since its inception. It has seen growth that has outperformed the growth of most industries for a long and sustained period of time - 20-30 years of exceptional growth, sometimes extraordinary strong growth in the early 2000s.

19. Port of Halifax – Accumulated container traffic – Third quarter 2016

The Port of Metro Halifax reported its 2016 third quarter container traffic on October 20, 2016. For the third quarter (July to September 2016) total container traffic (TEUs) was 119,181, a 9.9% rise from the same period in 2015 (108,420). Total import traffic (TEUs) was 59,178 a 6.9% rise from the same period in 2015 (55,374). Total export traffic (TEUs) was 60,003 a 13.1% rise from the same period in 2015 (53,046). Passenger cruise traffic year to date (including third quarter) for 2016 increased 4.1% to 147,651 from 141,497.

20. Prince Rupert Port Authority – Monthly Traffic Report: January to September, 2016

The Port of Prince Rupert released its monthly traffic for September 2016 and for the period January to September 2016 on October 21, 2016. Total traffic (TEUs) for the period January to September 2016 was 568,414.25, a 4% decline (from 592, 150.75) for the same period a year ago. Total imports (TEUs) for this period were 339,429, a 3% increase (from 330,888.50) for the same period a year ago. Total exports (TEUs) for this period were 228,985.25, a 12% decline (from 261, 262.25) for the same period a year ago.

21. FMC approves Ocean Alliance

The Federal Maritime Commission (FMC) said it has concluded its review of the proposed OCEAN Alliance, FMC Agreement No. 012426, allowing it to take effect on October 24, 2016, although it is not expected to become operational until around April of next year. The OCEAN Alliance members include COSCO Shipping, CMA CGM, Evergreen Marine and Orient Overseas Container Line Limited (OOCL). The FMC said the members of the alliance are now permitted to share vessels; charter and exchange space on one other's ships; and enter into cooperative working arrangements in international trade lanes between the United States and ports in Asia, Northern Europe, the Mediterranean, the Middle East, Canada, etc.

22. Minister Garneau welcomes the Pacific Pilotage Authority's new marine safety measures

The Honourable Marc Garneau, Minister of Transport, welcomed the new measures announced on October 24, 2016 by the Pacific Pilotage Authority. These measures will help reduce risk by strengthening marine pilotage requirements for smaller ships, including those carrying petroleum cargo products in B.C.'s coastal waters.

23. Maritime Administration Releases Report on Zero Emission High-speed Passenger Ferry.

The Maritime Administration (MARAD) has released a feasibility study that examines the technical, regulatory, and economic feasibility of a high-speed passenger ferry powered solely by hydrogen fuel cells and its associated hydrogen fueling infrastructure in the San Francisco Bay. The study determined that it is possible technologically to build and to operate a 150 passenger, high speed, zero emission hydrogen-powered ferry and its associated hydrogen station in the current regulatory environment; however the current ferry design has a cost premium compared to a conventional diesel ferry.

RAIL TRANSPORTATION

1. AAR: U.S. rail traffic down 6.9% through September

United States-based freight railroads have seen shipment volumes drop 6.9 percent through the first three quarters of 2016 compared with the same 2015 period, according to data from the Association of American Railways. Intermodal volumes slid 3.2 percent to 10.08 million containers and trailers. For the month of September 2016, U.S. railway volumes also declined by 4.8%.

2. Minister Garneau announces new rail safety program targeted at reducing incidents and accidents on rail lines

The Government of Canada is significantly increasing its investment, and expanding eligibility criteria to reduce injuries and fatalities, and increase public safety around the railway system. The Honourable Marc Garneau, Minister of Transport, on October 12, 2016 announced the new Rail Safety Improvement Program with over \$55 million in funding. This new program increases overall funding, expands the list of eligible recipients and broadens the scope of projects that could be funded to enhance rail safety.

3. CP well-positioned to move delayed grain crop, establishing supply chain scorecard

Canadian Pacific is ready to move the delayed Western Canadian grain crop to market, and is highlighting supply chain accountability with its supply chain scorecard. "We have all the assets in place to move the crop to market, but given wet weather, snow and other factors, the vast majority of the crop is not yet ready to move," said CP's CEO, E. Hunter Harrison. "While CP is just one part of the global supply chain, we are taking a leadership role in ensuring the supply chain works together so that the Canadian economy – including farmers and shippers – reaps maximum benefit."

4. CSX to hold line on pricing despite volume drop

CSX Transportation's third-quarter intermodal volume and revenue may have declined, but the railway said it remains dedicated to strong pricing.

5. CSX's Q3 net earnings, revenues drop amid lower volumes

CSX Corporation said on October 13, 2016 that its net earnings for the third quarter of 2016 totaled \$455 million, a 10 percent decline from the third quarter of 2015. The Jacksonville, Fla.-based Class 1 railway's earnings per share (EPS) surpassed analyst expectations, reaching \$0.48 per share for the third quarter, but the result was still down from \$0.52 per share for the third quarter of 2015. On average, analysts expected CSX's EPS for the third quarter of this year to total \$0.45 per share. Meanwhile, CSX's revenues for the quarter tumbled 8 percent year-over-year to \$2.7 billion, consistent with an 8 percent decline in overall volumes, including a 21 percent drop in coal volumes.

6. CP reports Q3 2016 diluted earnings per share of \$2.34; adjusted diluted EPS of \$2.73

Canadian Pacific Railway Limited on October 19, 2016 indicated its third-quarter reported diluted earnings per share (EPS) of \$2.34, adjusted diluted EPS of \$2.73 and an operating ratio of 57.7 percent, the lowest-ever when compared to adjusted operating ratios in previous quarters. "Despite decreased revenues, tied to a delayed grain harvest and stiff economic headwinds, our business model continues to perform on the cost side," said E. Hunter Harrison, CP's Chief Executive Officer. "Our commitment to efficiency, asset optimization, and operational excellence has produced yet another record-low operating ratio." While third-quarter revenues decreased 9 percent to \$1.55 billion from \$1.71 billion, diluted earnings per share rose 15 percent to \$2.34 from \$2.04 and adjusted diluted earnings per share advanced 1 percent to \$2.73 from \$2.69.

7. CP grows earnings despite lower volumes, revenues

RAIL TRANSPORTATION Canada

1. AAR: U.S. rail traffic down 6.9% through September, October 6, 2016, www.americanshipper.com
2. Minister Garneau announces new rail safety program targeted at reducing incidents and accidents on rail lines, October 12, 2016, www.tc.gc.ca
3. CP well-positioned to move delayed grain crop, establishing supply chain scorecard, October 14, 2016, www.cpr.ca
4. CSX to hold line on pricing despite volume drop, October 13, 2016, www.joc.com
5. CSX's Q3 net earnings, revenues drop amid lower volumes, Oct 13, 2016, www.americanshipper.com
6. CP reports Q3 2016 diluted earnings per share of \$2.34; adjusted diluted EPS of \$2.73, October 19, 2016, www.cpr.ca
7. CP grows earnings despite lower volumes, revenues, October 19, 2016, www.americanshipper.com
8. Union Pacific's Q3 net income falls amid lower volumes, October 20, 2016, www.americanshipper.com
9. Intermodal Transport: The Little Engine That Could, October 25, 2016, www.inboundtransportlogistics.com
10. CN reports Q3-2016 net income of C\$972 million, or C\$1.25 per diluted share, October 25, 2016, www.cn.ca
11. CN announces new share repurchase program and declares fourth-quarter 2016 cash dividend, October 25, 2016, www.cn.ca
12. Railway Carloadings, August 2016, October 26, 2016, www.statcan.gc.ca
13. Norfolk Southern reports third-quarter 2016 results, October 26, www.nscorp.com
14. CN again recognized as world leader for corporate action on climate change, October 27, 2016, www.cn.ca
15. Public policy coalition opposes STB reciprocal switching regulations, October 27, 2016, www.americanshipper.com

Canadian Pacific Railway Ltd. grew its earnings 7.4 percent to \$347 million Canadian (U.S. \$266.4 million) in the third quarter of 2016 compared with the same 2015 period despite lower volumes and revenues, according to the company's latest financial statements. Net earnings per diluted share (EPS) jumped 15 percent, from C\$2.04 in Q3 2015 to C\$2.34 per diluted share in Q3 2016, on revenues that slid 9.4 percent year-over-year to C\$1.55 billion.

8. Union Pacific's Q3 net income falls amid lower volumes

Union Pacific Corporation's net income for the third quarter of 2016 tumbled 13% year-over-year to \$1.1 billion, according to the company's financial statements released on October 20, 2016. The Omaha, Neb.-based Class I railway's diluted earnings per share for the quarter totaled \$1.36 per diluted share, down from \$1.50 per diluted share for the third quarter of 2015. Operating revenues for the quarter fell 7 percent year-over-year to \$5.2 billion. Union Pacific's third quarter results were hindered by lower carload volumes. The railway's coal segment was especially sluggish during this quarter.

9. Intermodal Transport: The Little Engine That Could

This article discusses the market forces that are prompting shippers to choose (or not choose) intermodal transportation today. It also looks at some recent developments that continue to increase the advantages that intermodal offers.

10. CN reports Q3-2016 net income of C\$972 million, or C\$1.25 per diluted share

CN on October 25, 2016 reported its financial and operating results for the third quarter ended Sept. 30, 2016. The third-quarter 2016 financial highlights were: 1) Net income was C\$972 million, or C\$1.25 per diluted share, compared with net income of C\$1,007 million, or C\$1.26 per diluted share for the third quarter of 2015. 2) Operating income declined five per cent to C\$1,407 million. 3) Revenues decreased by six per cent to C\$3,014 million. Carloadings declined four per cent and revenue ton-miles declined three per cent. 4) Operating expenses declined seven per cent to C\$1,607 million. 5) A record 53.3 per cent operating ratio, a 0.5-point improvement over the prior-year quarter's performance. 6) Free cash flow for the first nine months of 2016 was C\$1,743 million, compared with C\$1,741 million for the year-earlier period. Luc Jobin, CN president and chief executive officer, said: "With solid execution from our industry-leading operating team and a network-wide focus on providing quality service, CN delivered outstanding results in the third quarter while facing a still sluggish North American and global economy."

11. CN announces new share repurchase program and declares fourth-quarter 2016 cash dividend

CN announced on October 25, 2016 that its Board of Directors has approved a new share repurchase program. CN believes that the repurchase of its shares represents an appropriate and beneficial use of the Company's funds. Ghislain Houle, CN executive vice-president and chief financial officer, said: "CN has proven resilient in challenging market conditions by continuing to deliver solid financial results and free cash flow. Over the past five years, CN has repurchased 135 million shares, returning approximately C\$8 billion to its shareholders. I am pleased that CN continues its track record of rewarding shareholders with this new program."

12. Railway Carloadings, August 2016.

The volume of rail freight carried in Canada totalled 29.8 million tonnes in August 2016, down 0.8% from the same month in 2015. From August 2011 to August 2016, the total volume of rail freight carried in Canada increased 6.6%. In August 2016, freight originating in Canada increased 0.6% compared with August 2015 to 27.1 million tonnes. These shipments were composed of both non-intermodal and intermodal freight. Non-intermodal freight rose 1.2% to nearly 294,000 carloads in August. Intermodal freight loadings rose 4.3% to just over 200,000 units from August 2015 to August 2016. In terms of weight, intermodal traffic was up 4.5% to 2.9 million tonnes, as the 5.1% increase in containers on flat cars offset the 16.1% decrease in trailers on flat cars.

13. Norfolk Southern reports third-quarter 2016 results

Norfolk Southern Corporation (NSC) on October 26, 2016 reported financial results for third-quarter 2016. Net income was \$460 million, 2 percent higher compared with \$452 million during the same period of 2015. Diluted earnings per share were \$1.55, 4 percent higher compared with \$1.49 per diluted share earned in the third quarter last year. "Our continued focus on efficiency and asset utilization, balanced with our commitment to customer service, drove an operating ratio of 67.5 percent for the quarter and a record 68.7 percent for the first nine months, setting us well on the way to achieving productivity savings of about \$250 million and an operating ratio below 70 percent for the year -- even in the face of economic headwinds," said Chairman, President and CEO James A. Squires. "As we move forward, we are well positioned for growth opportunities longer term and confident in our ability to drive shareholder value."

14. CN again recognized as world leader for corporate action on climate change

CN has been identified as a global leader for its actions and strategies in response to climate change and this week has been awarded a position on the Climate A List by CDP, the international not-for-profit that drives sustainable economies.

15. Public policy coalition opposes STB reciprocal switching regulations

A group led by the Competitive Enterprise Institute sent a letter to Congress calling the Surface Transportation Board's proposal to increase reciprocal switching an "unlawful attempt to push the U.S. railroad industry back into the economic dark ages." The letters to Congress from CEI and its fellow coalition mates were even less complimentary, calling the reciprocal switching regulations an "unlawful attempt to push the U.S. railroad industry back into the economic dark ages." We write today to strongly oppose efforts to re-regulate our nation's freight rail industry currently being considered by the Surface Transportation Board," the group wrote. "We believe that freight rail deregulation - culminating in the Staggers Rail Act of 1980 - represents one of the most significant economic policy successes in the history of the United States and that these reforms must be protected."

HIGHWAY TRANSPORTATION

1. Remarks for The Honourable Marc Garneau Minister of Transport for the News Conference After the Meeting of the Council of Ministers Responsible for Transportation and Highway Safety (CMTHS)

The CMTHS ministers all agreed that transportation is one of the engines that drive our economy and that a strong, integrated and modern system is key to growth and prosperity. Passengers need a modern system that will offer more convenience. For example, they recently announced the "e-Tag" initiative by allowing passengers to apply their own baggage tags on checked luggage before heading to the airport. They also talked about fostering innovation and renewing our trade transportation infrastructure. More specifically they discussed: 1. the long-term agenda for transport in Canada; 2. climate change and its impact on our transportation system; 3. distracted and drug-impaired driving; 4. automated vehicles; 5. vulnerable road users; and 6. electronic logging devices for trucks. They also reached consensus to create a federal-provincial-territorial task force to look into interprovincial truck-related regulations to harmonize those regulations across the country wherever possible.

2. Couriers and Messengers Services Price Index, August 2016

The Couriers and Messengers Services Price Index (CMSPI) increased 0.2% in August 2016 from the previous month. The couriers component rose 0.3%, while the local messengers and local delivery component decreased 0.3%. The CMSPI rose 3.0% in August 2016 compared with the same month a year earlier. The couriers component increased 3.9%, while the local messengers and local delivery component declined 0.8%.

3. For-hire Motor Carrier Freight Services Price Index, second quarter 2016

The For-hire Motor Carrier Freight Services Price Index was down 0.1% in the 2016 second quarter compared with the 2016 first quarter. This was the eighth consecutive quarterly decline. Both the general freight trucking component (-0.2%) and the specialized freight trucking component (-0.1%) posted decreases in the second quarter. The index was down 3.1% in the 2016 second quarter compared with the same quarter of 2015. The general freight trucking component (-3.0%) and the specialized freight trucking component (-3.5%) both decreased.

4. Ontario to fine high drivers as of Oct. 2

HIGHWAY TRANSPORTATION Canada

1. Remarks for The Honourable Marc Garneau Minister of Transport for the News Conference After the Meeting of the Council of Ministers Responsible for Transportation and Highway Safety, September 28, 2016, www.tc.gc.ca
2. Couriers and Messengers Services Price Index, August 2016, September 30, 2016, www.statcan.gc.ca
3. For-hire Motor Carrier Freight Services Price Index, second quarter 2016, September 30, 2016, www.statcan.gc.ca
4. Ontario to fine high drivers as of Oct. 2, September 30, 2016, www.todaystrucking.com
5. Transport Canada's actions to improve safety for cyclists and pedestrians on Canada's roadways, September 30, 2016, www.tc.gc.ca
6. ATA Boss: Trucking Must Have Role in Creating Autonomous-Driving Policy, October 3, 2016, www.ctl.ca
7. U.S. DOT National Safety Council Launch Road to Zero Coalition to End Roadway Fatalities, October 5, 2016, www.dot.gov
8. DHL subsidiary acquires Italian logistics provider, October 6, 2016, www.americanshipper.com
9. U.S. Department of Transportation Announces \$14.7 Million to Improve Transit Access in Selected Communities Around the Country, October 11, 2016, www.dot.gov
10. Extension of Highway 73 - Official Opening of Last Stretch of Highway 73 toward Saint-Georges, October 12, 2016, www.tc.gc.ca
11. Quebec invests in electric truck prototypes, October 12, 2016, www.todaystrucking.com
12. Montreal bans heavy trucks from aging Champlain Bridge, October 12, 2016, www.todaystrucking.com
13. August 2016 Freight Transportation Services Index (TSI), October 13, 2016, www.dot.gov
14. ATA: Trucking volumes to grow 27% by 2027, October 13, 2016, www.americanshipper.com
15. K + N posts Q3, first nine-month results, October 18, 2016, www.americanshipper.com

As of Oct. 2, 2016, Ontario drivers deemed to be high behind the wheel will face fines that match those in place for drunk driving. The province announced that drivers under the influence of drugs will face a \$180 fine and a three-day licence suspension for a first offense. "Whether it's drugs or alcohol, impaired driving is never okay," said Ontario Minister of Transportation Steven Del Duca.

5. Transport Canada's actions to improve safety for cyclists and pedestrians on Canada's roadways

The Honourable Marc Garneau, Minister of Transport, recently announced that Transport Canada and the provinces and territories will establish a new task force to discuss safety measures to reduce injuries and fatalities involving cyclists, pedestrians and heavy trucks. Established under the Canadian Council of Motor Transport Administrators (CCMTA), federal, provincial and territorial members of the task force will be assessing the effectiveness of possible countermeasures to address collisions involving vulnerable road users (pedestrians and cyclists) and heavy trucks.

6. ATA Boss: Trucking Must Have Role in Creating Autonomous-Driving Policy

Autonomous vehicles, including commercial trucks, are already a reality, but the trucking industry must have a "seat at the table ... to develop a [policy] framework without stymying innovation," Chris Spear, president of the American Trucking Associations, said at the ATA's Management Conference & Exposition in Las Vegas. He said technology for autonomous trucks is growing rapidly. While there is potential for so much innovation, there are also regulatory and operational concerns that need to be addressed by governments and industry, *Heavy Duty Trucking* reported Spear as saying.

7. U.S. DOT National Safety Council Launch Road to Zero Coalition to End Roadway Fatalities

U.S. Department of Transportation's National Highway Traffic Safety Administration, Federal Highway Administration, and Federal Motor Carrier Safety Administration are joining forces with the National Safety Council (NSC) to launch the *Road to Zero* coalition with the goal of ending fatalities on the nation's roads within the next 30 years. The Department of Transportation has committed \$1 million a year for the next three years to provide grants to organizations working on lifesaving programs.

8. DHL subsidiary acquires Italian logistics provider

DHL Supply Chain has acquired a 100 percent stake in Italian logistics provider MIT Safetrans, the company said in a statement. Based in Carugate, Italy, MIT Safetrans specializes in niche, high value logistics services in the technology, pharmaceutical, banking and vending sectors. Financial terms of the deal were not disclosed. With the deal, the Deutsche Post DHL Group contract logistics subsidiary adds 20 operating sites to its network in Italy.

9. U.S. Department of Transportation Announces \$14.7 Million to Improve Transit Access in Selected Communities Around the Country

The U.S. Department of Transportation's Federal Transit Administration (FTA) on October 11, 2016 announced that 16 organizations around the country will receive a share of \$14.7 million in grants to support comprehensive planning projects that improve access to public transit.

10. Extension of Highway 73 - Official Opening of Last Stretch of Highway 73 toward Saint-Georges

Government officials announced the official opening of the final stretch of the Robert Cliche Highway (A-73), which now links Lévis to Saint-Georges. The completion of the extension of this highway to Saint-Georges required a total investment of nearly 490 million dollars. Of this amount, 363.5 million came from the Quebec government and 126.5 million from the federal government.

11. Quebec invests in electric truck prototypes

Quebec is contributing \$8.6 million from the province's Green Fund to five companies working on the electrification of heavy vehicles. Autobus Lion, TM4, AddEnergie Technologies, Solution Adetel and Alcoa, are expected to build four prototypes over the next three years, including two buses and two load-hauling trucks. To create lightweight vehicles, special attention will be given to the use of aluminum, officials said.

16. FedEx investing \$1.5 billion in Paris distribution hub, October 18, 2016, www.joc.com

17. Truckload rates fall for seventh straight month in September, October 18, 2016, www.americanshipper.com

18. Fines, RFPs among contentious issues discussed by shippers and carriers, October 19, 2016, www.ctl.ca

19. Fastfrate continues growth with \$20M investment, October 2010, www.todaystrucking.com

20. Cass: North American freight market free fall continues in September, October 20, 2016, www.americanshipper.com

21. Highway 104 Twinning Project Officially Opens, October 22, 2016, www.tc.gc.ca

22. Large Urban Transit, August 2016, October 24, 2016, www.statcan.gc.ca

23. Study: Fuel Savings Come in Many Forms, October 23, 2016, www.cantruck.ca

24. Butler: Get a Pot Policy – Now, October 23, 2016, www.cantruck.ca

25. TransForce posts "solid" Q3 report, says CEO, October 25, 2016, www.todaystrucking.com

26. Economists: Conditions Pave Way for Rate Rebound, October 25, 2016, www.cantruck.ca

27. XPO sells US truckload division to TransForce for \$558 million, October 27, 2016, www.joc.com

28. ATA truck tonnage index declined 0.7% in September to 132.7, October 27, 2016, www.ctl.ca

12. Montreal bans heavy trucks from aging Champlain Bridge

Heavy trucks carrying more than 66 tonnes have been banned from travelling Montreal's Champlain Bridge as the aging infrastructure's durability continues to be threatened by growing traffic volumes. Trucks were banned from the bridge — or will now require a special permit — as of Oct. 10, 2016 announced a statement from management at Ponts Jacques Cartier+Champlain Bridges. The 54-year-old bridge — one of Canada's busiest and most studied — spans the Saint Lawrence River to connect Montreal to boroughs on the South Shore.

13. August 2016 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, fell 1.8 percent in August 2016 from July 2016, falling after rising for four consecutive months, according to the U.S. Department of Transportation's Bureau of Transportation Statistics' (BTS). The August 2016 index level (122.3) was 29.0 percent above the April 2009 low during the most recent recession. On a year-to-year basis, freight shipments measured by the index were up 0.8 percent in August 2016 compared to the end of 2015.

14. ATA: Trucking volumes to grow 27% by 2027

The amount of cargo moving by truck in the United States is expected to grow 27 percent between 2016 and 2027, according to the latest U.S. Freight Transportation Forecast report from the American Trucking Associations (ATA). ATA noted in the report overall freight tonnage in the U.S. is projected to grow 35 percent during that same time period. Truckload volumes are expected grow 2 percent annually between 2016 and 2022 and 1.6 percent each year after that until 2027, while less-than-truckload (LTL) volumes are predicted to grow at a 3 percent rate through 2022 and 2.8 percent from 2023 to 2027, according to the report.

15. K + N posts Q3, first nine-month results

Kuehne + Nagel (K + N) reported on October 18, 2016 that its net profits for the third quarter of 2016 slipped 4.8 percent year-over-year to 177 million Swiss francs (U.S. \$178.8 million). Gross profits for the quarter ticked up 3.3 percent year-over-year to CHF 1.6 billion. For the first nine months of 2016, the Swiss-based third-party logistics provider's net profits rose 4.1 percent from the corresponding period in 2015 to CHF 533 million, while gross profits jumped 6.3 percent to CHF 4.9 billion.

16. FedEx investing \$1.5 billion in Paris distribution hub

The US delivery company, FedEx, will spend 200 million euros to expand its sorting facility at Charles de Gaulle airport and 1.2 billion euros on a 30-year lease.

17. Truckload rates fall for seventh straight month in September

Truckload rates fell another 3.5 percent in September 2016 compared with the previous year, the seventh consecutive month of year-over-year declines, according to the latest Cass Truckload Linehaul Index. The September decrease followed pricing declines of 0.6 percent in March 2016, 2.3 percent in April 2016, 1.2 percent in May 2016, 1.8 percent in June 2016, 1.6 percent in July 2016, and 2.8 percent in August 2016.

18. Fines, RFPs among contentious issues discussed by shippers and carriers

You can't bring shippers and carriers together under one roof without talk turning, sooner or later, to the contentious subject of requests for proposals (RFPs). So it's no surprise that talks at this year's Surface Transportation Summit, as in past years, once again returned to RFPs. "This tendering process, in my opinion, they're a waste of time," said Rolly Uloth, president of The Rosedale Group.

19. Fastfrate continues growth with \$20M investment

Consolidated Fastfrate says it's investing nearly \$20 million in a series of moves to grow as a major intermodal player in the industry.

20. Cass: North American freight market free fall continues in September

The North American freight market free fall continued in September 2016 despite "less bad" data coming out of August, according to the latest Cass Freight Index Report. Shipment volumes in August were up 0.4 percent from July and "only" down 1.1 percent from the previous year, engendering what Cass referred to as mere "false hope." In September, shipment volumes slipped 0.4 percent from the previous month and 3.1 percent compared with the same 2015 period.

21. Highway 104 Twinning Project Officially Opens

On October 22, 2016, government officials opened the Highway 104 twinning project to traffic. The multi-phased Highway 104 project is a 14.5-kilometre new four-lane highway that stretches from west of Addington Forks Road to the east point of Taylors Road, Antigonish County. It will improve safety, ease congestion and cut travel time for drivers. The cost of the project was \$159 million. The Government of

Canada contributed \$55 million from the Building Canada Fund, with the province contributing the remaining \$104 million.

22. Large Urban Transit, August 2016

Total operating revenues (excluding subsidies) for 10 of Canada's largest urban transit systems rose 2.0% year over year to \$272.9 million in August 2016. Over the same period, ridership decreased 0.4% to 120.7 million passenger trips.

23. Study: Fuel Savings Come in Many Forms

A study by the American Transportation Research Institute determined that the median fleet-wide fuel economy is 6.5 miles per gallon, and that the number was achieved through the use of a variety of fuel saving technologies. For truck-tractors, aluminum wheels, speed limiters and low rolling resistance tires were reported as the most common fuel saving technologies, while for trailers, low rolling resistance tires, aluminum wheels and weight saving technologies were most common.

24. Butler: Get a Pot Policy – Now

Carriers who don't have a policy in place for how to address and deal with employees who use medical marijuana or plan on using marijuana recreationally once the federal Liberal government introduces its plan to legalize the drug, need to get one and fast. That was the message from Barbara Butler, president of Barbara Butler and Associates, a firm that specializes in workplace drug and alcohol policies, at the Atlantic Provinces Trucking Association's transportation summit recently. "Once you find out your driver is using marijuana...you're going to have to make a decision," Truck News Reported Butler as saying. "Can you let this person work for you? Can you relocate them in the company? You need to decide because they certainly can't keep driving trucks, that's for sure."

25. TransForce posts "solid" Q3 report, says CEO

TransForce, one of the largest trucking companies in North America, says it had a strong 2016 third quarter as it tries to weather a struggling economic climate.

26. Economists: Conditions Pave Way for Rate Rebound

Economic growth should accelerate and impending regulations should give carriers the ability to increase rates in 2017, according to speakers at Newcom's Surface Transportation Summit.

27. XPO sells US truckload division to TransForce for \$558 million

XPO sells US truckload division to TransForce for \$558 million. The acquisition gives Canada's largest trucking operator a bigger US presence and route into Mexico and helps XPO pay down debt.

28. ATA truck tonnage index declined 0.7% in September to 132.7

American Trucking Associations' advanced seasonally adjusted (SA) For-Hire Truck Tonnage Index contracted 5.8 percent in September 2016, following a five per cent rise in August. In September 2016, the index equalled 132.7, down from 140.8 in August, 2016. Compared with September 2015, the SA index decreased by 0.7 per cent, the first year-on-year decline since October 2015.

GENERAL TRANSPORTATION

Canada

1. Task force to examine new technologies, education and awareness

The Government of Canada understands that cyclists and pedestrians expect their roads to be safe. They rely on them to commute to work, to explore their communities, and to get their families home safely. The Honourable Marc Garneau, Minister of Transport, announced that Transport Canada and the provinces and territories will establish a new task force to discuss safety measures to reduce injuries and fatalities involving cyclists, pedestrians and heavy trucks. The task force, established through the Canadian Council of Motor Transport Administrators, will explore cameras, sensor systems, side guards, as well as educational safety and awareness programs.

2. A Decade of Making Aviation Even Safer

The International Air Transport Association (IATA) is organizing a conference for aviation safety experts to advance safety management by sharing knowledge accumulated over the decade since the International Civil Aviation Organization (ICAO) safety management standards and recommended practices were introduced. The conference, under the theme "A Decade in Review and the Vision Forward," was hosted by the United Arab Emirates General Civil Aviation Authority (GCAA) and Etihad Airways, and took place in Abu Dhabi, October 25-27.

3. Canadian international merchandise trade, August 2016

Canada's exports increased 0.6% to \$43.4 billion in August 2016, while imports were largely unchanged at \$45.3 billion. Consequently, Canada's merchandise trade deficit with the world narrowed from \$2.2 billion in July 2016 to \$1.9 billion in August 2016.

4. Commission welcomes landmark international agreement to curb aviation emissions

The European Commission welcomes the landmark agreement reached on October 6, 2016 by the International Civil Aviation Organisation (ICAO), with the adoption of a Global Market-Based Measure (GMBM) to reduce international aviation emissions. The European Union and its Member States played an instrumental role in brokering this deal, which constitutes the first-ever agreement to reduce CO2 emissions in a global sector. This new multilateral deal shows that the EU is committed to keep global warming well below 2°C. It is also a key deliverable under the European Strategy for low-emission mobility.

5. Statement by Minister Garneau on the adoption of the global market based measure by the International Civil Aviation Organization

The Honourable Marc Garneau, Minister of Transport, issued the following statement regarding the adoption of the global market based measure adopted by the International Civil Aviation Organization: "I am delighted that the International Civil Aviation Organization adopted today a global market based measure to make civil aviation carbon neutral starting in 2021." This is the first global agreement to reduce greenhouse gas emissions since COP21 in Paris, and I am extremely proud of the leadership role that Canada played in the negotiation of this global deal.

6. Leading indicator of cross-border traveller volume, September 2016 (preliminary)

Data on the number of United States travellers entering Canada by car in September 2016 are now available upon request. Data are available by visitors' state of residence and province of entry into Canada.

7. British government says Brexit will broaden nation's global horizons

Brexit will give the United Kingdom the opportunity to seek new trading partners and broaden its global horizons, according to UK Minister of State for Foreign and Commonwealth Affairs Alan Duncan, who said the UK will remain an "outward-facing sovereign nation". "What you will not see is the UK pulling up the drawbridge," Mr Duncan, who oversees Britain's relations with the Americas and Europe, told an audience in Washington at the Brookings Institution, a research group. We're not leaving Europe and we're not pulling back from the world," he said.

8. €1.9 billion to support key European transport projects

Canada

1. Task force to examine new technologies, education and awareness, September 29, 2016, www.tc.gc.ca

2. A Decade of Making Aviation Even Safer, October 4, 2016, www.iata.org

3. Canadian international merchandise trade, August 2016, October 5, 2016, www.statcan.gc.ca

4. Commission welcomes landmark international agreement to curb aviation emissions, October 7, 2016, www.europa.eu

5. Statement by Minister Garneau on the adoption of the global market based measure by the International Civil Aviation Organization, October 6, 2016, www.tc.gc.ca

6. Leading indicator of cross-border traveller volume, September 2016 (preliminary), October 11, 2016, www.statcan.gc.ca

7. British government says Brexit will broaden nation's global horizons, October 13, 2016, www.transportweekly.com

8. €1.9 billion to support key European transport projects, October 14, 2016, www.europa.eu

9. Ministers of Transport and Agriculture meet stakeholders to discuss grain transportation, October 20, 2016, www.tc.gc.ca

The European Commission launched the [third round of calls for proposals under the Connecting Europe Facility \(CEF\)](#) for transport on October 14, 2016, making €1.9 billion available to finance key transport projects. €1.1 billion are earmarked for projects in Member States eligible for financing from the EU Cohesion Fund, in order to better integrate these countries into the internal market.

9. Ministers of Transport and Agriculture meet stakeholders to discuss grain transportation

As one of the world's largest exporters of agricultural and agri-food products, Canada needs a transportation system that provides stable and predictable access to international markets. On October 20, 2016, the Honourable Marc Garneau, Minister of Transport, was joined by the Honourable Lawrence MacAulay, Minister of Agriculture and Agri-Food, for a roundtable meeting with grain sector representatives. The roundtable aimed to gather the views of the western agriculture sector on the *Canada Transportation Act* review and the development of a long-term agenda for transportation in Canada.