

Transportation Information Update*

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AIR TRANSPORTATION

1. November air cargo volumes reach new high: WorldACD

It is clear once again that the year 2017 breaks one air cargo record after another, according to newly released statistics compiled by industry analyst WorldACD Market Data. The record volume worldwide, as seen in October 2017, has already been relegated to the history books one month later: November 2017 beat October 2017 by 1.3%. For the third month in a row, the year-over-year (YoY) yield increase in USD had to be written in double figures, this time the highest since the recovery after the 2009-crisis: +17.3% YoY (note that the price of jet fuel increased by 35% over the same period). With volumes growing YoY at 7.8% in November 2017 (and 8.9% in DTK), airline revenues in USD for the month were more than 26% higher than in November 2016. The WorldACD volume index, showing every month the moving average for the then last 12 months, steadily increased over the course of 2017, from just over 120 in January to 131.6 in November (year 2008 = 100).

2. Canadians to benefit from new and expanded air transport agreements

The Honourable Marc Garneau, Minister of Transport, on January 4, 2018 announced that Canada has successfully concluded new and amended air transport agreements with Ethiopia, Cameroon, South Africa, Qatar and Morocco. The amended agreement with Ethiopia allows designated carriers to offer up to five flights per week (up from three). The new agreement with Cameroon as well as amended agreements with South Africa and Qatar facilitate the operation of code-sharing between Canada and these countries. Code-sharing occurs when an air carrier sells seats on a flight operated by another air carrier, allowing it to expand its network and product offerings. The amendment to the agreement with Morocco provides flexibility for both own-aircraft and code-share services.

3. 2nd-Quarter 2017 Air Fare Data

The average US domestic air fare, adjusted for inflation, decreased to \$356 in the second quarter of 2017, down 0.9 percent from \$359 in the second quarter of 2016 but up 1.2 percent from \$352 in the first quarter of 2017, the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported on January 5, 2018

4. WestJet Encore reaches unique agreement with cabin crew members

WestJet Encore on January 9, 2018 announced its cabin crew members have reached an evergreen agreement between WestJet Encore and WestJet Encore Cabin Crew Members (CCMs). The agreement was designed to address key concerns and feedback collected and brought forward by the WestJet Cabin Crew Association (WCCA) representing WestJet Encore CCMs. The agreement covers work rules, compensation, including guaranteed minimum hours, and career progression and guarantees an ongoing annual review of the contract.

AIR

TRANSPORTATION Canada

1. November air cargo volumes reach new high: WorldACD, January 2, 2018, www.ctl.ca
2. Canadians to benefit from new and expanded air transport agreements, January 4, 2018, www.tc.gc.ca
3. 2nd-Quarter 2017 Air Fare Data, January 5, 2018, www.bts.gov
4. WestJet Encore reaches unique agreement with cabin crew members, January 9, 2018, www.westjet.ca
5. November Peak Season Air Freight Demand Up 8.8%, January 10, 2018, www.iata.org
6. Oneworld is best alliance for on-time flights – for fifth year running, Jan 10, 2018, www.transportweekly.com
7. WestJet reports record December load factor of 83.6 percent, January 11, 2018, www.westjet.ca
8. Demand Growth Strengthens in November, Jan. 11, 2018, www.iata.org
9. Air Canada Stock Top Performer Among North American Network Carriers for the Second Consecutive Year in 2017, January 12, 2018, www.aircanada.ca
10. October 2017 U.S. Airline Traffic Data, January 11, 2018, www.bts.gov
11. Aircraft movement statistics: Small airports, September 2017, January 15, 2018, www.statcan.gc.ca
12. Stay in Vermont with your money at par when flying with Porter Airlines, January 12, 2018, www.flyporter.com
13. 3rd-Quarter 2017 Air Fare Data, January 16, 2018, www.bts.gov
14. Canadian Transportation Agency to host international forum in 2018 on issues related to storing and transporting mobility devices on aircraft, January 18, 2018, www.cta-otc.gc.ca
15. Cargojet announces scheduled international freighter service, January 18, 2018, www.ctl.ca
16. November 2017 Passenger Airline Employment Data, January 18, 2018, www.dot.gov
17. Uncover Europe's Hidden Gems with Air Canada Vacations, January 23, 2018, www.aircanada.ca

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

5. November Peak Season Air Freight Demand Up 8.8%

The International Air Transport Association (IATA) released data for global air freight markets showing that demand, measured in freight tonne kilometers (FTKs), climbed 8.8% in November 2017 compared to the year-earlier period. This was an increase from the 5.8% annual growth recorded in October 2017. Despite indicators pointing to air cargo having passed a cyclical growth peak, demand remains strong. Freight capacity, measured in available freight tonne kilometers (AFTKs), rose by 4.0% year-on-year in November 2017. This was the 16th consecutive month in which demand growth outstripped capacity growth, which is positive for industry load factors, yields, and financial performance.

6. Oneworld is best alliance for on-time flights – for fifth year running

Oneworld is the best alliance for on-time flights, according to FlightGlobal Incorporating FlightStats, the leading airline industry data services and solutions technology company, which on January 10, 2018 honoured oneworld with its Airline Alliance On-Time Performance Service (OPS) Award for 2017. It is the fifth time running that oneworld has been confirmed by FlightStats as the most punctual global airline alliance – which means oneworld has retained this premier on-time status since FlightGlobal's FlightStats started tracking alliance punctuality.

7. WestJet reports record December load factor of 83.6 percent

WestJet on January 11, 2018 announced December 2017 traffic results with a load factor of 83.6 per cent, an increase of 2.8 percentage points year over year. Revenue passenger miles (RPMs), or traffic, increased 9.8 per cent year over year, and capacity, measured in available seat miles (ASMs), grew 6.0 per cent over the same period. For the final of quarter of 2017, load factor, ASM and RPM were: 82.6%, 7.659 billion and 6.329 billion an increase of 2.4 points, 5.6% and 8.8%. For the full year of 2017, load factor, ASM and RPM were: 83.6%, 30.998 billion and 25.904 billion an increase of 1.8 points, 5.8% and 8.1%. WestJet President and CEO Gregg Saretsky said "We are very pleased with our significant growth in traffic, as we reported a record December load factor and flew a record number of guests in December."

18. Air Canada Launches aircanada.com/media: A New Resource for Media and Web Content Creators, January 25, 2018, www.aircanada.ca

19. Expanded Canada-Israel air transport agreement to allow more flights to provide new travel options and support trade, January 25, 2018, www.tc.gc.ca

20. Air Canada Welcomes Expanded Canada-Israel Air Services Agreement, January 25, 2018, www.aircanada.ca

21. The Government of Canada to test cutting-edge technologies to support secure and seamless global travel for air passengers, January 25, 2018, www.tc.gc.ca

22. WestJet moves Whitehorse service to Calgary, January 25, 2018, www.westjet.ca

23. IATA Welcomes New African Air Transport Market but Says Effective Implementation is Key, January 28, 2018, www.iata.org

24. Monthly civil aviation statistics, November 2017, January 30, 2018, www.stat.gc.ca

25. WestJet heads to Paris and London from Halifax, January 29, 2018, www.westjet.ca

26. WestJet is conveniently connected in YYZ, January 29, 2018, www.westjet.ca

27. WestJet enhances Edmonton summer schedule, January 29, 2018, www.westjet.ca

28. WestJet expands service from Vancouver, January 29, 2018, www.westjet.ca

29. Porter doubles Stephenville schedule to 50 flights for 2018, January 29, 2018, www.flyporter.com

8. Demand Growth Strengthens in November

The International Air Transport Association (IATA) announced global passenger traffic results for November 2017 showing continued robust demand. Total revenue passenger kilometers (RPKs) rose 8.0% compared to November 2016, the fastest growth rate in five months and up from a 7.3% year-over-year rise in October 2017. Capacity (available seat kilometers or ASKs) increased by 6.3%, and load factor rose 1.2 percentage points to 80.2%. Alexandre de Juniac, IATA's Director General and CEO "The airline industry is in a good place entering 2018. November's strong demand gives the industry momentum ..." The Asia-Pacific market showed the greatest increase.

9. Air Canada Stock Top Performer Among North American Network Carriers for the Second Consecutive Year in 2017

Air Canada shares outperformed those of all its North American network carrier peers for the second consecutive year in 2017. During a year in which it celebrated its 80th anniversary, the airline set a number of company financial records and won major awards for customer service and employee engagement. "Air Canada performed very strongly in 2017, fulfilling its commitments to investors, customers, employees and other stakeholders. Such achievements speak to the success of the ongoing transformation of our company and its power to deliver value to shareholders. The results also reflect the loyalty of our customers and I thank them on behalf of all of our 30,000 employees for choosing to fly with Air Canada," said Calin Rovinescu, President and Chief Executive of Air Canada.

10. October 2017 U.S. Airline Traffic Data

In October 2017, domestic travel numbers on U.S. airlines resumed the growth from previous years that

had taken place prior to September 2017. In that month, air travel numbers were reduced primarily due to the impact of hurricanes in the southern U.S. From September 2017 to October 2017, enplanements on domestic flights rose 6.1 percent while enplanements on U.S. airlines' international flights to and from the U.S. rose 5.4 percent, resulting in a 6.0 percent systemwide increase. In one year, from October 2016 to October 2017, enplanements on domestic flights increased 4.3 percent while enplanements on U.S. airlines' international flights to and from the U.S. rose 3.9 percent, resulting in a 4.2 systemwide increase

11. Aircraft movement statistics: Small airports, September 2017

Take-offs and landings at 128 Canadian airports without air traffic control towers reached a total of 62,456 movements in September 2017. Ten airports accounted for 38% of the month's activity: Peterborough, Ontario (6,069 movements); Goose Bay, Newfoundland and Labrador (2,630); Barrie-Orillia-Lake Simcoe Regional, Ontario (2,167); Drummondville, Quebec (2,097); Trois-Rivières, Quebec (1,982); Red Lake, Ontario (1,904); Collingwood, Ontario (1,890); Muskoka, Ontario (1,769); Comox, British Columbia (1,605); and Pickle Lake, Ontario (1,560).

12. Stay in Vermont with your money at par when flying with Porter Airlines

Porter Airlines has partnered with Vermont to bring its passengers exclusive at-par savings on winter getaways in the Green Mountain State. Great offers on lodging and lift tickets are available exclusively for Porter passengers who can choose from more than 20 participating properties in Burlington, Stowe area and Mad River Valley. Savings of 20 to 30 per cent mean prices are equivalent to Canadian dollars.

13. 3rd-Quarter 2017 Air Fare Data

The average US domestic air fare decreased to \$336 in the third quarter of 2017, the lowest inflation-adjusted quarterly fare in 23 years of air fare records, the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported on January 16, 2018. The previous low quarter since BTS began collecting air fare data in 1995 was \$346 in the second quarter of 2009.

14. Canadian Transportation Agency to host international forum in 2018 on issues related to storing and transporting mobility devices on aircraft

The Canadian Transportation Agency (CTA) will host an international forum on June 12-13, 2018. The forum hosted by the CTA will serve as a catalyst for dialogue and innovation. It will bring together participants from around the world, including: airlines and their associations, aircraft manufacturers, mobility device manufacturers, disability rights organizations, regulators and the International Civil Aviation Organization (ICAO).

15. Cargojet announces scheduled international freighter service

Cargojet announced their scheduled freighter service between Canada and South America and a second frequency between Canada and Europe starting in February 2, 2018. Cargojet will begin operating its own scheduled B767-300F freighter aircraft twice per week on the following schedules: 1) Hamilton, Ont. to/from Bogota, Colombia and Lima, Peru via Atlanta, Georgia and will operate Fridays & Sundays. 2) Hamilton, Ont. to/from Cologne, Germany will operate on Saturdays with continued connectivity through the Cargojet network.

16. November 2017 Passenger Airline Employment Data

U.S. scheduled passenger airlines employed 3.3 percent more workers in November 2017 than in November 2016, reaching 429,946 full-time equivalent (FTE) employees, the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported on January 18, 2018. November 2017 was the 49th consecutive month that U.S. scheduled passenger airline FTEs exceeded the same month of the previous year.

17. Uncover Europe's Hidden Gems with Air Canada Vacations

Air Canada Vacations is proud to unveil its 2018 *Europe Your Way* Collection. Featuring 122 vacation packages and 50 cruises, possibilities for short and long stays, additional guided tour options and a newly added destination of Croatia, the collection brings you closer than ever to creating your perfect vacation in Europe.

18. Air Canada Launches aircanada.com/media: A New Resource for Media and Web Content Creators

Air Canada recently launched aircanada.com/media, a media-rich news hub and resource to help journalists and digital content creators source the latest in Air Canada news, travel news and aviation news. The Media Centre includes Air Canada's press releases, featured stories for editorial use, high-res photos and downloadable videos, background information, company statements, as well as helpful industry links.

19. Expanded Canada-Israel air transport agreement to allow more flights to provide new travel options and support trade

The Honourable Marc Garneau, Canada's Minister of Transport, and the Honourable Israel Katz, Israel's Minister of Transport and Intelligence, on January 25, 2018 announced the recent conclusion of an expanded air transport agreement between Canada and Israel. The expanded agreement allows designated airlines to operate up to 19 passenger flights per week (up from 12). The new rights under the expanded agreement are available for use by airlines immediately.

20. Air Canada Welcomes Expanded Canada-Israel Air Services Agreement

Air Canada on January 25, 2018 welcomed the announcement by the Government of Canada and Government of Israel of an expanded air transport agreement between the two countries. With the revised agreement Air Canada will look to further expand its services between Canada and Israel.

21. The Government of Canada to test cutting-edge technologies to support secure and seamless global travel for air passengers

The Government of Canada will collaborate with the World Economic Forum and partners to test emerging digital technologies and how they can improve security and the seamless flow of legitimate air travellers, with the launch of the Known Traveller Digital Identity prototype. The Honourable Navdeep Bains, Minister of Innovation, Science and Economic Development, highlighted the initiative on January 25, 2018 in Davos, Switzerland. The Known Traveler Digital Identity system takes emerging digital technologies such as advanced biometrics, cryptography and distributed ledger technologies to give travellers control over, and the ability to share their information, via personal mobile devices, with governments and travel providers to facilitate and expedite progress from departure to destination airports, and beyond. The Government of Canada will design a proof-of-concept pilot project between Canada and the Kingdom of the Netherlands to explore opportunities for demonstrating the benefits that these technologies can offer.

22. WestJet moves Whitehorse service to Calgary

WestJet on January 25, 2018 announced that it will move its non-stop seasonal service between Whitehorse and Vancouver to YYC Calgary International Airport, effective June 29, 2018. For the first time, flights between Whitehorse and Calgary will be available for purchase as of January 29, 2018.

23. IATA Welcomes New African Air Transport Market but Says Effective Implementation is Key

The International Air Transport Association (IATA) welcomes the launch of the Single African Air Transport Market (SAATM) initiative by the African Union (AU) to open up Africa's skies and improve intra-African air connectivity. Enhanced connectivity will stimulate demand, improve the competitiveness of the African airline industry, and make air travel more accessible. In turn, this will enable higher volumes of trade, expanded tourism and growing commerce between African nations and with the rest of the world.

24. Monthly civil aviation statistics, November 2017

The six Canadian Level I air carriers flew 5.8 million passengers on scheduled and charter services in November, up 9.1% from November 2016. Traffic increased 11.7% year over year to 13.8 billion passenger-kilometres in November 2017. Capacity rose 9.8% to 17.3 billion available seat-kilometres. This resulted in a higher passenger load factor in November (80.0%) compared with the same month a year earlier (78.6%), as the increase in demand for travel outpaced the rise in capacity. On average, each passenger travelled 2,392 kilometres, up 2.4% compared with November 2016. Total operating revenue increased 8.8% from the same month a year earlier to \$1.5 billion in November.

25. WestJet heads to Paris and London from Halifax

WestJet on January 29, 2018 announced that it is again connecting Atlantic Canada to the world by air with daily direct flights between Halifax Stanfield International Airport (YHZ) and Charles de Gaulle Airport (CDG) in Paris and Gatwick Airport (LGW) in London, U.K. These flights are part of the WestJet 2018 summer schedule also released today.

26. WestJet is conveniently connected in YYZ

WestJet on January 29, 2018 announced that it has again enhanced its schedule and connectivity out of its Toronto hub to key business and tourism destinations in Canada, the U.S. Mexico and the Caribbean, adding 28 more weekly flights.

27. WestJet enhances Edmonton summer schedule

WestJet on January 29, 2018 announced that it has again enhanced its schedule and connectivity out of Edmonton International Airport (EIA) to key business and leisure destinations in Canada and the U.S., adding 23 weekly flights.

28. WestJet expands service from Vancouver

WestJet on January 29, 2018 announced that it has again enhanced its schedule and connectivity out of its Vancouver hub to key business and leisure destinations in Canada and Mexico, adding 60 more flights weekly.

29. Porter doubles Stephenville schedule to 50 flights for 2018

Porter Airlines released its 2018 schedule for Stephenville, N.L., featuring new spring and fall service. Fifty round-trip flights will operate between Halifax, beginning April 14, 2018, through January 5, 2019, with schedules varying by season. This more than doubles service from the previous year. “We are ready to begin our fifth year of service in Stephenville with more flights than ever,” said Robert Deluce, president and CEO, Porter Airlines. “This area of the province deserves more service and we believe people will respond to having options during the most popular times of year.”

WATER TRANSPORTATION

1. The Port of Montreal welcomes the first ocean-going vessel of 2018

By crossing the downstream limits of the Port of Montreal at Sorel at 11:55 a.m. on January 1, the *Ottawa Express* became the first ocean-going vessel to reach the Port of Montreal without a stopover in 2018. The *Ottawa Express* under the command of Captain Rakesh Kumar, is a container ship operated by Hapag-Lloyd and represented in Montreal by the Robert Reford Agency. The *Ottawa Express* left the Port of Liverpool, England, on December 21st, 2017. It docked late afternoon at Berth 77 at Cast Terminal operated by Montreal Gateway Terminals Partnership, after braving the freezing weather of this beginning of the year.

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

A penalty of \$6,000 has been issued to the vessel *Federal Cardinal* for alleged non-compliance with a temporary mandatory vessel slowdown. 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. The temporary mandatory slowdown will remain in effect until the whales have migrated away from the area of concern. Transport Canada continues to assist Fisheries and Oceans Canada in monitoring the migration of the whales in this area.

3. Study finds U.S. regulations to protect killer whales near B.C. coast effective

American regulations that limit vessel noise and traffic around endangered killer whales off the West Coast are working, a new study says. The U.S. National Oceanic and Atmospheric Administration, or NOAA, said in its review of regulations adopted in 2011 that the changes are benefiting southern resident orcas without having negative effects on the local whale watching and tourism industries. The southern residents that ply the waters off British Columbia and Washington state are listed as endangered species in the United States and a species at risk in Canada.

4. U.S. South Atlantic ports gear up for future growth amid strong demand

The U.S. port sector is booming. Steady economic growth and a strong dollar have translated to heightened consumer demand, with several major container ports setting new records for import volumes. Zooming in on U.S. South Atlantic ports, new expansion and dredging projects are being unveiled at a rapid pace as facilities look to keep up with the increased volumes and accommodate the larger containerhips now calling

5. Port of NY/NJ sets monthly cargo volume record for November

The Port of New York and New Jersey has set a new monthly record for November 2017 for cargo volume activity, the port confirmed

WATER TRANSPORTATION Canada

1. The Port of Montreal welcomes the first ocean-going vessel of 2018, January 2, 2017, www.ctl.ca
2. Transport Canada issues another fine for non-respect of the speed restriction in the Gulf of St. Lawrence, December 29, 2017, www.tc.gc.ca
3. Study finds U.S. regulations to protect killer whales near B.C. coast effective, January 2, 2018, www.ctl.ca
4. U.S. South Atlantic ports gear up for future growth amid strong demand, January 2, 2018, www.americanshipper.com
5. Port of NY/NJ sets monthly cargo volume record for November, January 2, 2018, www.americanshipper.com
6. Port of Montreal handles record 38m tons of cargo in 2017, January 5, 2018, www.americanshipper.com
7. Montreal's port eyes another record year in 2018 for cargo and cruise passengers, January 7, 2018, www.ctl.ca
8. DP World invests over \$1 billion in 2017, January, 7, 2018, www.ctl.ca
9. Montreal expects 4pc growth in cargo in 2018 after record 2017, January 9, 2018, www.transportweekly.com
10. Transport Canada introduces new *Arctic Shipping Safety and Pollution Prevention Regulations*, January 10, 2018, www.tc.gc.ca
11. Port of Prince Rupert Ships Record Volumes in 2017, January 10, 2018, www.rupertport.com
12. Port Saint John 2017 reports 15% gain in year-over-year cargo tonnage, January 10, 2018, www.ctl.ca
13. Report: Ultra-large containership newbuilds hit record in January, January 2018, www.americanshipper.com
14. Transport Canada lifts temporary speed restriction in the Gulf of St. Lawrence, January 11, 2018, www.tc.gc.ca
15. Port of Oakland says 2017 was the busiest for container shipping in its 90-year history, January 11, 2018, www.americanshipper.com
16. Singapore still world's 2nd largest container port, January 15, 2018, www.transportweekly.com
17. DP World forecasts 10pc growth in box throughput in 2017 with new investments, January 15, 2018, www.transportweekly.com
18. Transport Canada issues another fine for non-respect of the speed restriction in the Gulf of St. Lawrence, January 15, 2018, www.tc.gc.ca
19. Port of LA 2017 container volume hits

Jan. 2, 2018. During November 2017, the port handled 566,519 TEUs (323,290 containers in total) of containerized cargo, which was 6.8 percent more than the previous best November on record, November 2016, according to newly released data from the Port Authority of New York and New Jersey (PANYNJ).

6. Port of Montreal handles record 38m tons of cargo in 2017

The Port of Montreal handled close to 38 million tons of freight in 2017, according to preliminary statistics released by the port Jan. 3, 2018. The unaudited figure represents an increase of almost 7 percent in cargo traffic, as well as an historic record, according to the port. The Montreal Port Authority attributed the record growth to major development projects in 2017, including the new Viau Container Terminal, which completed its first full year of operations.

7. Montreal's port eyes another record year in 2018 for cargo and cruise passengers

The Port of Montreal had a record year for cruises with the anticipation of growing that business by another 14 per cent to 130,000 passengers in 2018. More than 50 ship arrivals brought more than 114,000 passengers to Montreal last year, up 33 per cent over 2016 and up 140 per cent compared with 2011. The growth resulted from more cruises stopping to mark Canada's 150th birthday and the 375th birthday celebrations of Montreal's founding and the cruise industry's interest in adding new destinations.

8. DP World invests over \$1 billion in 2017

Growing global trade opportunities, diversifying its business across the supply chain and exploring smart innovation technologies were key strands of DP World's operations in 2017 which included over USD \$1 billion in capital expenditure year to date. A series of acquisitions, technology tie-ups and sustainable business achievements all formed part of the activities that saw the company expand its business horizons across the world.

9. Montreal expects 4pc growth in cargo in 2018 after record 2017

The Port of Montreal expects 2018 to be another record year for cargo volumes as the Canadian free trade agreement with Europe begins to bear fruit. Canada's second largest port, after Vancouver, expects volume to rise four per cent in 2018 following a record seven per cent year-on-year increase in 2017 to 38 million tonnes. A strong economy, expanding business with Asia and reversal of Enbridge's 9B pipeline contributed to the 2017 strong results, port CEO Sylvie Vachon said in a report by Toronto-based PMN Business.

10. Transport Canada introduces new Arctic Shipping Safety and Pollution Prevention Regulations

To uphold the Government of Canada's high standards for marine shipping in the north, Transport Canada has introduced new *Arctic Shipping Safety and Pollution Prevention Regulations*. The regulations incorporate the International Code for Ships Operating in Polar Waters (the Polar Code) into Canada's domestic legislation. The Polar Code addresses the unique hazards encountered by certain vessels that operate in the Arctic and Antarctic. The Polar Code and Canada's new regulations include a variety of safety and pollution prevention measures, including those related to vessel design and equipment, vessel operations and crew training. Drawing from decades of experience as an Arctic regulator, Canada played a key leadership role in developing the Polar Code at the International Maritime Organization.

11. Port of Prince Rupert Ships Record Volumes in 2017

Cargo moving through the Port of Prince Rupert rose to a record volume of 24.1 million tonnes in 2017, anchored by 26% growth in its intermodal container business and growth of dry bulk cargo volumes. Overall tonnage through the port was up 28% from 2016, and exceeds the previous record high of 23 million tonnes set in 2013. "The increasingly diversified nature of the gateway, combined with terminal expansion and the introduction of new logistics services, is paying dividends to Canadians," said Bud Smith, Chair of the Prince Rupert Port Authority.

12. Port Saint John 2017 reports 15% gain in year-over-year cargo tonnage

new record of 9.3m TEU, January 16, 2018, www.transportweekly.com

20. Seaway tonnage up 9% over previous year, January 16, 2018, www.ctl.ca

21. Drewry: Potential exists for more mergers, acquisitions in container market, January 16, 2018, www.americanshipper.com

22. HK container volume breaches 20m TEU mark for 2017, up 5pc, January 17, 2018, www.transportweekly.com

23. Cosco Shipping Ports 2017 container volumes surge 13pc, January 18, 2018, www.transportweekly.com

24. Port of Montreal: Accumulated Container traffic (January to December 2017), January 22, 2018, www.portofmontreal.ca

25. Port of Prince Rupert: Accumulated Container traffic (January to December 2017), January 22, 2018, www.rupertport.com

26. BTS Port Performance Freight Statistics Annual Report Released, January 19, 2018, www.bts.gov

27. Shipping industry calls for carriage ban on non-compliant fuel, January 22, 2018, www.ctl.ca

28. Port of Halifax: Accumulated Container traffic (January to December 2017), January 25, 2018, www.portofhalifax.ca

29. Port of Halifax sets new container volumes record, January 25, 2018, www.ctl.ca

Year-over-year total cargo tonnage at Port Saint John increased by over 4 million metric tonnes in 2017. Overall cargo tonnage handled for the year 2017 was 30,458,422 metric tonnes, a 15% increase over 2016. All cargo sectors, aside from the anticipated exception of containers, experienced significant gains in 2017.

13. Report: Ultra-large containership newbuilds hit record in January

The boxship sector is seeing record deliveries of ultra-large containership (ULCs) newbuilds in 2018, with 10 joining the fleet in January 2018 alone, according to industry analyst Alphaliner. The month of January 2018 will see seven mega vessels in the range of 19,000-21,000 TEUs, as well as three other ULCs in the 14,000-TEU and over range.

14. Transport Canada lifts temporary speed restriction in the Gulf of St. Lawrence

Minister of Transport, on January 11, 2018 announced that the temporary mandatory slowdown for vessels has been lifted in the Gulf of St. Lawrence. There have been no sightings of North Atlantic right whales in the area of the slow-down in recent weeks. We thank the many vessel operators and captains who complied with this mandatory slow down.

15. Port of Oakland says 2017 was the busiest for container shipping in its 90-year history

The Port of Oakland handled the equivalent of 2.42 million TEUs in 2017, making last year the busiest in its 90-year history, the port announced on January 11, 2018. The amount broke the port's previous record of 2.39 million containers, which had been set in 2014. The port also said that it broke two other records in 2017, with 919,523 loaded import containers and 1.85 million combined imports and exports.

16. Singapore still world's 2nd largest container port

Singapore container port handled 33.7 million TEU last year, an increase of 8.9 per cent on 2016, however, volumes were still marginally lower than the record year of 2014. The Lion City retained its place as the world's second largest container port, following flat growth in 2016. "Singapore put up a strong performance in 2017. Our container throughput rose by 8.9 per cent to 33.7 million TEU, due to the pick-up in the global economy and PSA's efforts to anchor major shipping alliances here," said Lam Pin Min, Singapore's Senior Minister of State for Transport and Health. Handling 33.7 million TEU in 2017 was slightly below the record of 33.9 million TEU in 2014, Seatrade Maritime News of Colchester, UK reported.

17. DP World forecasts 10pc growth in box throughput in 2017 with new investments

DP World said it expects to achieve a 10 per cent growth in gross volumes in 2017 across its global portfolio of container terminals, after investing US\$1 billion (Dh3.67 billion) to expand and diversify its business. The port operator handled a total of 63.7 million TEU in 2016. "The recovery of global trade in 2017 has been stronger than expected and we are pleased to have outperformed market growth once again. We are on course to deliver approximately 10 per cent growth in gross volumes for 2017, and look forward to continued growth in 2018," DP World group CEO Sultan Ahmed bin Sulayem was quoted as saying in a report by UAE's Khaleej Times.

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

A penalty of \$6,000 has been issued to the vessel *Mississauga Express* for alleged non-compliance while a temporary mandatory speed restriction was in effect. 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. The temporary mandatory slowdown of vessels 20 metres or more to a maximum of 10 knots was in place from August 11, 2017 to January 11, 2018 due to the increased presence of whales in the western Gulf of St. Lawrence, between the Quebec north shore and just north of Prince Edward Island.

19. Port of LA 2017 container volume hits new record of 9.3m TEU

The Port of Los Angeles has set an all-time annual record for container throughput in 2017, moving 9.3 million TEUs, an increase of 5.5 percent 2016's record-breaking year and the new high-water mark for the most cargo moved annually by a Western Hemisphere port. Supply chain efficiencies, new technology use, and terminal upgrades were the three reasons given for the milestone. The 110-year-old facility, which is the nation's busiest seaport, invested in a series of upgrades throughout 2017, DC Velocity reported.

20. Seaway tonnage up 9% over previous year

Robust economic growth brought about strong gains in a number of cargo sectors, with Seaway tonnage rising by 9% to over 38 million tonnes of cargo in 2017. From iron ore movements stoking both North American as well as Asian steel mills, to shipments of stone, cement and steel that enabled construction activity to keep moving at a brisk pace, the Seaway once again demonstrated its role as a vital binational transportation gateway supporting virtually every sector of the North American economy.

21. Drewry: Potential exists for more mergers, acquisitions in container market

With nearly 400 different vessel operators plying their trade worldwide, there's plenty of competition and potential for more merger and acquisition activity, according to a new analysis by London-based industry analyst Drewry Shipping Consultancy. "The collapse of freight rates during the second half of last year, far out of line with the underlying supply and demand fundamentals, suggests that carriers have not yet rid themselves of certain self-sabotaging traits..."

22. HK container volume breaches 20m TEU mark for 2017, up 5pc

The Port of Hong Kong had regained the 20 million TEU mark for 2017 with a 5 per cent rise in annual throughput to 20.76 million TEU, compared to 19.81 million TEU in 2016. Throughput at Hong Kong's main Kwai Tsing terminals for 2017 rose 7 per cent to 16.24 million TEU, while at the non-Kwai Tsing terminals volume slid 2 per cent to 4.52 million TEU.

23. Cosco Shipping Ports 2017 container volumes surge 13pc

Cosco Shipping Ports (CSP) achieved 13 per cent year-on-year growth in 2017 with container throughput at all its ports reaching a total of 87.31 million TEU. In December 2017, volumes increased by nine per cent to 7.49 million TEU. The gains were driven by CSP's overseas ports, a consistent pattern throughout the year where volumes rose 33 per cent to 1.86 million TEU in December and were up 39 per cent for the full-year to 18.84 million TEU, reported Seatrade Maritime News, Colchester, UK.

24. Port of Montreal: Accumulated Container traffic (January to December 2017)

The Port of Montreal reported its container traffic (TEUs) for 2017 on January 22, 2018. Total container traffic for 2017 was 1,537,669, a 6.2% increase compared to 2016 (1,447,566). Total inbound traffic for 2017 was 743,931, a 3.8% increase compared to 2016 (716,911). Total outbound traffic for 2017 was 793,738, a 8.6% increase compared to 2016 (730,655).

25. Port of Prince Rupert: Accumulated Container traffic (January to December 2017)

The Port of Prince Rupert reported its container traffic (TEUs) for 2017 on January 22, 2018. Total container traffic for 2017 was 926,540, a 26% increase compared to 2016 (736,663). Total inbound traffic for 2017 was 523,985, a 20% increase compared to 2016 (437,332). Total outbound traffic for 2017 was 402,555, a 34% increase compared to 2016 (299,330).

26. BTS Port Performance Freight Statistics Annual Report Released

The U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) has released Port Performance Freight Statistics Program: Annual Report to Congress 2017. This report is the second edition of the annual report from the BTS Port Performance Freight Statistics Program established by the Fixing America's Surface Transportation Act of 2015. The goal of the program is "to provide nationally consistent measures of performance" of the nation's largest ports, and to report annually to Congress on port capacity and throughput.

27. Shipping industry calls for carriage ban on non-compliant fuel

Leading environmental organizations and the global shipping industry have joined in calling for an explicit prohibition on the carriage of non-compliant marine fuels when the global 0.5% sulphur cap takes effect in 2020. IMO has agreed that from 1st January 2020 the maximum permitted sulphur content of marine fuel (outside Emission Control Areas) will reduce from 3.5% to 0.5%. Unless a ship is using an approved equivalent compliance method, there should be no reason for it to be carrying non-compliant fuels for combustion on board.

28. Port of Halifax: Accumulated Container traffic (January to December 2017)

The Port of Halifax reported its container traffic (TEUs) for 2018 on January 22, 2018. Total container traffic for 2018 was 559,242, a 16.3% increase compared to 2016 (480,722). Total inbound traffic for 2017 was 279,602, a 20.6% increase compared to 2016 (231,797). Total outbound traffic for 2017 was 279,640, a 12.3% increase compared to 2016 (248,925). For the fourth quarter of 2017, total container traffic for 2018 was 140,488, a 11.3% increase compared to 2016 (126,178). Total inbound traffic for 2017 was 71,249, a 20.3% increase compared to 2016 (59,236). Total outbound traffic for 2017 was 69,239, a 3.4% increase compared to 2016 (66,942).

29. Port of Halifax sets new container volumes record

Containerized cargo volume through the Port of Halifax has set a new port record. Containerized cargo volume in 2017 is 559,242 twenty-foot equivalent units (TEU), up 16% over 2016. This is the highest volume of containerized cargo the Port of Halifax has handled in a single year. The previous record was 550,462 TEU, set in 2005. The cruise industry in Halifax also experienced record numbers in 2017, with 173 vessel calls carrying 292,722 passengers. Karen Oldfield, President and CEO, Halifax Port Authority said "The current growth cycle is a reflection of the hard work of key port partners including terminal

operators, ocean carriers, rail provider CN, labour, marine pilots, tug operators, and our partners in the tourism sector.”

RAIL TRANSPORTATION

1. CN to report fourth-quarter and year-end 2017 financial and operating results on Jan. 23, 2018

CN will issue its fourth-quarter and year-end 2017 financial and operating results on Jan. 23, 2018, at 4:01 p.m. Eastern Time (ET). CN's senior officers will review the results and the railway's outlook in a webcast/conference call starting at 4:30 p.m. ET Jan. 23, 2018. Luc Jobin, CN president and chief executive officer, will lead the call.

2. Railways continue to reduce emissions in Canada: RAC

Canada's railways are on pace to meet greenhouse gas (GHG) reduction targets set out by the rail sector and the federal government, according to the latest Locomotive Emissions Monitoring (LEM) Program report released by the Railway Association of Canada (RAC). The LEM report summarizes the progress that railways have made towards reducing GHGs and criteria air contaminants (CAC) from locomotives operating in Canada, and highlights the initiatives that the industry has taken in reaching its goals in this area.

3. AAR: U.S. rail volumes rise 3.4% in 2017

U.S. railroads originated nearly 27.5 million total carloads and intermodal units for the full year in 2017, an increase of 3.4 percent compared to the previous year, according to the latest data from the Association of American Railroads (AAR). Total U.S. traffic for 2017 stood at 13,478,126 carloads, up 2.9 percent from calendar year 2016; and 14,011,834 intermodal units, up 3.9 percent year-over-year, according to AAR.

4. Via rail sets record for ridership over the holiday season

As harsh winter conditions swept across the country, many thousands of Canadians chose VIA Rail Canada (VIA Rail) for their travel during the holiday season. From December 18 2017 to January 7, 2018 trains from coast to coast carried 308,000 passengers — 10% more than in 2016-2017. The busiest day, December 22, 2017 saw VIA Rail trains transporting 20,700 passengers to their destinations. “Our operations have been strained in recent weeks by cold spells and extreme winter storms. Over this busy season, we have doubled our efforts to limit the impact, provide good service and bring our passengers to their destinations safely. I thank our clients for their understanding and I want to acknowledge the dedication and professionalism of our front-line employees and our maintenance centers,” said Yves Desjardins-Siciliano, President and CEO of VIA Rail.

5. NAFTA uncertainty presents risk for Canadian railways, says analysts

The potential dismantling of the North American Free Trade Agreement poses the biggest risk to Canada's railways not benefiting this year from healthy economies and higher demand to move crude oil, say industry observers.

6. Rail joint cracks led to Saskatchewan potash train derailment

TSB An investigation has concluded that cracks in a rail joint ultimately led to the derailment of a freight train carrying potash east of Saskatoon last fall. A Transportation Safety Board report says the cracks made the rail joint weak and it ruptured under the weight of

RAIL TRANSPORTATION

Canada

1. CN to report fourth-quarter and year-end 2017 financial and operating results on Jan. 23, 2018, January 2, 2018, www.cn.ca
2. Railways continue to reduce emissions in Canada: RAC, January 4, 2018, www.ctl.ca
3. AAR: U.S. rail volumes rise 3.4% in 2017, January 4, 2018, www.americanshipper.com
4. Via rail sets record for ridership over the holiday season, January 8, 2018, www.viarail.com
5. NAFTA uncertainty presents risk for Canadian railways, says analysts, January 8, 2018, www.ctl.ca
6. Rail joint cracks led to Saskatchewan potash train derailment, January 11, 2018, www.ctl.ca
7. Quebec railway suffers flood damage, January 15, 2018, www.ctl.ca
8. Growing rail transport expected to bolster oil prices for Canadian producers, January 16, 2018, www.ctl.ca
9. CSX net earnings soar in 2017, January 17, 2018, www.americanshipper.com
10. CP reports record fourth-quarter and record full-year results on the strength of its operating model and disciplined approach in the marketplace, January 18, 2018, www.cpr.ca
11. Canadian Pacific Railway says tearing up NAFTA poses limited risk to company, January 19, 2018, www.ctl.ca
12. CP, Consolidated Fastfrate extend partnership, January 23, 2018, www.todaystrucking.com
13. CP completes first share repurchase program, January 23, 2018, www.cpr.ca
14. CN announces 10 per cent dividend increase, January 23, 2018, www.cn.ca
15. CN targeting record C\$3.2 billion capital program in 2018, January 23, 2018, www.cn.ca
16. CN reports Q4-2017 financial results, January 23, 2018, www.cn.ca
17. CN reports 2017 full-year financial results, January 23, 2018, www.cn.ca
18. Railway bypass: the Government of Canada will do its part, January 22, 2018, www.tc.gc.ca
19. CN Rail raises dividend as it eyes years of double digit annual growth, January 24, 2018, www.ctl.ca
20. CN Police association members ratify new labour contract, January 24, 2018, www.cn.ca
21. Union Pacific's net income picks up for Q4, full-year 2017, January 25, 2018, www.americanshipper.com
22. CN recognized as leader for corporate environmental action, January 29, 2018, www.cn.ca
23. BNSF beating Union Pacific in competition for western rail freight, January 30, 2018, www.transportweekly.com

the Canadian Pacific Railway train.

7. Quebec railway suffers flood damage

The St. Lawrence and Atlantic Railway has suffered significant damage from the sudden rise in the water level of the St-François River in the district of Brompton in Sherbrooke during the night of January 12 to January 13, 2018. Part of the railway bridge was washed away. No train is involved. The damage only affects the railway infrastructure. Thus, there were no spills and no injuries resulting from the incident.

8. Growing rail transport expected to bolster oil prices for Canadian producers

Steep discounts in prices for western Canadian heavy oil are moderating and should gradually ease through 2018 to allow Canadian producers to reap bigger rewards from strengthening world oil prices, according to GMP FirstEnergy. King said crude-by-rail terminals in Western Canada have been using a small part of their one million barrels per day of capacity but are now activating idle capacity to fill the gap, with the main constraints being availability of locomotives and conductors. "Over the next couple of years, I could see a lot of that capacity being used up for raiing, hopefully just in time for new pipelines to come into service in 2020," he said.

9. CSX net earnings soar in 2017

Jacksonville, Fla.-based Class I railway CSX posted net earnings of \$5.4 billion for 2017, a sharp increase from \$1.7 billion for 2016. Revenues for the year ticked up 3 percent from 2016 to \$11.4 billion. CSX posted fourth quarter 2017 net earnings of \$4.1 billion, compared to the \$458 million earned in the fourth quarter of 2016. Fourth quarter 2017 net earnings included a \$3.6 billion net tax reform benefit.

10. CP reports record fourth-quarter and record full-year results on the strength of its operating model and disciplined approach in the marketplace

Canadian Pacific Railway Limited (CP) on January 18, 2018 announced its best ever 2017 fourth-quarter, with revenues up 5 percent to \$1.71 billion and an operating ratio of 56.1 percent. Fourth-quarter diluted earnings per share ("EPS") increased 159 percent to \$6.77 from \$2.61, which includes an income tax recovery of \$527 million, primarily as a result of U.S. tax reform net of Canadian provincial tax rate increases. Adjusted diluted EPS rose 6 percent to a new quarterly record of \$3.22 from \$3.04. Keith Creel, CP President and CEO said "The fourth quarter was a record by almost every measure and should be celebrated by the men and women in the CP family who work hard every day to deliver for our customers and shareholders." For the full year of 2017, its results were: 1) Revenues increased 5 percent to \$6.55 billion from \$6.23 billion; 2) Adjusted operating ratio improved by 40 basis-points to a record 58.2 percent from 58.6 percent; and 3) Adjusted diluted EPS rose 11 percent to \$11.39 from \$10.29. Creel said "Over the course of 2017 we built momentum thanks to our strategic approach to growth combined with our continued focus on operational excellence, that momentum has us well positioned to start 2018 and we look forward to delivering another year of record results in a safe and disciplined manner."

11. Canadian Pacific Railway says tearing up NAFTA poses limited risk to company

The potential dismantling of NAFTA is a concern because of its impact on the overall North American economy, but its direct effect on Canadian Pacific Railway would be limited, CEO Keith Creel said on January 18, 2018.

12. CP, Consolidated Fastfrate extend partnership

Canadian Pacific (CP) and Consolidated Fastfrate (CFF) have agreed on a three-year contract effective January 1, 2018. CFF is the largest privately-owned repositioner of marine containers in Canada and does so exclusively on CP rail lines according to Ron Tepper CEO of Fastfrate. "We believe this significant event will help CP secure more steamship line business as the mathematics require revenue on the return of the containers to the ports of origin, CFF use these containers to load LTL (less than truckload) freight from Toronto and from Montreal to all cities in western Canada on behalf of its 3,000 active clients," said Tepper. Fastfrate is co-located with CP intermodal terminals in most major cities across the country, and Fastfrate currently ship over 40,000 twenty-foot equivalent unit (TEUs) a year from east to west, the agreement anticipates 150,000 TEUs over the next three years.

13. CP completes first share repurchase program

Canadian Pacific Railway Limited (CP) announced on January 23, 2018 the completion of the first share repurchase program (the "Program") of its two share repurchase programs announced on December 11, 2017. CP purchased an aggregate of 134,000 common shares under the Program for an aggregate purchase price of \$29,479,258.90. All common shares acquired under the Program were cancelled upon purchase by CP

14. CN announces 10 per cent dividend increase

CN announced on January 23, 2018 that its Board of Directors has approved a 10 per cent increase in the 2018 dividend on the Company's common shares outstanding. A quarterly dividend of forty-five and a half cents (C\$0.455) per common share will be paid on March 29, 2018, to shareholders of record at the close of business on March 8, 2018.

15. CN targeting record C\$3.2 billion capital program in 2018

CN on January 23, 2018 announced that its planned C\$3.2 billion capital program will focus on key capacity projects to meet growing freight demand and continued investment in infrastructure maintenance to enhance safety and efficiency. Its investment is up C\$500 million compared to last year and the plan includes new spending on capacity projects to add resiliency to network. Luc Jobin, CN president and chief executive officer said "CN is investing more than ever before in the safety, efficiency and resiliency of our network,...These record investments, a substantial portion of which will go to new capacity and growth projects, will improve our network fluidity, allowing us to deliver superior service to meet our customers' growing freight volumes."

16. CN reports Q4-2017 financial results

CN on January 23, 2018 reported its financial and operating results for the 2017 fourth quarter compared to the same quarter in 2016. The 2017 fourth quarterly results were as follows: 1) Net income increased by 156 per cent to C\$2,611 million, and diluted earnings per share (EPS) increased by 164 per cent to C\$3.48. Included in net income was a deferred income tax recovery of C\$1,764 million (C\$2.35 per diluted share) resulting from the enactment of a lower U.S. federal corporate income tax rate. 2) Adjusted net income decreased by six per cent to C\$897 million, and adjusted diluted EPS decreased by two per cent to C\$1.20. 3) Operating income decreased by seven per cent to C\$1,301 million. 4) Revenues increased by two per cent to C\$3,285 million. 5) Revenue ton-miles (RTMs) increased by one per cent and carloadings increased by seven per cent. 6) Operating expenses increased by nine per cent to C\$1,984 million. 7) Operating ratio increased 3.8 points to 60.4 percent. Luc Jobin, CN president and chief executive officer said "Our growth continues to outpace the strengthening economy, and I am pleased with the results our dedicated team generated in 2017." "Throughout the year we faced rapidly changing market demands and in the fourth quarter dealt with challenging operating conditions, including harsh early winter weather across the network, impacting our performance.

17. CN reports 2017 full-year financial results

CN on January 23, 2018 reported its financial and operating results for the 2017 compared to 2016. The full-year 2017 results were as follows: 1) Net income increased by 51 per cent to C\$5,484 million, and diluted EPS increased by 55 per cent to C\$7.24. Included in net income was a deferred income tax recovery of C\$1,764 million (C\$2.33 per diluted share) resulting from the enactment of a lower U.S. federal corporate income tax rate. 2) Adjusted net income increased by six per cent to C\$3,778 million, and adjusted diluted EPS increased by nine per cent to C\$4.99. 3) Operating income increased by five per cent to C\$5,558 million. 4) Revenues increased by eight per cent to C\$13,041 million. 5) RTMs increased by 11 per cent and carloadings increased by 10 per cent. 6) Operating expenses increased by 11 per cent to C\$7,483 million. 7) Operating ratio increased 1.5 points to 57.4 percent. 8) Free cash flow was C\$2,778 million, compared with C\$2,520 million for 2016.

18. Railway bypass: the Government of Canada will do its part

The Honourable Marc Garneau, Minister of Transport, made the following statement on January 22, 2018: "I am pleased to announce today that the federal government will contribute a substantial sum toward the construction of a bypass railway line in Lac-Mégantic. The bypass project is a complex one, which I have been working on since I began my duties as Minister of Transport. There is still a lot of work to do with the Government of Quebec on cost sharing, and with the municipalities on finalizing the route, which is why the exact amount of the federal contribution is yet to be confirmed...."

19. CN Rail raises dividend as it eyes years of double digit annual growth

Canadian National Railway Co. is raising its quarterly dividend 10 per cent as it anticipates annual double-digit earnings growth for the next five years. The country's largest railway says it will pay 45.5 cents per common share on March 29, 2018 to shareholders of record on March 8, 2018. The Montreal-based railway said on January 23, 2018 that it is aiming to reach \$5.25 to \$5.40 per share in adjusted earnings in 2018, up from \$4.99 per share in 2017.

20. CN Police association members ratify new labour contract

CN announced on January 24, 2018 that members of the Canadian National Railways Police Association (CNRPA) have ratified a new collective agreement with the company. The six-year agreement, effective Jan. 1, 2018 through Dec. 31, 2023, covers CN Police officers across Canada.

21. Union Pacific's net income picks up for Q4, full-year 2017

Union Pacific Corp. reported a net income of \$7.3 billion, or \$9.25 per diluted share for the fourth quarter of 2017, up from \$1.1 billion, or \$1.39 per diluted share for the fourth quarter of 2016, according to the company's latest financial statements. The Omaha, Neb.-based Class I railway posted operating revenues of \$5.5 billion for the fourth quarter of 2017, up 5 percent year-over-year.

22. CN recognized as leader for corporate environmental action

CN has been identified as a global leader for its actions and strategies to manage environmental issues, and has been awarded a position on the Supplier A List by CDP, the non-profit global environmental disclosure platform. One hundred companies appear on the A List, which has been produced at the request of 99 CDP supply chain purchasing member organizations with a combined annual spend of over US\$3 trillion. More than 4,800 companies submitted annual supply chain disclosures to CDP in 2017 for independent assessment against its scoring methodology. CN is among the two per cent of organizations participating in CDP's supply chain program to be awarded a position on the Supplier A List, in recognition of its actions to address climate change.

23. BNSF beating Union Pacific in competition for western rail freight

The Union Pacific (UP) has lost ground to its rival the Burlington Northern Santa Fe (BNSF) for a third year as America's biggest railways battle for western rail freight, reports Bloomberg. While UP reversed a two-year decline in carloads, its 1.7 per cent growth rate in the fourth quarter trailed BNSF's 5.5 per cent. The pitched battle for freight has throttled Union Pacific's ability to raise freight rates, a key lever for boosting revenue and improving efficiency. UP chief executive Lance Fritz said he won't enter a price war. Decisions to pursue cargo are "based on whether or not we can generate an attractive return that allows us to reinvest in the railroad. We don't pursue volume for volume's sake," he said.

HIGHWAY TRANSPORTATION

1. Ryder opens new logistics operations centre in London

Ryder System, Inc. announced the opening of its brand new Logistics Operating Center in London, Ontario, which will primarily serve the Eastern Canada region. The new facility includes a 30,000-square-foot building with office and cross-docking space, as well as parking spaces for 286 trailers and 162 tractors. A total of 210 drivers are domiciled out of the facility, along with 55 Ryder employees. The new facility and yard will provide additional services and capacity opportunities to Ryder's existing and future customers.

2. Ontario Opens New Section of Highway in Durham Region

Ontario is improving traffic flow and reducing congestion in Durham region, with the next phase of Highway 407 from Harmony Road to Taunton Road in Clarington now open. The first phase of the Highway 407 extension, which opened last year and included a new Highway 412, is already seeing approximately 40,000 vehicles per day, improving travel times across this growing region. The new addition of 9.6 kilometres to Highway 407, including two new interchanges, will allow even more commuters and families travel across the region faster. The final phase, scheduled to open by 2020, will connect Highway 407 to Highway 35/115 and includes Highway 418, which will provide another north/south connection from Highway 407 to Highway 401.

3. Trucking Unlimited acquired by workforce management firm TransForce

TransForce Inc., a Virginia-based workforce management solutions firm specializing in commercial truck drivers, has acquired the assets of Trucking Unlimited, the operator of the www.truckdrivingjobs.com website, which matches motor carriers with professional truck drivers.

4. October 2017 North American Freight Numbers

HIGHWAY TRANSPORTATION Canada

1. Ryder opens new logistics operations centre in London, January 3, 2018, www.ctl.ca
2. Ontario Opens New Section of Highway in Durham Region, January 2, 2018, www.mto.ont.gov.ca
3. Trucking Unlimited acquired by workforce management firm TransForce, January 3, 2018, www.americanshipper.com
4. October 2017 North American Freight Numbers, January 4, 2018, www.bts.gov
5. U.S. transportation and logistics sector adds jobs in December, January 7, 2018, www.americanshipper.com
6. Ontario Cuts TTC Fare for People Connecting to or from GO Transit, January 8, 2018, www.mto.gov.on.ca
7. Leading indicator of cross-border traveller volume, December 2017, January 10, 2018, www.statcan.gc.ca
8. Manitoulin Transport acquires Direct Right Cartage Inc., January 10, 2018, www.ctl.ca
9. November 2017 Freight Transportation Services Index (TSI), January 10, 2018, www.bts.gov
10. Lack of parking affects driver health; survey needs respondents, January 15, 2018, www.todaystrucking.com
11. Purolator reports record volumes during peak, January 15, 2018, www.ctl.ca
12. Ontario Making it Easier to Charge Electric Vehicles, January 16, 2018, www.mto.gov.on.ca
13. Manitoulin deal helps meet Canadian intermodal demand, January 16, 2018, www.joc.com
14. Spot market freight sets new records:

U.S.-NAFTA freight totaled \$100.6 billion as all five major transportation modes carried more freight by value with North American Free Trade Agreement (NAFTA) partners Canada and Mexico in October 2017 compared to October 2016, according to the TransBorder Freight Data released January 4, 2018 by the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS). Trucks carried 64.0 percent of U.S.-NAFTA freight and continued to be the most utilized mode for moving goods to and from both Canada and Mexico. Trucks accounted for \$33.4 billion of the \$54.5 billion of imports (61.2 percent) and \$31.0 billion of the \$46.1 billion of exports (67.3 percent). Comparing October 2016 to October 2017, the value of **U.S.-Canada** freight flows increased by 6.8 percent to \$49.7 billion as the value of freight on all five major modes increased from a year earlier. Trucks carried 57.7 percent of the value of the freight to and from Canada. Rail carried 16.2 percent followed by pipeline, 9.6 percent; air, 4.7 percent; and vessel, 4.4 percent. The surface transportation modes of truck, rail and pipeline carried 83.4 percent of the value of total U.S.-Canada freight flows.

5. U.S. transportation and logistics sector adds jobs in December
 United States transportation and logistics companies added 1,800 jobs for the month in December 2017, according to the latest preliminary data from the U.S. Department of Labor's Bureau of Labor Statistics (BLS). Job gains in the sector during December were led by the support activities for the transportation segment, which grew employment by 4,100 jobs from the previous month, followed by the couriers and messengers segment, which grew by 2,100 jobs, and the transit and ground passenger.

6. Ontario Cuts TTC Fare for People Connecting to or from GO Transit

Ontario has cut the cost of commuting by up to \$1.50 for people who use their PRESTO card to transfer between the TTC and GO Transit or the UP Express, and has officially opened its 66th GO Transit station at Downsview Park, which provides a direct connection to the new TTC Line 1 subway extension to York Region. Steven Del Duca, Minister of Transportation, visited Downsview Park Station on January 8, 2018 to announce that the new discounted TTC fare is now in effect, and to officially open the GO Transit platforms.

7. Leading indicator of cross-border traveller volume, December 2017

Data indicating the number of US residents entering Canada by automobile in December 2017 through land ports equipped with the automated Integrated Primary Inspection Line (IPIL) system are now available upon request. 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.

8. Manitoulin Transport acquires Direct Right Cartage Inc.

Manitoulin Transport has acquired Direct Right Cartage Inc. of Brampton, a premium intermodal service provider. This is the seventh purchase for Manitoulin in the last 12 months. The acquisition builds on the company's existing intermodal offerings and signifies Manitoulin's intent to further expand its capabilities in this service.

9. November 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 in November 2017, rising 0.2 percent in November 2017 from October 2017, growing for the second consecutive month, according to the U.S. Department of Transportation's Bureau of Transportation Statistics' (BTS). The November 2017 index level (130.8) was 38.1 percent above the April 2009 low during the most recent recession.

TransCore, January 17, 2018, www.todayshipping.com
 15. Spot markets soared as 2017 came to an end: DAT, January 18, 2018, www.todaystrucking.com
 16. Poll: Public Concerned Over Autonomous Vehicles, January 19, 2018, www.ontruck.ca
 17. Survey: Shipping volumes expected to rise in 2018, rate increases a concern, January 22, 2018, www.americanshipper.com
 18. DHL unveils trade barometer index, January 22, 2018, www.ctl.ca
 19. 'Truckable' Economy Forecast Strong for 2018, January 24, 2018, www.ontruck.ca
 20. November 2017 North American Freight Numbers, January 25, 2018, www.bts.gov
 21. Couriers and Messengers Services Price Index, December 2017, January 29, 2018, www.statcan.gc.ca
 22. Nova Scotia working to up weight restrictions across province, January 29, 2018, www.todaystrucking.com
 23. Ontario expanding 60-ft. trailer trial, January 29, 2018, www.todaystrucking.com
 24. New Gardiner York-Bay Off-Ramp Announced, January 28, 2018, www.ontruck.ca
 25. Capacity Crunch Propelling Trucking Rates in 2018, January 26, 2018, www.cantruck.ca
 26. Ministers Garneau and Bains' statement on the Senate Standing Committee on Transport and Communications' report on connected and automated vehicles, January 29, 2018, www.tc.gc.ca
 27. Andy Transport signs purchase order for 60 new Volvo trucks, January 29, 2018, www.ctl.ca
 28. Monthly Passenger Bus and Urban Transit, November 2017, January 30, 2018, www.statcan.gc.ca

10. Lack of parking affects driver health; survey needs respondents

A lack of truck parking in Southern Ontario is affecting driver health according to the preliminary results of a survey on the issue. More than 1,000 drivers have responded to the survey on truck parking being conducted for the Ontario Ministry of Transportation to assess the needs of drivers, but the survey's administrator Ted Harvey is hoping for 2,000 more to answer questions before the Feb. 28, 2018 deadline.

11. Purolator reports record volumes during peak

After recording its strongest peak season in recent history, Purolator is already seeing high volumes of shipping activity continue into January 2018. This increase in shipping volume over the holidays saw Purolator deliver over 12 million packages during its peak shipping period, in line with its projections. In its Retail locations, Purolator experienced a 24% increase in shipment and pickup activity during the same time period.

12. Ontario Making it Easier to Charge Electric Vehicles

Ontario is making it easier to use electric vehicles to get to and from work by assisting employers, commercial building owners and managers to install charging stations at their workplaces. This investment is part of Ontario's [Climate Change Action Plan](#) and is funded by proceeds from the province's cap on pollution and carbon market.

13. Manitoulin deal helps meet Canadian intermodal demand

The acquisition of Direct Right Cartage is occurring as Canadian demand for intermodal climbs. The acquisition helps expand Manitoulin Transport's links between Western and Central Canada.

14. Spot market freight sets new records: TransCore

TransCore Link Logistics has reported 2017 Q4 Canadian and cross-border load volumes on its Loadlink board broke historical records, when compared to any previous quarter. Fourth quarter load volumes were up 51% year-over-year, and 9% compared to the third quarter of 2017. December had the highest daily average of load postings compared to any month since Loadlink began recording data.

15. Spot markets soared as 2017 came to an end: DAT

Spot markets in the United States soared in December 2017, with demand for both dry and refrigerated (reefer) van rates reaching their highest of 2017. The flatbed rate also remained high, matching its yearly peak.

16. Poll: Public Concerned Over Autonomous Vehicles

The federal government needs to set more controls and standards for autonomous vehicles to ensure safest operation, according to a new [poll](#) by Advocates for Highway and Auto Safety. According to the poll of 1,005 adults in the U.S., about 64% said they're concerned about sharing the road with so-called self-driving vehicles. President Cathy Chase says legislation in the U.S. House and Senate "lack basic safeguards." Chase also argued that the U.S. Dept. of Transportation's (DOT) voluntary guidelines issued for driverless vehicles aren't enforceable. Across the nation, a larger amount — three out of four — said they'd be uncomfortable with automakers disabling vehicle controls like the steering wheel and brake/gas pedals without review and approval from DOT to do so.

17. Survey: Shipping volumes expected to rise in 2018, rate increases a concern

Nearly 76 percent of shippers surveyed expect their shipment volumes to increase in 2018, according to the results of a newly released industry study in which over 1,600 companies involved in the supply chain were surveyed by Tennessee-based freight transportation and supply chain management firm Averitt Express.

18. DHL unveils trade barometer index

DHL has introduced a new and unique early indicator for the current state and future development of global trade. The DHL Global Trade Barometer is based on large amounts of logistics data that are evaluated with the help of artificial intelligence. Since global trade fuels the world economy, the DHL Global Trade Barometer not only provides an outlook on future trade, but also on the prospects for the global economy. The indicator has been developed in cooperation between DHL and Accenture and will be published quarterly.

19. 'Truckable' Economy Forecast Strong for 2018

Looking ahead at what the U.S. trucking industry can expect for 2018, trucking analyst MacKay and Co. says Truckable Economic Activity (TEA) is expected to continue at its current pace. TEA is a measure developed by MacKay and Co. to measure the part of the Gross Domestic Product that spends time in trucks. Speaking at Heavy Duty Aftermarket Dialogue in Las Vegas, Dr. Bob Dieli forecasted that freight expansion will continue and TEA growth will remain positive. The pace of recent capital spending has accelerated and businesses are placing orders and making purchases. Demand for exports should continue and imports likely will continue to expand as a result of consumption and investment.

20. November 2017 North American Freight Numbers

U.S.-NAFTA freight totaled \$100.6 billion as all five major transportation modes carried more freight by value with North American Free Trade Agreement (NAFTA) partners Canada and Mexico in November 2017 compared to November 2016, according to the TransBorder Freight Data released on January 25, 2018 by the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS). Comparing November 2016 to November 2017, the value of U.S.-Canada freight flows increased by 11.2 percent to \$51.3 billion as the value of freight on all five major modes increased from a year earlier. The value of freight carried on vessel increased by 59.7 percent due in part to an increase in the unit value and a 22.4 percent increase in the tonnage of mineral fuels traded. Air increased by 12.5 percent, pipeline by 11.8 percent, rail by 10.0 percent, and truck by 8.5 percent

21. Couriers and Messengers Services Price Index, December 2017

The Couriers and Messengers Services Price Index (CMSPI) increased 0.9% in December 2017 following a 0.6% gain in November 2017. The couriers component was up 1.0%, while the local messengers and local delivery component increased 0.5%. The CMSPI rose 9.4% in December 2017 compared with the same month a year earlier. Both the couriers component (+10.5%) and the local delivery component (+4.3%) increased.

22. Nova Scotia working to up weight restrictions across province

The province of Nova Scotia is working to bring roadway weight restrictions in line with those across the country. Many roads that do not have structures such as bridges or large culverts now have an increased weight limit up to 62,500 kilograms, based on truck configurations. In the meantime, thousands of structures are being analyzed to determine their ability to sustain an increased weight. The province confirmed that vehicles operating at their maximum weight reduce hauling costs per tonne. This reduces greenhouse gas emissions and wear and tear on roadways because fewer trips are required.

23. Ontario expanding 60-ft. trailer trial

For-hire carriers will be allowed to participate in an Ontario Ministry of Transportation (MTO) trial using 60-ft. trailers. Changes to the trial, which previously only involved the retail sector, include: broadening of the trial to include other types of fleets; permits will be based on CVOR, rather than semi-trailer VIN; and the MTO is allowing a 10-year grandfather allowance at the end of the trial, in recognition of the investments made in new equipment. Applications are now being accepted, to participate in the program. The Ontario Trucking Association welcomed the expansion of the program.

24. New Gardiner York-Bay Off-Ramp Announced

The City of Toronto announced the opening of the new, York-Bay-Yonge off ramp this past weekend. The new ramp will feature three lanes to Lower Simcoe Street; with a right-turn to go southbound on Lower Simcoe Street and a Fixed Automated Anti-icing Spray Technology (FAST) that relies on a Road Weather Information system and built-in sensors to determine surface conditions on the ramp and spray anti-icing fluid on the road surface before frost and black ice form.

25. Capacity Crunch Propelling Trucking Rates in 2018

This year looks to be the strongest for North American truckload and less-than-truckload pricing since 2005 and 2010, reports the *Journal of Commerce*. "We could break records this year" in an economic cycle "unlike any other," said Benjamin Hartford, senior research analyst at investment firm Robert W. Baird & Co., at the SMC3 2018 JumpStart Conference in Atlanta. Hartford and consulting economist Donald Ratajczak said shippers moving goods in North America should see goods or raw materials will see higher demand, but ongoing capacity constraints mean they should be bracing for rate increases not seen in eight years.

26. Ministers Garneau and Bains' statement on the Senate Standing Committee on Transport and Communications' report on connected and automated vehicles

Government officials issued the following statement regarding the release of the Senate Standing Committee on Transport and Communications' report on connected and automated vehicles (also known as self-driving cars): "On behalf of the Government of Canada, we thank the Senate Standing Committee on Transport and Communications for this important report. The findings and recommendations will guide our ongoing work on this emerging technology, including on the development of regulations and standards for the safe use of these vehicles in Canada. "With strong links to innovation, infrastructure, middle class jobs and investment, connected and automated vehicles are important technologies that will help strengthen the safety, efficiency, and competitiveness of Canada's transportation system. The Government of Canada continues to demonstrate its leadership on connected and automated vehicles. The rapid pace of technological advancement makes it increasingly important to leverage the work between governments and

the private sector. We will present a plan of action in the coming months for the safe introduction and use of connected and automated vehicles on Canadian roads.”

27. Andy Transport signs purchase order for 60 new Volvo trucks

Andy Transport is pleased to release its asset acquisition plan for 2018. Following the arrival of the first two (2) Volvo VNL 760 2019 units in Canada at the beginning of January 2018, Andy Transport has officially executed its purchase order for 60 new Volvo VNL 760 2019 tractors with le Centre du Camion Ste-Marie Inc. for delivery between April and November 2018

28. Monthly Passenger Bus and Urban Transit, November 2017

Total operating revenues (excluding subsidies) for urban transit companies were \$337.1 million in November 2017. Ridership was 154.0 million passenger trips over the same period.

GENERAL TRANSPORTATION

Canada

1. BTS Releases Transportation Statistics Annual Report 2017

The U.S. Department of Transportation’s Bureau of Transportation Statistics (BTS) on January 9, 2018 released the Transportation Statistics Annual Report (TSAR) 2017. The 22nd edition of this congressionally mandated report presents key transportation indicators along with an overview of the transportation system. It also includes data and statistics on passenger travel, freight movement, transportation and the economy, system reliability, safety, energy use and environmental impacts.

2. BTS Releases Pocket Guide to Transportation Mobile App

The Bureau of Transportation Statistics (BTS) has released a new dynamic mobile app for the Pocket Guide to Transportation 2018 – a quick reference guide to transportation statistics. This popular guide provides the latest transportation statistics at your fingertips in mobile app and printed formats. It covers data on major trends, moving people and goods, system use and performance, the economy, safety, infrastructure, and the environment.

3. National tourism indicators, third quarter 2017

Tourism spending in Canada rose 1.5% in the 2017 third quarter, the same rate as in the second quarter. The increase was driven by tourism spending by Canadians at home, as spending by international visitors in Canada declined.

4. Feds Release Details on National Carbon Pricing System

The Minister of Environment and Climate Change Catherine McKenna

and the Minister of Finance Bill Morneau released draft legislative proposals for public comment relating to the proposed federal carbon pricing system. The federal government plans to introduce the legislation for the federal carbon pricing system after consultation on the draft legislative proposals. Ottawa is asking for final comments on this proposal by April 9, 2018. The Canadian Trucking Alliance submitted its initial comments on the federal carbon pricing system in 2017 [where it expressed concerns](#) the proposed carbon pricing system created growing competitive issues between foreign and domestic carriers by pricing carbon at escalating levels in Canada while the US rate remains at zero.

5. BTS Releases Updated National Transit Map

The U.S. Department of Transportation’s Bureau of Transportation Statistics (BTS) on January 16, 2018 released version two of the National Transit Map, a geospatial database containing information from hundreds of transit agencies that provides open, machine-readable data about their stops, routes, and schedules.

6. Garneau and transportation industry ‘cautiously optimistic’ about NAFTA: minister

Transport Minister Marc Garneau says he shares the cautious optimism of Canada's transportation industry that a deal will be reached to modernize NAFTA. The minister said the sustained efforts by the federal and provincial governments to reinforce the importance of the trade deal to American politicians are bearing fruit.

7. India’s growth set to lead the global economy, DHL trade data shows

Canada

1. BTS Releases Transportation Statistics Annual Report 2017, January 9, 2018, www.bts.gov
2. BTS Releases Pocket Guide to Transportation Mobile App, January 9, 2018, www.bts.gov
3. National tourism indicators, third quarter 2017, January 10, 2018, www.statcan.gc.ca
4. Feds Release Details on National Carbon Pricing System, January 15, 2018, www.cantruck.ca
5. BTS Releases Updated National Transit Map, January 16, 2018, www.bts.gov
6. Garneau and transportation industry ‘cautiously optimistic’ about NAFTA: minister, January 17, 2018, www.ctl.ca
7. India’s growth set to lead the global economy, DHL trade data shows, January 22, 2018, www.transportweekly.com
8. Partenariats public-privé pour les infrastructures de transport, Round Table Report, January 29, 2018, www.itf-oecd.org
9. Three Transportation Innovations that Can Deliver Short-Term ROI, January 30, 2018, www.inboundlogistics.com

India's economy holds the brightest growth prospects amongst the world's seven largest economies, according to results from the Global Trade Barometer released on January 22, 2018 by DHL, the world's leading logistics company. The first ever DHL Global Trade Barometer, an early indicator of global trade developments calculated using Artificial Intelligence, Big Data and predictive analytics, assigned India the highest growth indices of the seven countries assessed, due to strong and sustained increases in both air and ocean freight in and out of the country. The country's trade in machinery and high-tech goods continues to underpin its growth, while increased imports of industrial raw materials point to an extended period of trade development for the nation.

8. Partenariats public-privé pour les infrastructures de transport, Round Table Report, January 29, 2018, www.itf-oecd.org

9. Three Transportation Innovations that Can Deliver Short-Term ROI

Managing transportation has become increasingly challenging as customers grow more demanding and the driver shortage constrains capacity. Innovations such as driverless vehicles loom as potential solutions, but have yet to reach commercial viability. That doesn't mean transportation managers are forced to deal with process inefficiencies and data siloes while they wait for new technologies to reach the market. There are exciting innovations entering the market today that deliver short-term return on investment, and will continue to provide value as other innovations come to market. Here are three to consider: 1) Unified Platforms for Full Operational Visibility; 2) Big Data and Machine Learning to Mitigate Risk; and 3) Find Capacity Fast Through an E-Marketplace.