

Transportation Information Update*

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AIR TRANSPORTATION

1. Air fares, 2016

Base air fares in Canada, domestic and international combined, averaged \$227.90 in 2016, down 5.4% from 2015. Base air fares do not include taxes and user fees. This marked the third consecutive annual decline following a year-over-year increase in 2013 (+0.2%). All four quarters saw year-over-year declines in 2016, with the most notable drops occurring in the first and second quarters. The average domestic fare was \$167.50, down 5.2% from the previous year, while the average international fare fell 7.1% to \$292.00.

2. Government of Canada investing in safety at the Deer Lake Regional Airport

Gudie Hutchings, Member of Parliament for Long Range Mountains and Parliamentary Secretary for Small Business and Tourism, on behalf of the Honourable Marc Garneau, Minister of Transport, on August 30, 2017 announced the government's \$997,880 investment to purchase an aircraft rescue and firefighting vehicle and associated equipment at the Deer Lake Regional Airport. The funding comes through Transport Canada's Airports Capital Assistance Program. Since the Program's launch in 1995, the Government of Canada has provided more than \$785.9 million for 904 projects at 182 airports across the country.

3. Aircraft movement statistics: Major airports, June 2017

There were 530,182 aircraft take-offs and landings at the 91 Canadian airports with NAV CANADA air traffic control towers and flight service stations in June, compared with 505,884 movements in June 2016.

4. Air Canada To Launch New International Boeing 787 Dreamliner Routes from Vancouver

Air Canada announced on August 31, 2017 the strategic expansion of its international network from Vancouver with new services launching June 2018 to Paris and Zurich, and the start of year-round flights to Melbourne. All flights will be available for purchase starting September 6 at aircanada.com or through travel agents. In addition, Air Canada is increasing its non-stop Delhi flights from Vancouver that resume October 14, 2017 with up to five times weekly service for the 2017/2018 season, and increasing its London-Heathrow service with twice-daily flights for summer 2018.

5. Double Digit Growth for Global Air Freight Demand in July

The International Air Transport Association (IATA) released data for global air freight markets showing that demand, measured in freight tonne kilometers (FTKs), increased by 11.4% in July 2017 compared to the same period a year ago. This was the fourth time in five months that double-digit annual growth was recorded. July's year-on-year increase in demand is nearly four times higher than the ten year average growth rate of 3.1%. Freight capacity, measured in available freight tonne

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1. Air fares, 2016, August 30, 2017, www.statcan.gc.ca
2. Government of Canada investing in safety at the Deer Lake Regional Airport, August 30, 2017, www.tc.gc.ca
3. Aircraft movement statistics: Major airports, June 2017, August 31, 2017, www.statcan.gc.ca
4. Air Canada To Launch New International Boeing 787 Dreamliner Routes from Vancouver, August 31, 2017, www.aircanada.ca
5. Double Digit Growth for Global Air Freight Demand in July, September 5, 2017, www.iata.org
6. Record passenger load factor in July, September 7, 2017, www.iata.org
7. Winter in Mont Tremblant arrives with Porter Airlines seasonal service, September 7, 2017, www.flyporter.com
8. Future of the Airline Industry 2035, September 2017, www.iata.org
9. WestJet reports highest load factor in 21-year history, September 12, 2017, www.westjet.ca
10. Air Canada Concludes "Win-Win" Amendments to Long-Term Collective Agreement with Pilots, September 12, 2017, www.aircanada.ca
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12. Porter Airlines now flying to Fredericton, September 12, 2017, www.flyporter.com
13. Aircraft movement statistics: Small airports, May 2017, September 14, 2017, www.statcan.gc.ca
14. July 2017 Flight Cancellations Down From Previous Year, Equal to June 2017, September 14, 2017, www.dot.gov
15. Speaking notes for the Honourable Marc Garneau, minister of transport Bill C-49 transportation modernization act House of Commons' committee on transportation, infrastructure and communities, September 14, 2017, www.tc.gc.ca

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

kilometers (AFTKs), grew by 3.7% year-on-year in July 2017. Demand growth continues to significantly outstrip capacity growth, which is positive for airline yields and the industry's financial performance.

6. Record passenger load factor in July

The International Air Transport Association (IATA) announced global passenger traffic results for July 2017 showing strong but moderating demand growth. Total revenue passenger kilometers (RPKs) rose 6.8%, compared to the same month last year, down from 7.7% year-over-year growth recorded in June 2017. All regions reported solid or better growth in passenger volumes over the past year. Capacity (as measured by available seat kilometers or ASKs) increased by 6.1%, and load factor rose 0.6 percentage points to a July record of 84.7%.

7. Winter in Mont Tremblant arrives with Porter Airlines seasonal service

Porter Airlines welcomes ski season with winter service between Billy Bishop Toronto City Airport and Mont Tremblant on December 8, 2017. Flights are available until April 2, 2018, with service up to five times weekly. Connecting flights to Mont Tremblant via Toronto are also available from a number of Porter destinations.

8. Future of the Airline Industry 2035

This IATA study identifies the many factors and forces (drivers of change) that one needs to keep an eye on when taking decisions that affect the future of the airline industry, and directly or indirectly that affect the lives of millions of people that depend on it. It also sets out some scenarios that the industry may face in 2035. The Report makes eleven major recommendations.

9. WestJet reports highest load factor in 21-year history

WestJet on September 12, 2017 announced August 2017 traffic results with a load factor of 90.6 per cent, an increase of 4.1 percentage points year over year. Revenue passenger miles (RPMs), or traffic, increased 10.6 per cent year over year, and capacity, measured in available seat miles (ASMs), grew 5.6 per cent over the same period. The airline flew an all-time monthly record of 2.3 million guests in August 2017, a year-over-year increase of 13.8 per cent or approximately 288,000 additional guests. Greg Saretsky, CEO of Westjet said "We are extremely pleased with our double digit traffic results, as we reported our highest ever load factor of 90.6 per cent...."

10. Air Canada Concludes "Win-Win" Amendments to Long-Term Collective Agreement with Pilots

Air Canada said on September 12, 2017 that it has successfully concluded amendments to its existing long-term labour agreement with its 3,500 pilots represented by the Air Canada Pilots Association (ACPA). The amendments to the ten-year agreement reached in October 2014 provide added commercial and operational flexibility as well as improved cost competitiveness while also providing attractive career growth opportunities and other advantages for its pilots.

11. Air Canada Deepens Embrace of the Emerald Isle with Expanded Non-Stop Services to Ireland from Toronto and Montreal

Air Canada on September 12, 2017 announced expanded seasonal services to Ireland with new non-stop flights from Toronto to Shannon and between Montreal and Dublin. The flights will be operated using Air Canada's newest single-aisle aircraft, the Boeing 737 Max 8 featuring a Business and Economy cabin configuration.

12. Porter Airlines now flying to Fredericton

16. 2017 Semi-Annual and June U.S. Airline Traffic Data, September 15, 2017, www.dot.gov

17. Air Canada Establishes New Targets for 2018-2020 and Provides Update on its Loyalty Business, September 19, 2017, www.aircanada.ca

18. Cargo demand rises for European airlines in August, September 18, 2017, www.americanshipper.com

19. Air Canada to expand routes, fare structure in bid to fly alongside low-cost carriers, September 20, 2017, www.globeandmail.ca

20. Air Canada and AAR Conclude \$500M CAD Agreement for Airframe Maintenance in Quebec, Canada, September 19, 2017, www.aircanada.ca

21. Porter Airlines opening crew base in Thunder Bay, September 19, 2017, www.flyporter.com

22. July 2017 Passenger Airline Employment Data, September 19, 2017, www.dot.gov

23. WestJet breaks ground on new Calgary hangar, September 21, 2017, www.westjet.ca

24. 2nd Quarter 2017 Airline Financial Data, September 20, 2017, www.dot.gov

25. WestJet and Hong Kong Airlines announce code-share, September 21, 2017, www.westjet.ca

26. Porter Airlines expands Orlando-Melbourne service to three cities, September 22, 2017, www.flyporter.com

27. Porter Airlines adds daily route from Saint John to Ottawa, September 22, 2017, www.flyporter.com

28. International cargo demand drives Asian airlines' growth, September 25, 2017, www.transportweekly.com

29. Monthly civil aviation statistics, July 2017, September 26, 2017, www.statcan.gc.ca

30. Government of Canada investing in safety at Peace River Airport, September 25, 2017, www.tc.gc.ca

31. Government of Canada investing in safety at Dawson Creek Regional Airport, September 25, 2017, www.tc.gc.ca

32. Meet Swoop, September 27, 2017, www.westjet.ca

33. EasyJet says it could be flying electric planes within a decade, September 27, 2017, www.cargonews.com

34. WestJet aims to offer 40% cheaper fares with new ultra-low-cost carrier 'Swoop', September 27, 2017, www.nationalpost.ca

35. Home for the holidays with service to Stephenville, September 27, 2017, www.flyporter.com

36. Aircraft movement statistics: Major

Porter Airlines has grown its presence in New Brunswick with the official arrival of its first flight to the provincial capital of Fredericton on September 12, 2017. Flights operate daily between Ottawa and continue to downtown Toronto. Connections to other Porter cities are available from both locations.

13. Aircraft movement statistics: Small airports, May 2017

Take-offs and landings at 127 Canadian airports without air traffic control towers reached 61,833 movements in May 2017. Ten airports accounted for 41% of the month's activity.

14. July 2017 Flight Cancellations Down From Previous Year, Equal to June 2017

The U.S. Department of Transportation (DOT) on September 14, 2017 released its September 2017 *Air Travel Consumer Report*, on air carrier data compiled for the month of July 2017. In July 2017, the reporting carriers canceled 1.1 percent of their scheduled domestic flights, an improvement over the 1.9 percent cancellation rate posted in July 2016 and equal to the 1.1 percent rate in June 2017. The reporting carriers posted an on-time arrival rate of 76.9 percent in July 2017, up from both the 75.2 percent on-time rate in July 2016 and the 76.2 percent mark in June 2017.

15. Speaking notes for the Honourable Marc Garneau, Minister of transport Bill C-49 transportation modernization act house of commons' committee on transportation, infrastructure and communities

Bill-C49 bill focuses on immediate priorities in the air, rail and marine sectors. In Air transportation, the bill has traveller initiatives to protect passenger rights. The rules deal with: 1. Boarding denial in case of overbooking, delays and cancellations; 2. Compensating passengers for lost or damaged baggage; 3. Providing procedures for tarmac delays over a certain period of time; 4. Seating children next to a parent or guardian at no extra cost; and, 5. Ensuring carriers develop clear standards for transporting musical instruments. In addition it deals with airline ownership, raising limits to 49% from 25% (except speciality services) to encourage investments and competition; giving the Minister of Transport a say in joint ventures; and increasing access to security screening services.

In rail transportation, the bill has safety measures such as installation of video and voice recorders. In addition it has a freight rail policy framework. Under this bill, shippers could seek reciprocal financial penalties for breaches of their service agreements by the railways. They would have fair access to more timely processes and provide shippers with informal dispute resolution options, as well as guidance. The bill would also introduce a new measure, Long-Haul Interswitching. The bill would modernize key grain measures like the Maximum Revenue Entitlement and ensure that Interswitching Rates are updated regularly.

In marine transportation, the bill has measures to amend the *Coasting Trade Act* and the *Canada Marine Act*. Amendments to the *Coasting Trade Act* would allow all vessel owners to reposition their owned or leased empty containers between locations in Canada using vessels of any registry. In addition, modifications to the *Canada Marine Act* would permit Canada Port Authorities to access Canada Infrastructure Bank loans and loan guarantees to support investments in key enabling infrastructure.

16. 2017 Semi-Annual and June U.S. Airline Traffic Data

The U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported on September 15, 2017 that U.S. airlines carried an all-time high number of passengers during the first six months of 2017 – 414.4 million systemwide, 360.9 million domestic and 53.5 million international – surpassing the previous highs reached in 2016

17. Air Canada Establishes New Targets for 2018-2020 and Provides Update on its Loyalty Business

Air Canada set new financial targets at its 2017 Investor Day. From 2018 until 2020, Air Canada is targeting an annual EBITDAR margin (earnings before interest, taxes, depreciation, amortization, impairment, and aircraft rent, as a percentage of operating revenue) of 17 to 20 per cent and an annual return on invested capital (ROIC) of 13 to 16 per cent. Air Canada is also projecting cumulative free cash flow of \$2.0 billion to \$3.0 billion over the same period and a leverage ratio of 1.2 (measured by adjusted net debt over EBITDAR) by the end of 2020.

airports, July 2017, September 28, 2017, www.sttcan.gc.ca

37. Reshaping the Passenger Experience, September 28, 2017, www.iata.org

38. WestJet named APEX Award Five-Star Winner, September 28, 2017, www.westjet.ca

39. Air Canada Expands its Global Network from Montreal with New Service to Bucharest, Romania and Lisbon, Portugal, September 28, 2017, www.aircanada.ca

40. Air Canada Expands its Global Network with New and Enhanced Services to Europe, South America and Africa for Summer 2018, September 28, 2017, www.aircanada.ca

41. Drones: fresh efforts by the Commission to put safety first, September 29, 2017, www.europa.eu

42. Transport Canada to conduct environmental sampling at the boundary of transferred airport properties, September 28, 2017, www.tc.gc.ca

18. Cargo demand rises for European airlines in August

Air Cargo demand rose in August 2017 for major European air lines. European airlines saw record levels of cargo demand in August, with Lufthansa (Europe's largest cargo carrier) and Finnair seeing the biggest increases in freight traffic, according to Air Cargo News.

19. Air Canada to expand routes, fare structure in bid to fly alongside low-cost carriers

Air Canada is gearing up to compete in the full-fledged battle for bargain-conscious travellers that will begin next year when two ultralow-cost carriers (ULCC) take to the skies (i.e., Canada Jetlines Ltd. and a ULCC being planned by WestJet). It will do this by expanding its low-cost Rouge network to regional routes and by offering ultralow-cost fares on selective flights. Rouge costs are 30 percent below the cost of flights operated by Air Canada. Flair Airlines Ltd., another ULCC, is already providing Canadians with low fares. This information was disclosed by Air Canada executives in presentations to investors and analysts.

20. Air Canada and AAR Conclude \$500M CAD Agreement for Airframe Maintenance in Quebec, Canada

Global aviation services leader AAR CORP. and Air Canada announced that they have signed a 10-year agreement to provide airframe maintenance for the airline's Airbus narrow-body fleet of A319, A320 and A321 aircraft, as well as a new five-year agreement for Air Canada's Embraer E190 fleet. AAR will perform the work at its Maintenance, Repair and Overhaul (MRO) facility at Trois-Rivières Airport in Québec, previously known as Premier Aviation. The work to be performed on Air Canada's fleet of 125 narrow bodies will require approximately 350 aircraft mechanics at AAR's Trois-Rivières facility. The total value of the contract over its term is estimated to be approximately \$500 million CAD.

21. Porter Airlines opening crew base in Thunder Bay

Porter Airlines is establishing a crew base in Thunder Bay, Ont., as of January 2018. The move creates at least 40 local jobs for pilots and flight attendants. It is the first such base in Northern Ontario for any large commercially-scheduled airline.

22. July 2017 Passenger Airline Employment Data

U.S. scheduled passenger airlines employed 3.5 percent more workers in July 2017 than in July 2016, the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported on September 19, 2017. July 2017 was the highest monthly full-time equivalent (FTE) employment total (428,209) since January 2005 (430,780) and was the 45th consecutive month that U.S. scheduled passenger airlines' FTEs exceeded the same month of the previous year.

23. WestJet breaks ground on new Calgary hangar

WestJet broke ground on its new \$50 million hangar project at YYC Calgary International Airport that will support the airline's ongoing fleet expansion and growth of its Calgary hub. The hangar, once complete, will occupy 125,000 square feet, accommodate its new Boeing 787-9 Dreamliner aircraft and will stand eight stories tall.

24. 2nd Quarter 2017 Airline Financial Data

U.S. scheduled passenger airlines reported an after-tax net profit of \$4.7 billion in the second quarter of 2017, up from \$1.9 billion in the first quarter and up from \$4.6 billion in the second quarter of 2016, the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported.

25. WestJet and Hong Kong Airlines announce code-share

WestJet and Hong Kong Airlines announced on September 21, 2017 that they have entered into a code-share agreement which sees Hong Kong Airlines placing its HX marketing code on WestJet-operated flights. The two carriers are building on an existing interline agreement put in place earlier this year.

26. Porter Airlines expands Orlando-Melbourne service to three cities

Porter Airlines is providing more options for its popular Orlando-Melbourne, Fla., service by adding non-stop flights from Ottawa and Windsor. These are Porter's first U.S. flights from airports outside of its main base at Billy Bishop Toronto City Airport (BBTCA).

27. Porter Airlines adds daily route from Saint John to Ottawa

On September 21, 2017, the inaugural flight of Porter Airlines' newest route touched down, at Saint John Airport. Porter is now the only airline serving Ottawa from Saint John, Fredericton and Moncton with non-stop flights. The service continues through to Billy Bishop Toronto City Airport.

28. International cargo demand drives Asian airlines' growth

Air cargo demand at Asian airlines continued to improve in August 2017, with international and regional routes boosting performance. The latest statistics from the region's largest cargo carrier, Cathay Pacific, show that its cargo traffic increased by 11.3 per cent in August 2017 to reach 974m cargo and mail revenue

tonne kms. Traffic growth for the month was in line with a 12 per cent increase in tonnage carried and ahead of year-to-date performance of 9.4 per cent, London's Air Cargo News reported.

29. Monthly civil aviation statistics, July 2017

During the month of Canada's 150th anniversary (July 2017), the six Canadian Level I air carriers flew a record 7.6 million passengers on scheduled and charter services, up 6.5% from July 2016. Traffic increased 11.0% year over year to 22.1 billion passenger-kilometres in July 2017. Capacity rose 11.2% to 25.8 billion available seat-kilometres. This resulted in a slightly lower passenger load factor in July 2017 (85.7%) than in July 2016 (85.8%), as capacity growth outpaced traffic growth. The volume of turbo fuel consumed rose 7.6% to 754.3 million litres, while the number of flying hours increased 7.4% to 204,000. Total operating revenue increased 3.2% from the same month a year earlier to \$2.1 billion in July.

30. Government of Canada investing in safety at Peace River Airport

The Honourable Marc Garneau, Minister of Transport, on September 25, 2017 announced the government's \$360,000 investment to purchase a grader at the Peace River Airport. This is in addition to \$338,597 announced earlier this year to replace a material spreader and to install wildlife fencing. The funding comes from Transport Canada's Airports Capital Assistance Program (ACAP). Since the Program's launch in 1995, the Government of Canada has invested more than \$785.9 million for 904 projects at 182 airports across the country.

31. Government of Canada investing in safety at Dawson Creek Regional Airport

The Honourable Marc Garneau on September 25, 2017 announced the government's \$384,500 investment to purchase a grader at the Dawson Creek Regional Airport. This is in addition to \$621,875 announced earlier this year for the purchase of a runway condition reporting system, a runway sweeper and a plow truck.

32. Meet Swoop

WestJet on September 27, 2017 announced the name and logo for its ultra-low-cost airline (ULCC) in Canada. Named **Swoop**, the ULCC will begin selling flights in early 2018. "The name Swoop denotes exactly what we plan to do," said Bob Cummings WestJet Executive Vice-President, Strategy and the executive member responsible for the launch of Swoop. "It's a powerful verb that demonstrates we plan to swoop in to the Canadian market with a new business model that will provide lower fares and greater opportunity for more Canadians to travel."

33. WestJet aims to offer 40% cheaper fares with new ultra-low-cost carrier 'Swoop'

WestJet Airlines said it will offer fares that are 40 per cent cheaper than those currently available in Canada as it unveiled new details about Swoop, the ultra-low-cost carrier it plans on launching next summer. "What we modelled out from an ultra-low-cost carrier perspective is that when we reach 10 aircraft (in spring 2019) and scale economies, we will have the lowest cost of any Canadian ULCC." "We're building a cost structure to get at those type of fares... The number one thing is to make it as easy to purchase and travel as possible, and right beside that is being transparent in terms of what people are buying and what it looks like up front."

34. EasyJet says it could be flying electric planes within a decade

EasyJet could be flying electric planes within a decade, the airline said on September 27, 2017. The UK carrier has formed a partnership with US firm Wright Electric, which is developing a battery-propelled aircraft for flights under two hours. EasyJet said the move would enable [battery-powered aircraft](#) to travel short-haul routes such as London to Paris and Edinburgh to Bristol.

35. Home for the holidays with service to Stephenville

Porter Airlines is returning to Stephenville, Newfoundland, this 2017 holiday season. The holiday schedule offers round-trip service on Wednesdays; December 20, 27 and January 3. Service is also available to Ottawa International Airport and to Billy Bishop Toronto City Airport on the same aircraft.

36. Aircraft movement statistics: Major airports, July 2017

There were 596,387 aircraft take-offs and landings at the 91 Canadian airports with NAV CANADA air traffic control towers and flight service stations in July 2017 compared with 548,845 movements in July 2016. Overall, air traffic was up 8.7% in July 2017 as 60 airports reported more movements from the same month the previous year. Growth in both itinerant movements (flights from one airport to another) and local movements (flights that remain in the vicinity of the airport) contributed to the year-over-year gain in July 2017. Itinerant movements rose 8.3% to 427,137 while local movements increased 9.6% to 169,250.

37. Reshaping the Passenger Experience

The International Air Transport Association (IATA) announced that the 2017 World Passenger Symposium (WPS) will focus on how technology, data, customization and digital transformation will reshape the customer experience of tomorrow.

38. WestJet named APEX Award Five-Star Winner

WestJet on September 28, 2017 announced it has been named a Five-Star winner by The Airline Passenger Experience Association (APEX) at the APEX Awards at the Long Beach Convention and Entertainment Center in Long Beach, California. WestJet was named a Five-Star winner in the low-cost category and was the only Canadian airline recognized at the Five-Star level.

39. Air Canada Expands its Global Network from Montreal with New Service to Bucharest, Romania and Lisbon, Portugal

Air Canada on September 28, 2017 announced new non-stop services to two new destinations next summer from Montreal, expanding its global network to Bucharest, Romania and Lisbon, Portugal.

40. Air Canada Expands its Global Network with New and Enhanced Services to Europe, South America and Africa for Summer 2018

Air Canada on September 28, 2017 announced new non-stop services to begin next summer from Toronto and Montreal, including three new destinations in its global network – Bucharest, Zagreb and Porto – and a new route between Montreal and Lisbon.

41. Drones: fresh efforts by the Commission to put safety first

The European Commission is giving a fresh push to speed up the implementation of EU-wide rules for the use of drones in the European Union. More than 1200 safety occurrences - including near-misses between drones and aircrafts - were reported in Europe in 2016, which underlines the pressing need for a modern and flexible EU regulatory framework. The Commission is therefore calling on the European Parliament and the Council to agree on its [proposal from December 2015](#) establishing an EU-wide framework for drones

42. Transport Canada to conduct environmental sampling at the boundary of transferred airport properties

Transport Canada is proactively reaching out to select airports it previously owned to request permission to test for offsite per- and polyfluoroalkyl substances (PFAS) concentrations surrounding fire training areas, as it takes the health of Canadians and the environment seriously. PFAS are chemicals which have been used widely in products, including firefighting foams which were historically used for training purposes at some airports owned by Transport Canada. The potential environmental and health risks were not known at the time and are currently still being studied. The Government of Canada is taking action as a precautionary measure to better understand the impacts of PFAS and to protect the health of Canadians and the environment.

WATER TRANSPORTATION

1. Container throughput at the NY/NJ port increases by 8pc in July

The North Atlantic Port of New York and New Jersey (NY/NJ) handled a total of 576,947 TEU in July 2017, an 8.4 per cent increase from the same month a year ago, according to figures released by the port authority. Of the total volume, 291,760 TEU were loaded imports and 112,694 TEU were loaded exports. Compared to July 2016, loaded imports rose 6 per cent to 291,760 TEU, loaded exports rose 3.2 per cent to 112,694 TEU, empty imports rose 2.2 per cent to 1,473 TEU, and empty exports rose 16.8 per cent to 171,020 TEU. For the first seven months of 2017, the port handled 3.81 million TEU, up 6.5 per cent from the corresponding 2016 period, American Shipper reported.

2. Rotterdam consolidates its position as Europe's leading container port

The port of Rotterdam's container throughput rose by 9.3 per cent in the first half of the year to 6.7 million TEU, sealing its position as Europe's top container port after several years of sluggish growth that saw its close competitors, especially second-ranked Antwerp, steadily narrowing the gap. Rotterdam's revival was attributed to the decision by the three shipping alliances - 2M, THE Alliance and Ocean Alliance

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1. Container throughput at the NY/NJ port increases by 8pc in July, August 31, 2017, www.transportweekly.com
2. Rotterdam consolidates its position as Europe's leading container port, August 30, 2017, www.transportweekly.com
3. NYK to test autonomous box ship in the Pacific Ocean in 2019, September 1, 2017, www.transportweekly.com
4. Vancouver port aims to identify bottlenecks via visibility project, September 1, 2017, www.joc.com
5. Excess capacity forecast to constrain rate hikes for two years, September 4, 2017, www.joc.com
6. UK ports handle record 10.2 million TEUs in 2016, September 5, 2017, www.americanshipper.com

- to focus their transshipment operations at the Dutch port

3. NYK to test autonomous box ship in the Pacific Ocean in 2019

Japanese shipping company Nippon Yusen Kabushiki Kaisha and its container shipping line subsidiary NYK Line plan to put to test autonomous vessel technology that could involve the remote-controlled steering of a large box ship between Japan and North America. A crew would be on standby as a containership self-sails across the Pacific Ocean sometime in 2019, according to a report from Bloomberg Technology.

4. Vancouver port aims to identify bottlenecks via visibility project

In the first six-month phase, the Supply Chain Visibility Project will track grain and fertilizer rail shipments, both carload and containerized.

5. Excess capacity forecast to constrain rate hikes for two years

Ocean carriers will find it tough to levy rate hikes with so much capacity awash in the market, SeaIntel says.

6. UK ports handle record 10.2 million TEUs in 2016

The Port of Felixstowe handled the most capacity in the U.K. last year at 4 million TEUs. United Kingdom ports saw a slight decline in overall freight tonnage in 2016, but handled a record 10.2 million TEUs of container traffic the same year, according to the Department of Transport's (DtF) finalized "UK Port Freight Statistics: 2016."

7. Ocean carriers show a more positive picture

The latest quarterly (2017-Q2) results from the world's big ocean carriers show a more positive picture than the "horrendous second quarter of 2016", said SeaIntel Maritime Analysis' financial review. We now see 10 carriers posting black figures in 2017-Q2, while only two [Hyundai Merchant Marine and Japan's MOL] have reported losses for the 2017-Q2 period," said the review.

8. Injection of mega capacity to have long term effect on shipping

Rate benchmarking and container intelligence platform Xeneta now warns that the increase in mega ship capacity in an already saturated market will have ramifications over the longer term. Xeneta CEO Patrik Berglund forecasts a positive outlook for the remainder of 2017, as Maersk recently achieved higher revenues due to stronger freight rates - which soared 120 per cent in May 2017 on the Asia-Europe trade lane - and Hapag-Lloyd forecasts earnings will improve as the year progresses. "A staggering 78 new mega-ships are due to come online for the Asia-Europe trades over the next two years, pushing capacity up by over 23 per cent," said Mr. Berglund.

9. Transport Canada issues Gulf of St. Lawrence speed restriction fine

On August 11, 2017, Transport Canada took action to protect whales by implementing a temporary mandatory slow down of vessels 20 metres or more to a maximum of 10 knots. The speed restriction applies to vessels travelling in the western Gulf of St. Lawrence, between the Quebec north shore and just north of Prince Edward Island. In one case, Transport Canada is now taking action by issuing a \$6,000 penalty to the *Seven Seas Navigator* vessel. The vessel owner has 30 days to pay the penalty or to ask the Transportation Appeal Tribunal of Canada to review the facts of the violation or the amount of the penalty.

10. Vancouver Fraser Port Authority renders decision on Kinder Morgan Westridge Marine Terminal Upgrade and Expansion Project

The Vancouver Fraser Port Authority has approved the permit

7. Ocean carriers show a more positive picture, September 7, 2017,

www.transportweekly.com

8. Injection of mega capacity to have long term effect on shipping, September 8, 2017, www.transportweekly.com

9. Transport Canada issues Gulf of St. Lawrence speed restriction fine, September 8, 2017, www.tc.gc.ca

10. Vancouver Fraser Port Authority renders decision on Kinder Morgan Westridge Marine Terminal Upgrade and Expansion Project, September 8, 2017, www.portmetrovancover.com

11. Container lines see best Q2 in two years: Drewry, September 11, 2017, www.ctl.ca

12. Port of Virginia exports drop 11% in August, September 11, 2017, www.americanshipper.com

13. VCIT world's first fully automated container terminal: Cargotec, September 12, 2017, www.ctl.ca

14. Top global ports see box throughput rise 7.2pc in second quarter, September 13, 2017, www.transportweekly.com

15. Average ship size at ports grows 12.6pc worldwide except in Africa, September 14, 2017, www.transportweekly.com

16. Transport Canada issues another fine for non-respect of the speed restriction in the Gulf of St. Lawrence, September 14, 2017, www.tc.gc.ca

17. Port of LA reports second busiest month in its history, September 14, 2017, www.americanshipper.com

18. Transport Canada issues another fine for non-respect of the speed restriction in the Gulf of St. Lawrence, September 15, 2017, www.tc.gc.ca

19. Vancouver Fraser Port Authority wins marine environment award, September 15, 2017, www.metroportvancover.com

20. Port of Metro Vancouver - Accumulated Container Traffic January to August 2017, September 15, 2017, www.portmetrovancover.com

21. Port of Prince Rupert - Total Container Traffic for August 2017, September 15, 2017, www.rupertport.com

22. PMSA: Monthly inbound traffic up, exports down at major USWC ports, September 18, 2017, www.americanshipper.com

23. Hong Kong container throughput dips 1.7pc to 1.8m TEU in August, September 19, 2017, www.transportweekly.com

24. Singapore's exports soar 17pc in August, September 21, 2017, www.transportweekly.com

25. Port of Montreal officially welcomes provisional application of CETA, September 21, 2017, www.ctl.ca

26. No crisis coming in container

application from Kinder Morgan Canada for the portion of the project that is within our jurisdiction involving upgrade and expansion of the existing Westridge Marine Terminal in the Port of Vancouver. The decision was made after a thorough and robust project and environmental review of the application, including consultation with Aboriginal groups and community feedback on the impacts of construction activities at the Westridge Marine Terminal, such as noise, dust, lighting and proposed mitigations

shipping, September 25, 2017, www.transportweekly.com

27. Transport Canada issues another fine for not respecting the speed restriction in the Gulf of St. Lawrence, September 27, 2017, www.tc.gc.ca

28. Government of Canada marks World Maritime Day 2017, September 28, 2017, www.tc.gc.ca

11. Container lines see best Q2 in two years: Drewry

According to a review of the 2017 second-quarter carrier results by Drewry, container lines have enjoyed their most profitable quarter in two years and are looking at a upswing in profitability. With the exception of CMA CGM, which will report later this week, all carriers which publish their financial results have now posted their interim first-half numbers. “Our preliminary operating margin estimate is that during second quarter of 2017 the industry enjoyed its most profitable quarter in two years, with margins hitting around 4%,” said Drewry in its *Container Insight Weekly*.

12. Port of Virginia exports drop 11% in August

The Port of Virginia handled a record 240,605 TEUs in August 2017, a 2.2 percent increase compared to the same period a year prior, but also saw an 11 percent drop in loaded exports, according to recent data from the port. The mid-Atlantic port handled a total of 136,826 containers for the month, a 3 percent year-over-year increase.

13. VCIT world’s first fully automated container terminal: Cargotec

Kalmar and Navis, parts of Cargotec, have delivered the first OneTerminal automation solution to International Container Terminal Services Incorporated (ICTSI) at the Port of Melbourne, Australia. The deployment has made Victoria International Container Terminal (VICT) the world’s first fully automated international container handling facility, according to Cargotec. Kalmar’s OneTerminal deployment at VICT includes the Kalmar Automatic Stacking Crane (ASC) system with 20 ASCs, 11 Kalmar AutoShuttles (TM), Kalmar Automated Truck Handling (ATH), Kalmar Terminal Logistics System (TLS) and the Navis N4 Terminal System. Additionally, Kalmar provided a range of project services required to deploy and support the solution. “...The software solution combining Kalmar TLS and Navis N4 Terminal System was pre-integrated and tested before the delivery, speeding up the deployment,” Tero Kokko, Senior Vice President, Kalmar Automation and Projects, explained. “The N4 Terminal System will allow VICT to optimise operations, speed turnaround times and deliver a new level of unprecedented efficiency in key areas of the terminal,” Mark Welles, VP and GM of Asia Pacific at Navis, said.

14. Top global ports see box throughput rise 7.2pc in second quarter

Global throughput at major ports rose by 6.8 per cent year on year in the second quarter driven by 7.2 per cent container throughput growth, according to Shanghai International Shipping Institute's Global Port Development Report for Q2 2017. Over the reporting period, international trade was active, foreign trade was boosted, and commodity prices were high, thanks to the stable global GDP growth of 2.7 per cent. Overall positive trends were affected by developments in the different regions of the world, reported London's Port Technology International.

15. Average ship size at ports grows 12.6pc worldwide except in Africa

The average ship size at terminals is showing a 12.6 per cent rise year on year in the first quarter of 2017, up 1,076 containers, according to analysis from IHS Markit covering 879 terminals in 500 ports. With the exception of Africa, call sizes rose in all major world regions, with the biggest increases registered in Southeast Asia (up 19.2 per cent), Latin America (up 17.1 per cent), and North America (up 17 per cent). In the reported period, ships with capacity over 10,000 TEU accounted for 10.7 per cent of port calls, up from 8.5 per cent year on year. Vessels in the 10,000- to 14,000-TEU range, accounted for seven per cent of global calls and those larger than 14,000 TEU made up about 3.7 per cent of global calls. However, the vast majority of calls were made by ships of below 5,400 TEU capacity.

16. Transport Canada issues another fine for non-respect of the speed restriction in the Gulf of St. Lawrence

Transport Canada has issued another \$6,000 penalty to the vessel *Petalon* for an alleged non-compliance with the temporary mandatory speed slow down. The vessel owner has 30 days to pay the penalty or to ask the Transportation Appeal Tribunal of Canada to review the facts of the violation or the amount of the penalty.

17. Port of LA reports second busiest month in its history

Container volumes at the Port of Los Angeles in August 2017 were the highest of any August ever at the port, as well as second-highest of any month in the port's 110-year history, according to newly released data. Nearly 848,000 TEUs moved through the Southern California seaport in August 2017, a rise of 6.1 percent compared to August 2016 volumes, marking the busiest month of August in port history.

18. Transport Canada issues another fine for non-respect of the speed restriction in the Gulf of St. Lawrence

While the shipping industry in general has been proactive in respecting the speed limits, the Government of Canada is determined to have the temporary mandatory slow down respected by all vessels in the designated area of the Gulf of St. Lawrence. To that effect, on September 15, 2017 Transport Canada has issued a \$6,000 penalty to the Canadian Coast Guard Ship *Sir William Alexander* for an alleged non-compliance with the temporary mandatory slow down.

19. Vancouver Fraser Port Authority wins marine environment award

The Vancouver Fraser Port Authority has won a 2017 North American Marine Environment Protection Association (NAMEPA) award for its marine environment protection initiatives. The awards are given out annually and recognize companies, associations, government agencies, academic institutions and individuals whose efforts support NAMEPA's mission to "Save Our Seas." The port authority won in the ports category.

20. Port of Metro Vancouver – Accumulated Container Traffic January to August 2017

The Port of Metro Vancouver reported its container traffic for January to August 2017 in terms of TEUs on September 15, 2017. Total container traffic was 2,129,937 TEUs for this period a 10% increase compared to the same month a year earlier. Total imports increased by 10.2% to 1,125,745 TEUs and total exports increased by 9.8% to 1,004,192 TEUs.

21. Port of Prince Rupert – Total Container Traffic for August 2017

The Port of Prince reported its container traffic for August 2017 in terms of TEUs on September 15, 2017. Total container traffic was 87,521 TEUs for August 2017 a 37% increase compared to the same month a year earlier. Total imports increased by 38% to 49,948.5 TEUs and total exports increased by 51% to 37,572.5 TEUs. For the period January to August 2017, total container traffic increased 17% (to 507,889.25 TEUs), imports increased 12% (to 304,061.00 TEUs) and exports increased 25% (to 203,828.25 TEUs).

22. PMSA: Monthly inbound traffic up, exports down at major USWC ports

The five major U.S. West Coast (USWC) container ports – Los Angeles, Long Beach, Oakland, Tacoma, and Seattle -- collectively handled 99,376 more inbound TEUs in July 2017 than in the same month a year ago, for a year-over-year gain of 11.2 percent, according to data newly compiled from the Pacific Merchant Shipping Association (PMSA).

23. Hong Kong container throughput dips 1.7pc to 1.8m TEU in August

Hong Kong's container volume dipped slightly in August 2017 falling 1.7 per cent to 1.76 million TEU compared to 1.79 million TEU in the same month last year, according to statistics from the Hong Kong Maritime and Port Board. Most of Hong Kong's volume is from the container terminals at Kwai Tsing that handled 1.34 million boxes in August 2017, an increase of 3.5 per cent over the same month last year. However, boxes handled by the other terminals in Hong Kong saw a sharp decline of 15.5 per cent to 420,000 TEU compared to 497,000 TEU in August, 2016.

24. Singapore's exports soar 17pc in August

Singapore's non-oil domestic exports (NODX) soared by 17 per cent year on year in August 2017, marking the fourth straight month of growth. The growth was attributed to an increase in both electronic and non-electronic exports. On a month-on-month seasonally adjusted basis, exports were up 4.5 per cent, reversing July's 3.3 per cent decline, according to statistics released by trade agency International Enterprise (IE) Singapore.

25. Port of Montreal officially welcomes provisional application of CETA

At the Port of Montreal's Viau Terminal, the Government of Canada, represented by the Minister of International Trade, the Honourable François-Philippe Champagne, officially heralded the first day of the provisional application of the Canada European Union Comprehensive Economic and Trade Accord (CETA). The event was held at the Port's new international container terminal in with representatives of the Government of Quebec and the City of Montreal, several ambassadors and consuls, and representatives from the business communities of Canada and the European Union (EU).

26. No crisis coming in container shipping

French shipping giant CMA CGM says the global container-shipping sector is in its strongest position in years thanks to sweeping consolidation and stronger economic growth, leaving it well placed to withstand competition from trains on major Asia-Europe routes, according to Shipping Gazette. Container lines are emerging from a severe downturn that culminated in last year's collapse of South Korea's Hanjin Shipping. CMA CGM also recently reported better second-quarter profits and said it expected operating profits in the second half of the year to exceed its first-half performance.

27. Transport Canada issues another fine for not respecting the speed restriction in the Gulf of St. Lawrence

On September 26, 2017, Transport Canada issued a \$6,000 penalty to the vessel *Pearl Mist* for an alleged non-compliance with the temporary mandatory slow down. The vessel owner has 30 days to pay the penalty or to ask the Transportation Appeal Tribunal of Canada to review the facts of the violation or the amount of the penalty. Transport Canada is examining all reported cases of non-compliance, on a case-by-case basis.

28. Government of Canada marks World Maritime Day 2017

In May 2017, Canada demonstrated its commitment to marine safety by hosting the Third Joint Ministerial Conference of the Paris and Tokyo Memoranda of Understanding on Port State Control in Vancouver. At the close of the conference, representatives signed a ministerial declaration that reinforces international efforts to comply with standards for vessel safety, environmental protection and working conditions on board vessels. Trade by sea contributes significantly to our economic well-being and all Canadians benefit from maritime activities that are safe and efficient, and that respect the people on ships and at ports. International harmonization of standards ensures the safe operation of vessels, adequate working conditions for crew members, proper handling of cargoes and the protection of the environment.

RAIL TRANSPORTATION

1. Railway carloadings, June 2017

The volume of rail freight carried in Canada totalled 30.9 million tonnes in June 2017, up 11.7% from the same month last year. In June 2017, freight originating in Canada increased 9.5% from the same month last year to 27.6 million tonnes. Non-intermodal freight increased 7.5% to 296,000 carloads in June. The amount of freight loaded into these cars totalled 24.5 million tonnes, up 9.1% from the same month last year. Intermodal freight loadings rose 13.2% to 209,000 units from June 2016 to June 2017. The increase stemmed from a 13.2% increase in containers-on-flat-cars and a 9.4% gain in trailers-on-flat-cars. In terms of weight, intermodal traffic increased 13.4% to 3.2 million tonnes. Freight traffic received from the United States rose 34.6% to 3.2 million tonnes, a result of a 39.4% increase in non-intermodal freight and a 7.7% decline in intermodal freight from the United States.

2. Breakdown of safety defences led to 2016 collision: TSB

The Transportation Safety Board of Canada (TSB) released its report (R16H0024) into the March 2016 collision between a Canadian Pacific Railway (CP) train and a CP hi-rail vehicle near Nemegos, about 25 km east of Chapleau, Ontario. There were no injuries and no derailment. The TSB determined that breakdown of safety defences by CP led to the 2016 collision.

3. Growth continues at VIA rail: Q2 results released

VIA rail Canada reports strong results during the second quarter of 2017, its 13th consecutive quarter of growth. Ridership increased by 9.5% compared to the same period in 2016 and passenger revenues rose by 15.7%. A total of 364 million kilometers were travelled over the quarter, up 9% from 2016. "We are pleased to see that the pattern of growth continues. The summer schedule adjustment, which increased our capacity by 7% starting May 29, had substantially contributed to the 15.7% increase in passenger revenues over the quarter," said VIA rail's president and CEO, Yves Desjardins-Siciliano. "Though success has

RAIL TRANSPORTATION Canada

1. Railway carloadings, June 2017, August 30, 2017, www.statcan.gc.ca
2. Breakdown of safety defences led to 2016 collision: TSB, August 30, 2017, www.ctl.ca
3. Growth continues at VIA rail: Q2 results released, August 31, 2017, www.viarail.ca
4. Federal takeover of Churchill port could help rail line: Manitoba premier, September 8, 2017, www.ctl.ca
5. CN recognized as a transportation industry sustainability leader, September 8, 2017, www.cn.ca
6. VIA rail experiences double digit growth over labour day weekend, September 8, 2017, www.viarail.ca
7. Feds commit to restoring rail service to Churchill, September 11, 2017, www.ctl.ca
8. Canadian rail giants say Bill C-49 on long haul routes gives US carriers an advantage, September 13, 2017, www.financialpost.ca
9. AAR: US intermodal traffic hits high in August, September 13, 2017, www.americanshipper.com
10. Shippers tell Feds they are at the mercy of rail carriers, September 18, 2017, www.ctl.ca
11. New Ray-Mont Logistics transload facility welcomes its first unit train in Prince Rupert, September 18, 2017, www.cn.ca
12. Canadian Pacific launches CP RailSense, encourages everyone to be

almost become the norm after 13 consecutive quarters of growth, we are not resting on our laurels. we continue to put our passengers first and improve the customer experience to encourage more Canadians to take the train.”

4. Federal takeover of Churchill port could help rail line: Manitoba premier

Manitoba Premier Brian Pallister is suggesting that the federal government could take over the Port of Churchill as one way to help revive the subarctic town’s broken rail line and economy. “The federal government has the responsibility for ports,” Pallister said on September 7, 2017. “They run dozens of them and maybe they could run one more.” Pallister has said he is hopeful the federal government will find a solution to the crisis facing Churchill, which lost its only ground connection to the outside world in the spring when flooding damaged the rail line.

5. CN recognized as a transportation industry sustainability leader

CN is pleased to see that its sustainability practices have earned the company a place on the Dow Jones Sustainability World Index (DJSI). This marks the sixth consecutive year that CN has been listed on the DJSI World Index and the ninth consecutive year that CN has been listed on the DJSI North America Index. CN is the only Canadian company listed in the Transportation and Transportation Infrastructure sector.

6. VIA rail experiences double digit growth over labour day weekend

Revenue derived from the sale of tickets by VIA Rail Canada (VIA Rail) over the Labor day long weekend hit their highest level. With ticket sales up by 14.7% compared to the same period in 2016, this was the second most successful long weekend of 2017. In total, 78,000 travellers decided to board one of the VIA Rail trains that were touring the country from August 31st to September 5th – an increase of 15.2% over 2016. Passengers covered more than 29 million kilometers. September 1st was the busiest day of the weekend, with 16,780 people travelling. The Québec City-Windsor Corridor saw 72,700 people on the move – primarily between Toronto, Montréal and Ottawa; these three cities accounted for nearly 60% of the traffic during this period.

7. Feds commit to restoring rail service to Churchill

The Government of Canada confirmed its commitment to the residents of northern Manitoba and to the restoration of rail service to Churchill, Manitoba. Given the urgency, Canada is willing to explore any other options, including interim funding to enable restoration of rail service, given certain conditions. Canada is willing to do its part to support a speedy solution with all partners.

8. Canadian rail giants say Bill C-49 on long haul routes gives US carriers an advantage

The two Canadian railways says that the inclusion of long run interswitching rights in Bill C-49 (upto 1200 kilometres) could give US carriers an advantage by providing them access to the interior. So far a US Carrier, Burlington Northern Railway, has already taken advantage and displaced Canadian carriers. This could limit Canadian carriers to serve remote regions of the country, affect volumes shipped to port, and affect their investment in infrastructure. Further, such rights are not available to Canadian carriers serving in the US. Furthermore, the bill does not lift income caps on grain as recommended in the Emerson Report.

9. AAR: US intermodal traffic hits high in August

US rail traffic in August 2017 was a mixed bag, with gains in coal and sand offset by declines in grain, autos and crude oil, the Association of American Railroads (AAR) says. U.S. intermodal rail traffic set a record last month as the best such monthly volume in history, according to the AAR. Combined U.S. carload and intermodal originations last month stood at 2.74 million, up 2.6 percent.

10. Shippers tell Feds they are at the mercy of rail carriers

Teck Resources Ltd., a Vancouver-based metals and mining giant, told a federal committee in the third week of September 2017 that “rail service failures” has been costing the company anywhere between \$50 million and \$200 million over an 18-month period during the past decade. The company is Canadian Pacific Railway Ltd.’s largest rail customer, and one of Canada’s biggest rail users. Service failure has impacted their competitiveness. They feel that Canadian rail carriers should be forced to publicize certain internal shipping data so that the bargaining power of captive shippers in remote areas would improve.

11. New Ray-Mont Logistics transload facility welcomes its first unit train in Prince Rupert

safe around tracks this back-to-school season, September 24, 2017, www.cpr.ca

13. Rail Tank Car Safety Report, September 22, 2017, www.bts.gov

14. US Class I railway employment slips in August, September 25, 2017, www.americanshipper.com

15. CN encourages public to be safe around railroads for first national Rail Safety Week in the United States, September 25, 2017, www.cn.ca

16. CN to report third-quarter 2017 financial and operating results on Oct. 24, 2017, September 26, 2017, www.cn.ca

17. Railway carloadings, July 2017, September 27, 2017, www.statcan.gc.ca

CN and Ray-Mont Logistics are proud to announce that the first unit train bringing agricultural products to Ray-Mont's new transload facility has arrived in Prince Rupert, British Columbia. The first unit train transported canola meal pellets from Western Canada on CN's line. The new facility, which officially opened for business on August 31, 2017 is currently the only unit train stuffing facility on Canada's west coast, helping crops transported by CN from Western and Central Canada as well as the American Midwest reach international markets.

12. Canadian Pacific launches CP RailSense, encourages everyone to be safe around tracks this back-to-school season

School is back in session across Canada and the Canadian Pacific Police Service (CPPS), through a new safety program called CP RailSense, is reminding students, parents and caregivers that the safe route to school does not include trespassing on railway property. The consequences of trespassing on railway tracks and attempting to beat trains at level crossings can be tragic and fatal, but they are also preventable. From September 24-30, CPPS will be conducting its annual "Back to School Rail Safety Campaign" across Canada. Officers will be paying extra attention to public railway crossings and railway rights-of-way in and around school zones.

13. Rail Tank Car Safety Report

The U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) has submitted *Fleet Composition of Rail Tank Cars That Transport Flammable Liquids:2013–2016*, its first report to Congress measuring the industry-wide progress in manufacturing and modifying safer rail tank cars that transport flammable liquids. BTS found that as of the end of 2016, nine percent (7,181) of the tank cars used to carry Class 3 flammable liquids met the new safety requirements, a dramatic increase from the two percent in 2015. Of the tank cars meeting the new safety requirements, 70 percent are new and 30 percent have been retrofitted.

14. US Class I railway employment slips in August

Class I freight railroads in the United States employed 147,319 workers as of the middle of August 2017, down 0.15 percent from 147,540 employees one month earlier, according to data from the Surface Transportation Board (STB).

15. CN encourages public to be safe around railroads for first national Rail Safety Week in the United States

As part of its year-round effort to save lives, CN is pleased to participate in the first U.S. National Rail Safety Week, a week long series of events aimed at raising awareness and promoting safe behaviour around railroads. Last year, in the United States, 2,025 rail grade crossing collisions resulted in 798 personal injuries and were responsible for 265 fatalities. During that same period, 994 trespassing incidents occurred resulting in 483 pedestrians being injured and 511 killed while trespassing on the railroad property rights-of-way.

16. CN to report third-quarter 2017 financial and operating results on Oct. 24, 2017

CN will issue its third-quarter 2017 financial and operating results on Oct. 24, 2017, at 4.01 p.m. Eastern Daylight Time (EDT). CN's senior officers will review the results and the railway's outlook in a webcast/conference call starting at 4.30 p.m. EDT Oct. 24. Luc Jobin, CN president and chief executive officer, will lead the call.

17. Railway carloadings, July 2017

The volume of rail freight carried in Canada totalled 30.0 million tonnes in July 2017, up 6.9% from the same month last year. Freight originating in Canada increased 3.8% from the same month last year to 26.5 million tonnes. Non-intermodal freight increased 3.5% to 282,000 carloads in July 2017. Intermodal freight loadings rose 8.2% to 206,000 units from July 2016 to July 2017. The gain stemmed from an 8.4% increase in containers-on-flat-cars and a 2.4% decline in trailers-on-flat-cars. In terms of weight, intermodal traffic increased 8.1% to 3.0 million tonnes. Freight traffic received from the United States rose 39.1% to 3.4 million tonnes, as a result of a 45.0% increase in non-intermodal freight and a 16.2% decline in intermodal freight from the United States.

HIGHWAY TRANSPORTATION

1. Monthly Passenger Bus and Urban Transit, June 2017

Total operating revenues (excluding subsidies) for urban transit companies were \$341.1 million in June 2017. Ridership was 153.7 million passenger trips over the same period.

2. Transport costs decline in June: Nulogx

The total cost of ground transportation for Canadian Shippers decreased by 0.2% in June 2017, as compared with May 2017 results, according to the latest Canadian General Freight Index (CGFI). "Total Freight Costs are 1.4% higher than a year ago. In June, Cross Border LTL and Domestic Truckload Costs increased while Domestic LTL and Cross Border Truckload saw a decrease," said Doug Payne, President & COO, Nulogx.

3. C.H. Robinson acquires Milgram & Company Ltd.

C.H. Robinson, a leading global third party logistics (3PL) company, continues to expand its global presence with its acquisition of Milgram & Company Ltd. a world-class provider of freight forwarding, customs brokerage and surface transportation in Canada. It acquired Milgram & Company Ltd. for about \$62 million CAD (U.S. \$50.1 million, based on today's exchange rate) in cash, the company said in a statement. Montreal, Quebec-based Milgram is a provider of freight forwarding, customs brokerage and surface transportation in Canada, with approximately 3,500 active customers.

4. Cummins unveils new electric heavy duty truck

Cummins pulled the curtains back on its first fully electric Class 7 demonstration urban hauler tractor Aug. 29, 2017 taking a leap forward in the race to offer a zero-emissions electrified powertrain. The concept truck design, called AEOS, is a 4x2 day cab tractor that features full high energy Li-ion battery electric power with zero emissions, and boasts a range of 100 miles on a single charge, extendable to 300 miles with an optional engine generator.

5. Government of Canada approves the Ambassador Bridge Enhancement Project, subject to conditions

The Honourable Marc Garneau, Minister of Transport, on September 6, 2017 announced that the Government of Canada has approved the Canadian Transit Company's application for the proposed Ambassador Bridge Enhancement Project spanning the Detroit River between Windsor, Ontario and Detroit, Michigan to replace the existing bridge. In addition to approving the Canadian Transit Company's application, the Government is moving forward expeditiously with the Gordie Howe International Bridge project. The project will see the construction of a replacement six-lane bridge as well as an expansion of the Ambassador Bridge's associated Canada Border Services Agency facility.

6. Does Multimodal Logistics Have a Future in Europe?

When it comes to multimodal logistics moving freight by combining two or more transport modes Europe still lags the more advanced U.S. market, but has made steady progress, according to Colliers International's latest industrial research for the EMEA. Carriers continue to expand their multimodal services, leveraging favorable policy, infrastructure improvements, and emerging trade corridors where rail/barge is particularly interesting in terms of cost and speed. While there is a greater focus on rail and waterways transportation, carriers continue to upgrade their road fleets by switching to more fuel-efficient vehicles

HIGHWAY TRANSPORTATION Canada

1. Monthly Passenger Bus and Urban Transit, June 2017, August 31, 2017, www.statcan.gc.ca
2. Transport costs decline in June: Nulogx, August 31, 2017, www.ctl.ca
3. C.H. Robinson acquires Milgram & Company Ltd., September 1, 2017, www.ctl.ca
4. Cummins unveils new electric heavy duty truck, September 1, 2017, www.ctl.ca
5. Government of Canada approves the Ambassador Bridge Enhancement Project, subject to conditions, September 6, 2017, www.tc.gc.ca
6. Does Multimodal Logistics Have a Future in Europe?, September 7, 2017, www.inboundlogistics.com
7. CTA Provides Transport Minister with Cross-Canada Trucking-Trade Priority Infrastructure Wish List, September 6, 2017, www.ctl.ca
8. Truckers Welcome Extra Capacity at North America's Busiest Border Crossing, September 7, 2017, www.cantruck.ca
9. Uber to stop using diesel cars in London by end 2019, September 8, 2017, www.globeandmail.ca
10. House rejects effort to delay ELD mandate, September 11, 2017, www.americanshipper.com
11. Parcel volumes to increase 20% by 2018 says new report, September 12, 2017, www.ctl.ca
12. July 2017 Freight Transportation Services Index (TSI), September 14 2017, www.bts.gov
13. Stronger growth lies ahead for freight forwarding: report, September 13, 2017, www.ctl.ca
14. TransCore's Canadian freight volumes improve 55% y-o-y in August, September 14, 2017, www.ctl.ca
15. CH Robinson grows, buys Montreal forwarder for US\$50 million, September 14, 2017, www.transportweekly.com
16. Transportation and logistics companies make 2017 Profit 500 list, September 15, 2017, www.ctl.ca
17. Report Urges Actions to Limit Disruption from Autonomous Trucks, September 15, 2017, www.ctl.ca
18. Feds to fund improvement to Northern Ontario highway, September 18, 2017, www.ctl.ca
19. Speaking notes An Act to Amend the Motor Vehicle Safety Act, September 19, 2017, www.tc.gc.ca
20. Truckload turnover up in Q2, September 19, 2017, www.todaystrucking.com
21. Ontario Cracking Down on Careless and Distracted Driving with Tough New Penalties, September 20, 2017, www.mto.gov.on.ca
22. CTA to Senate Committee: Truck Driver is Here to Stay, September 21, 2017, www.ontruck.ca
23. Kriska acquires Service Freight Systems, September 21, 2017, www.todaystrucking.com
24. Supply Chain Commentary: 3 Ways to

7. CTA Provides Transport Minister with Cross-Canada Trucking-Trade Priority Infrastructure Wish List

The Canadian Trucking Alliance (CTA) has reached out to its provincial associations across Canada to gather input on building stronger, more efficient trade corridors. CTA used the feedback to create a trade-trade priority wish list.

8. Truckers Welcome Extra Capacity at North America's Busiest Border Crossing

The Canadian Trucking Alliance welcomed news that the Government of Canada will permit the Detroit International Bridge Company to build a six-lane crossing to eventually replace the current Ambassador Bridge. Along with the planned Gordie Howe International Bridge set for construction a few kilometers away, the new span to be built next to the original Ambassador will significantly increase commercial truck crossing capacity at North America's busiest border crossing. The 87-year-old, four-lane Ambassador will be dismantled once the new bridge has opened.

The Ontario-Michigan gateway sees over 4.2 million trucks cross between the two existing Michigan and Ontario bridges (Ambassador and the Blue Water bridge in Sarnia-Port Huron) carrying \$210 billion CDN worth of trade between Canada and the United States.

9. Uber to stop using diesel cars in London by end 2019

Uber will cease using diesel cars in London by the end of 2019 and the vast majority of rides will be in electric or hybrid vehicles by then, the taxi app said on September 8, 2017. At the moment the company says around half of all the journey miles completed in the British capital are undertaken with greener vehicles on the firm's standard low-cost UberX service, which lets customers book journeys on their smartphone. Several carmakers have announced plans in recent months to electrify a large proportion of their new cars, with Volvo becoming the first major carmaker to set a date for phasing out vehicles powered solely by the internal combustion engine.

10. House rejects effort to delay ELD mandate

The U.S. House of Representatives rejected an effort to delay the implementation of the Federal Motor Carrier Safety Administration's (FMCSA) electronic logging device (ELD) mandate after a bill was introduced in July 2017 to push back its implementation by two years to December 2019.

11. Parcel volumes to increase 20% by 2018 says new report

Global parcel volumes surged 48 per cent between 2014 and 2016 and are set to continue growing at double-digit rates, according to the second annual Parcel Shipping Index from technology company Pitney Bowes. The Pitney Bowes Parcel Shipping Index (based on data in 12 major international markets) found that parcel shipping volume was 31 billion parcels in 2015, which was a 2.9 per cent increase over 2014. Furthermore, the Index forecasts parcel shipping volume to grow annually at 5 to 7 per cent for a total increase of 20 per cent by 2018, with cross-border shipping leading the way.

12. July 2017 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, reached an all-time high, rising 1.4 percent in July 2017 from June 2017, after a one month decline, according to the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS). The July 2017 index level (128.2) was 35.4 percent above the April 2009 low during the most recent recession.

13. Stronger growth lies ahead for freight forwarding: report

According to Ti's Global Freight Forwarding 2017 report, the global freight forwarding market is estimated to have grown by 2.7% in real terms in 2016 (growth due to changes in volumes only, prices and exchange rates are fixed at the base year of 2016). This is up from 2.1% in 2015, on the back of higher air and sea volume growth. However, thanks to a continuation of excess capacity issues and lower average oil prices in 2016, rates continued to fall in both air and sea freight, meaning most forwarders reported lower year-on-year revenues.

14. TransCore's Canadian freight volumes improve 55% y-o-y in August

TransCore Link Logistics' Canadian load volumes saw a sizable increase for the month of August 2017, increasing 12% month-over-month and 55% year-over-year. August 2017 volumes were the highest ever recorded for any August, surpassing the record set in 2011 by 26%.

15. CH Robinson grows, buys Montreal forwarder for US\$50 million

Prepare for the ELD Mandate, September 25, 2017, www.inboundlogistics.com

25. Turnover at Large Truckload Carriers Highest in 2 Years, September 26, 2017, www.ontruck.ca

26. Antitrust: Commission fines Scania €880 million for participating in trucks cartel, September 27, 2017, www.europa.eu

27. OTA-ORG Report Progress on Improving Tow Industry Practices, September 27, 2017, www.ontruck.ca

28. For-hire Motor Carrier Freight Services Price Index, second quarter 2017, September 29, 2017, www.statcan.gc.ca

29. Couriers and Messengers Services Price Index, August 2017, September 29, 2017, www.statcan.gc.ca

30. Monthly Passenger Bus and Urban Transit, July 2017, September 29, 2017, www.statcan.gc.ca

Minnesota's CH Robinson, a third-party logistics provider based in Eden Prairie, Minn., has acquired Milgram & Company Ltd, a Montreal forwarder, for US\$50.1 million, American Shipper reports.

16. Transportation and logistics companies make 2017 Profit 500 list

A total of 21 transportation and logistics firms were listed by *Canadian Business* and *Profit's* annual Profit 500 list which ranks Canada's fastest growing companies. The list ranks Canadian businesses by their five-year revenue growth. According to *Canadian Business*, the transport companies on this year's ranking grew their revenues by an average of 481% between 2011 and 2016. Collectively they employed 2,474 full time-equivalent employees in 2016.

17. Report Urges Actions to Limit Disruption from Autonomous Trucks

A new report issued by the International Transport Forum outlines the advantages – and challenges – that emerging autonomous vehicle technology will present in the coming years. ITF is an intergovernmental think tank with 59 member countries that focuses on global transport policies. The report makes four recommendations to help manage the transition to autonomous road freight: 1) Establish a transition advisory board to advise on labor issues; 2) Consider a temporary permit system to manage the speed of adoption; 3) Set international standards, road rules and vehicle regulations for self-driving trucks; 4) Continue pilot projects with driverless trucks to test vehicles, network technology and communications protocols.

18. Feds to fund improvement to Northern Ontario highway

The Federal government announced it will be contributing more than \$83 million towards three projects aimed at expanding Highway 11/17, a strategic link in the Trans-Canada Highway system connecting Northern and Southern Ontario.

19. Speaking notes An Act to Amend the Motor Vehicle Safety Act

The Minister of Transport introduced Bill S-2, amendments to the Motor Vehicle Safety Act to the House of Commons on September 19, 2017. The most significant amendments have to do with safety recalls. The proposed legislation would ensure that the Minister has the necessary tools to protect the safety of Canadians, including the power to: 1) Ordering a company to issue a recall; 2) Making companies repair a recalled vehicle at no cost to the consumer; and, 3) Preventing new vehicles from being sold in Canada until they are repaired. Beyond these order powers, other powers will be introduced such as 1) Ordering companies to conduct tests and providing the information to Transport Canada; 2) Providing clear lines of communication; and 3) Increasing compliance to the Act by introducing an Administrative Monetary Penalty regime

20. Truckload turnover up in Q2

The second quarter of 2017 saw the highest employment turnover at large truckload carriers since the last quarter of 2010. The American Trucking Associations (ATA) reports turnover was higher throughout the truckload market, amid tight labor conditions, with a 16-point jump over last year at large truckload carriers to 90%.

21. Ontario Cracking Down on Careless and Distracted Driving with Tough New Penalties

The province of Ontario plans to introduce new legislation in the fall of 2017 that, if passed, would help protect pedestrians and cyclists and reduce the number of people killed or injured by impaired, distracted and dangerous drivers. The proposed measures include: 1) A new offence for careless driving causing death or bodily harm with penalties that include fines, licence suspension and imprisonment; 2) A set of tougher penalties for distracted driving, such as using a cellphone while operating a vehicle, including higher fines, more demerit points, and license suspensions; 3) An increase of penalties for drivers who fail to yield for pedestrians and escalating fines for drivers who are convicted of multiple pedestrian-related offences within a five-year window; 4) An expansion of the use of rear flashing blue lights for enforcement and emergency vehicles.

22. CTA to Senate Committee: Truck Driver is Here to Stay

The Canadian Alliance told a senate committee in Ottawa that it welcomes the progression of connected and driver assist technology in commercial vehicles, but that such innovation will not come at the expense of truck drivers. That is advancements in vehicle automation will not displace the hundreds of thousands of professional men and women who operate commercial trucks. In fact, such technology would potentially make operating a commercial vehicle more inviting and accessible to a new generation of drivers. The committee is preparing a special study on the regulatory and technical issues related to the deployment of connected and automated vehicles (CVs and AVs).

23. Kriska acquires Service Freight Systems

Kriska Transportation Group (KTG) has acquired Burlington, Ontario-based Service Freight Systems (SFS). Service Freight Systems, a logistics company founded in 1995, specializes in temperature-controlled, cross-border, truckload freight. Kriska Group has 600 tractors, 1,700 trailers, and employs 850 people including owner-operators. Its brands include Kriska Holdings, Mill Creek Motor Freight, JMF Transport (1992), and Transpro Freight Systems.

24. Supply Chain Commentary: 3 Ways to Prepare for the ELD Mandate

Inbound logistics suggests three ways to prepare for the ELD Mandate: 1) Open the lines of communication; 2) Clearly set your expectations; and 3) Support carriers in new ways.

25. Turnover at Large Truckload Carriers Highest in 2 Years

The turnover rate at truckload carriers surged in the second quarter of 2017, according to American Trucking Associations, possibly reflecting a tightening market for drivers. According to ATA's quarterly report, the turnover rate for large truckload carriers jumped 16 percentage points to 90%, the highest it has been since the final quarter of 2015. The 16-point jump is the largest quarterly increase since the fourth quarter of 2010.

26. Antitrust: Commission fines Scania €880 million for participating in trucks cartel

The European Commission has found that Scania broke EU antitrust rules. It colluded for 14 years with five other truck manufacturers on truck pricing and on passing on the costs to customers of new technologies to meet stricter emission rules. The Commission has imposed a fine of €880 523 000 on Scania.

27. OTA-ORG Report Progress on Improving Tow Industry Practices

The Ontario Trucking Association, the Ontario Recovery Group and government officials continue to develop proposals to improve how commercial vehicles involved in collisions are removed from major highways in a cost-effective and professional way. One positive outcome of these discussions is a proposal for a joint action plan by the ORG and OTA to introduce a web app-based electronic call system for incidents on the 400 series highways.

28. For-hire Motor Carrier Freight Services Price Index, second quarter 2017

The For-hire Motor Carrier Freight Services Price Index rose 1.2% in the 2017 second quarter, following a 1.2% increase in the 2017 first quarter. Both the general freight trucking component (+1.0%) and the specialized freight trucking component (+1.6%) increased. The index was up 3.8% in the 2017 second quarter compared with the same quarter of 2016. This was the second consecutive year-over-year increase, following nine quarters of year-over-year decline. The general freight trucking component increased 4.4% and the specialized freight trucking component rose 2.4%.

29. Couriers and Messengers Services Price Index, August 2017

The Couriers and Messengers Services Price Index (CMSPI) decreased 0.4% in August 2017, following a 0.4% decline the previous month. The couriers component was down 0.4% in August 2017, while the local messengers and local delivery component decreased 0.1%. The CMSPI rose 7.4% in August 2017 compared with the same month a year earlier. Both the couriers component (+8.1%) and the local delivery component (+4.0%) increased.

30. Monthly Passenger Bus and Urban Transit, July 2017

Total operating revenues (excluding subsidies) for urban transit companies were \$307.3 million in July 2017. Ridership was 135.6 million passenger trips over the same period.

GENERAL TRANSPORTATION

Canada

1. Household spending, exports drive economy past expectations with 4.5% growth

The economy surged past second-quarter expectations with growth at an annual rate of 4.5 per cent, giving the country its best start to a calendar year since 2002, Statistics Canada said on August 31, 2017. Household spending and exports, particularly in the form of energy products, drove the increase in real gross domestic product, the agency said. The sturdy GDP data provides the latest evidence that the 2017 momentum has continued to build and arrives with the Bank of Canada widely expected to once again hike its benchmark rate in the

Canada

1. Household spending, exports drive economy past expectations with 4.5% growth, August 31, 2017, www.ctl.ca
2. Premier Wynne Responds to CTA NAFTA Submission, September 5, 2017, www.cantruck.ca
3. Eurozone economy heads for decade high growth as UK stalls, September 6, 2017, www.ctl.ca
4. Leading indicator of cross-border traveller volume, August 2017, September

coming weeks.

2. Premier Wynne Responds to CTA NAFTA Submission

The office of Ontario Premier Kathleen Wynne has responded to the OTA regarding CTA's submission on the modernization of NAFTA submitted to Global Affairs Canada. In the letter, the Premier's office welcomed the opportunity to hear CTA's view on NAFTA, stating it was important that trade keeps pace with the way business is being conducted. The letter also stated that the government was committed to defending Ontario's interests and strengthening business relationships with the U.S. in a new agreement.

3. Eurozone economy heads for decade high growth as UK stalls

While Britain and the rest of the EU are struggling to agree on divorce terms, it's increasingly clear that on the economic front they are diverging sharply. In closely watched surveys of economic activity, financial information company IHS Markit said on September 5, 2017 that the economy of the 19 EU countries that use the euro is heading for decade-high growth rates while Britain's is increasingly sluggish – largely due to uncertainty surrounding Brexit.

4. Leading indicator of cross-border traveller volume, August 2017

Data indicating the number of US residents entering Canada by automobile in August 2017 through land ports equipped with the automated Integrated Primary Inspection Line (IPIL) system are now available upon request from Statistics Canada. Data are available by the visitors' state of residence and by province of entry into Canada. The data provide counts of US residents entering Canada through IPIL ports in automobiles licensed in the United States. A traveller's state of residence is estimated from the licence plate of the automobile used to enter Canada.

5. Travel between Canada and other countries, July 2017

During July 2017, Canada welcomed 2.0 million *US residents*, down 1.1% from June 2017, an increase of 0.5% compared with July 2016. Canada received 535,000 residents visiting from *overseas* countries in July 2017, a 2.8% decline from June and 2.6% fewer than in July 2016. *Canadian residents* made 3.4 million trips to the *United States* in July 2017, up 1.1% from June and 0.3% higher than in July 2016. In July 2017, 1.1 million *Canadian resident* trips to *overseas countries* decreased 2.9% from June, but were 9.2% more than in July of the previous year.

6. National tourism indicators, second quarter 2017

Tourism spending in Canada rose 1.7% in the 2017 second quarter, following a 1.1% gain in the 2017 first quarter. Increased tourism spending by Canadians at home and by international visitors in Canada contributed to the second quarter increase.

7. 3PL study highlights potential of blockchain and digitization in the supply chain

A global study of third-party logistics says 73 per cent of shippers indicated third-party logistics providers bring innovative, value-add services to improve logistics effectiveness. The findings are from the 2018 22nd Annual Third-Party Logistics (3PL) Study, which examines the global outsourced marketplace and leading trends for shippers and 3PLs in the logistics industry. The study was presented by Penske.

11, 2017, www.statcan.gc.ca

5. Travel between Canada and other countries, July 2017, September 20, 2017, www.statcan.gc.ca

6. National tourism indicators, second quarter 2017, September 28, 2017, www.statcan.gc.ca

7. 3PL study highlights potential of blockchain and digitization in the supply chain, September 28, 2017, www.ctl.ca