

Transportation Information Update*

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April 2018, No. 164

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AIR TRANSPORTATION

1. Airline On-Time Performance Up From January 2017, Slightly Down From December 2017

The U.S. Department of Transportation (DOT) on March 29, 2018 released its March 2018 Air Travel Consumer Report (ATCR) on air carrier data compiled for the month of January 2018. In January 2018, the reporting carriers posted an on-time arrival rate of 79.6 percent, up from the 76.0 percent on-time rate in January 2017, but slightly down from the 80.3 percent mark in December 2017.

2. US Congress unanimously passes Air Cargo Security Improvement Act

The US House of Representatives has passed a measure to enhance TSA's air cargo security efforts and debated several other homeland security-related bills, American Association of Airport Executives (AAAE) said. The House passed the Air Cargo Security Improvement Act, on a unanimous voice vote. The bill would direct TSA to take a number of steps to enhance air cargo security efforts and to aggressively move towards addressing current and future threats to air cargo. The House also debated a bill instructing the Federal Air Marshal Service to use risk-based strategies and several measures regarding TSA's surface transportation security programmes. Votes on those bills were postponed until later this week.

3. Passenger Air Services Price Index, 2016

The Passenger Air Services Price Index decreased 6.4% in 2016 compared with 2015. This was the largest drop since 2009 when the index fell 8.8%. Both domestic (-4.6%) and international (-7.7%) fares declined. Air fares have historically responded to changes in jet fuel prices. According to the Industrial Product Price Index, jet fuel prices fell 13.3% from 2015 to 2016.

4. Air Canada wins Air Cargo Excellence Award

For the third year in a row, Air Canada Cargo received a top industry award, recognizing its customer service and timeliness of delivery among international cargo carriers. Air Canada Cargo received the Air Cargo Excellence Platinum Award in the category of airlines carrying up to 999,999 tonnes.

5. Air Canada Unveils Expanded Economy Fare Structure to Satisfy Every Customer's Travel Needs

Air Canada on April 4, 2018 unveiled an expanded range of North America Economy fares to give its customers greater flexibility to select the airport and onboard amenities they want when travelling. In redesigning its existing Economy fares the airline is introducing a new comfort fare that provides customers a wide range of features, including complimentary access to Preferred Seats, and the option to purchase other amenities such as Maple Leaf Lounge™ access.

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1. Airline On-Time Performance Up From January 2017, Slightly Down From December 2017, March 29, 2018, www.bts.gov
2. US Congress unanimously passes Air Cargo Security Improvement Act, March 29, 2018, www.transportweekly.com
3. Passenger Air Services Price Index, 2016, April 3, 2018, www.statcan.gc.ca
4. Air Canada wins Air Cargo Excellence Award, April 3, 2018, www.ctl.ca
5. Every Customer's Travel Needs, April 4, 2018, www.aircanada.ca
6. Strong Passenger Demand Resumes; Record Load Factor in February, April 5, 2018, www.iata.org
7. Air freight up 6.8% in February but protectionist risks remain, April 5, 2018, www.transportweekly.com
8. IATA Launches Certification Program for Animals Travelling by Air, April 5, 2018, www.iata.org
9. WestJet reports March load factor of 85.6 per cent, April 9, 2018, www.westjet.ca
10. WestJet adds limited-edition summer routes, April 2018, www.westjet.ca
11. Air cargo hubs saw volumes rise in 2017: ACI, April 10, 2018, www.ctl.ca
12. Experience summer in Mont Tremblant with Porter Airlines, April 11, 2018, www.flyporter.com
13. Government of Canada investing in safety at local airports, April 12, 2018, www.tc.gc.ca
14. Aircraft movement statistics: Small airports, December 2017, April 12, 2018, www.statcan.gc.ca
15. January 2018 U.S. Airline Traffic Data, April 12, 2018, www.bts.gov
16. World's 20 leading airports saw freight traffic rise 6.8pc in 2017, April 13, 2018, www.transportweekly.com
17. Transparency in Payments Live in Finland, Norway and Sweden, April 16, 2018, www.iata.org
18. Air cargo industry is struggling to meet exploding demand for e-

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

6. Strong Passenger Demand Resumes; Record Load Factor in February

The International Air Transport Association (IATA) announced global passenger traffic results for February 2018 showing a rebound in traffic growth following the slower demand experienced in January 2018, which was owing to temporary factors including the later timing of the Lunar New Year in 2018. Total revenue passenger kilometers (RPKs) for the month rose 7.6% in February 2018, compared to February 2017, up from 4.6% year-over-year growth in January 2018. Monthly capacity (available seat kilometers or ASKs) increased by 6.3%, and load factor rose 0.9 percentage point to 80.4%, surpassing the previous record for the month of 79.5%, which was set in February 2017.

7. Air freight up 6.8% in February but protectionist risks remain

The International Air Transport Association (IATA) released demand growth results for global air freight markets for February 2018 showing a 6.8% increase in demand measured in freight tonne kilometers (FTKs) compared to the same period last year. Adjusting for the potential Lunar New Year distortions by combining growth in January 2018 and February 2018, demand increased by 7.7%. This was the strongest start to a year since 2015. Freight capacity, measured in available freight tonne kilometers (AFTKs), grew by 5.6% year-on-year in February 2018. Demand growth outstripped capacity growth for the 19th month in a row, which is positive for airline yields and the industry's financial performance. The continued growth in air cargo demand is consistent with ongoing robust global trade flows. There are, however, signs that the best of the upturn for air freight has passed.

8. IATA Launches Certification Program for Animals Travelling by Air

The International Air Transport Association (IATA) has launched a new standardized global certification program to improve the safety and welfare of animals travelling by air. The Center of Excellence for Independent Validators for Live Animals Logistics (CEIV Live Animals) provides stakeholders across the air cargo supply chain with the assurance that CEIV Live Animals certified companies are operating to the highest standards in the transport of live animals.

9. WestJet reports March load factor of 85.6 per cent

On April 9, 2018, WestJet announced March 2018 traffic results with a load factor of 85.6 per cent, an increase of 1.5 percentage points year over year. Revenue passenger miles (RPMs) or traffic, increased 7.0 per cent year over year, while capacity, measured in available seat miles (ASMs), grew 5.2 per cent over the same period. WestJet flew a record 2.2 million guests in March 2018, a year-over-year increase of 6.7 per cent or approximately 136,000 additional guests. For the 2018 first quarter, load factor, ASMs and RPMs were 84.8%, 8.029 billion and 6.810 billion a 1.8 points, 4.3% and 6.5% increase from the same quarter a year ago. WestJet President and CEO Ed Sims said "We are pleased to see such strong year-over-year traffic growth as 6.1 million guests chose to fly with us in the first quarter ... "This new record for the

quarter is all the more remarkable given the degree of disruption during the challenging winter season. My sincere thanks go out to the 13,000 WestJetters for their unwavering dedication over that time." In March 2018, WestJet officially launched inaugural service to Mexico City from Calgary and Vancouver, further solidifying their position as the Canadian airline with the most flights to Mexico. WestJet also became the first Canadian airline operating nonstop from Calgary to Denver.

10. WestJet adds limited-edition summer routes

commerce deliveries, April 16, 2018, www.transportweekly.com

19. Air Canada Elevates Premium Travel Experience for International and North American Customers, April 17, 2018, www.aircanada.ca

20. Canada's Airports: A \$48 Billion Economic Footprint, April 16, 2018, www.cacairports.ca

21. Air Canada Elevates Premium Travel Experience for International and North American Customers, April 17, 2018, www.aircanada.ca

22. 4th-Quarter 2017 Air Fare Data, April 17, 2018, www.bts.gov

23. LAX cargo up 8.1pc, April 18, 2018, www.transportweekly.com

24. Annual civil aviation statistics, 2016, April 18, 2018, www.statcan.gc.ca

25. Air Canada to Save 160 Tonnes of Carbon on Earth Day through Innovative Biojet Fuel Project at Toronto Pearson Airport, April 19, 2018, www.aircanada.ca

26. February 2018 Passenger Airline Employment Data, April 21, 2018, www.bts.gov

27. Global Standards, Collaboration and more are Key to Future of Ground Handling, April 23, 2018, www.iata.org

28. WestJet Encore wins 2017 Airline Reliability Performance Award, April 24, 2018, www.westjet.ca

29. Porter Airlines invests in Sudbury maintenance base, April 23, 2018, www.flyporter.com

30. Air Canada to Launch Daily non-stop Montreal-London, Ontario and Montreal-Windsor, Ontario flights, April 25, 2018, www.aircanada.ca

31. Cleared for take-off: Regulatory reform and Canada's aviation sector, April 25, 2018, www.cta-orc.gc.ca

32. Quarterly civil aviation statistics, fourth quarter 2017, April 25, 2018, www.statcan.gc.ca

33. Aircraft movement statistics: Major airports, February 2018, April 26, 2018, www.statcan.gc.ca

34. WestJet statement regarding ALPA strike authorization vote, April 25, 2018, www.westjet.ca

35. Air Canada prepared for potential labour disruptions at WestJet, April 26, 2018, www.aircanada.ca

36. Air Travel Consumer Report: February 2018 Numbers, April 26, 2018, www.dot.gov

On April 10, 2018, WestJet announced two non-stop routes offering Canadian travellers even greater choices for connectivity and convenience this summer. Starting June 29, 2018, WestJet will begin service between London, Ontario and Vancouver and between Quebec City and Calgary. WestJet's limited-edition flights will be offered only during the peak summer travel season.

11. Air cargo hubs saw volumes rise in 2017: ACI

Demand has continued its robust year-on-year growth across the world's major airports both in terms of passenger numbers and air cargo. Air cargo volumes at the 20 busiest airports grew by 6.8% in 2017. These airports handled a combined 51 million metric tonnes of cargo. This represents 43% of global air cargo volumes. Hong Kong (HKG) occupies top spot as the largest air cargo center handling more than five million metric tonnes of cargo in 2017. Volumes at HKG grew by 9.4% year-on-year. Shanghai (PVG), Chicago (ORD) and Doha (DOH) all experienced double digit growth of 11.2%, 12.6% and 15.0% respectively.

12. Experience summer in Mont Tremblant with Porter Airlines

Porter Airlines flights to Mont Tremblant, Que., are back. Seasonal service begins June 22, 2018 and runs until September 23, 2018. Flights operate up to four times weekly starting July 26 through Labour Day, and two times weekly for the remainder of the season.

13. Government of Canada investing in safety at local airports

The Honourable Marc Garneau, Minister of Transport, on March 12, 2018 announced that the Government of Canada is making important safety investments at local airports across the country. This year, Transport Canada's Airports Capital Assistance Program (ACAP) will provide over \$33.2 million for new safety-related improvement projects at 11 airports. Projects being supported include the rehabilitation of runways, taxiways and aprons; improvements to airfield lighting and airside electrical systems; and the purchase of snow and ice removal equipment.

14. Aircraft movement statistics: Small airports, December 2017

Take-offs and landings at 126 Canadian airports without air traffic control towers reached a total of 36,335 movements in December 2017. Ten airports accounted for 44% of the month's activity: Peterborough, Ontario (2,629 movements); Moosonee, Ontario (2,379); Red Lake, Ontario (2,036); Goose Bay, Newfoundland and Labrador (1,899); Pickle Lake, Ontario (1,386); Island Lake, Manitoba (1,282); St. Theresa Point, Manitoba (1,251); Trois-Rivières, Quebec (1,140); Comox, British Columbia (1,056); and Drummondville, Quebec (771).

15. January 2018 U.S. Airline Traffic Data

U.S. airlines' 2018 January systemwide (domestic and international) scheduled service passenger enplanements fell to 71.6 million, 0.8 percent fewer than December 2017, seasonally-adjusted, after growing three consecutive months from October 2017 to December 2017.

16. World's 20 leading airports saw freight traffic rise 6.8pc in 2017

Hong Kong's airport is again leading the charge among the world's top 20 airports that collectively achieved air cargo volume growth of 6.8 per cent in 2017. Hong Kong handled five million tonnes of freight, up 9.4 per cent compared to the previous year. Airports Council International (ACI) reported that the top 20 cargo hubs handled a combined 51 million tonnes of cargo last year, accounting for 43 per cent of global air freight volumes, reported London's Air Cargo News. Trailing behind Hong Kong for non-integrator hub volumes were Shanghai (PVG), Chicago (ORD) and Doha (DOH) all experiencing double digit growth of 11.2 per cent, 12.6 per cent and 15 per cent respectively, said ACI. The association attributed the cargo volume growth to a global trend of "strengthening trade, e-commerce and the reliability factor."

17. Transparency in Payments Live in Finland, Norway and Sweden

The International Air Transport Association (IATA) announced that Transparency in Payments (TIP) has been implemented in the Finland, Norway and Sweden markets. TIP, which is being introduced in conjunction with NewGen ISS, is an industry initiative focused on providing airlines with increased transparency and control in the collection of their sales generated in the travel agency channel. At the same time, it will enable travel agents to take advantage of new forms of payment for the remittance of customer funds.

18. Air cargo industry is struggling to meet exploding demand for e-commerce deliveries

The UPS Pulse of the Online Shopper Study found that online shoppers in Canada (83 per cent), Brazil (81 per cent) and Mexico (78 per cent) make purchases from international retailers. In the US, 47 per cent of shoppers made international purchases. Consumers shopped internationally mainly for better prices and access to specific or unique products, London's Air Cargo News reported. The study, which covered the

US, Asia, Europe, Canada, Mexico and Brazil, also revealed that a higher percentage of smartphone users made purchases via their devices. In Asia, where mobile purchases are most common, the percentage of smartphone users who made a mobile purchase rose to 77 per cent from 55 per cent in 2015. In Europe, where smartphone purchases are least common, the percentage rose to 43 per cent from 28 per cent during the same period. The air cargo industry is struggling to keep up with this demand.

19. Air Canada Elevates Premium Travel Experience for International and North American Customers

Air Canada on April 17, 2018 introduced its new Air Canada Signature Service, providing an enhanced and seamless end-to-end travel experience for customers flying in Air Canada Signature Class, the premium cabin of its wide-body aircraft. Available today for international customers and, starting June 1, 2018 on select flights within North America, the new service makes Air Canada the first North American airline to designate aircraft with lie-flat seats for premium customers on select non-stop, transcontinental flights within Canada and to the U.S., including overnight daily flights from Vancouver, Los Angeles and San Francisco to Toronto.

20. Canada's Airports: A \$48 Billion Economic Footprint

A new economic impact study released by the Canadian Airports Council (CAC) shows that Canada's airports provide 194,000 direct jobs, \$19 billion to the national GDP and \$48 billion in direct economic activity. They also provide municipal, provincial and federal governments \$6.9 billion in tax revenues each year. "The economic contribution of Canada's airports reinforces the importance of our industry to the economy," said Daniel-Robert Gooch, president of the CAC. "Canada's airports are essential to Canada's transportation network and an important facilitator of economic development. The connectivity provided by Canada's airports helps to attract tourists, facilitates trade and investment, and contributes to the growth of the economy."

21. Air Canada Elevates Premium Travel Experience for International and North American Customers

Air Canada on April 17, 2018 introduced its new Air Canada Signature Service, providing an enhanced and seamless end-to-end travel experience for customers flying in Air Canada Signature Class, the premium cabin of its wide-body aircraft. Available on April 17, 2018 for international customers and, starting June 1 on select flights within North America, the new service makes Air Canada the first North American airline to designate aircraft with lie-flat seats for premium customers on select non-stop, transcontinental flights within Canada and to the U.S., including overnight daily flights from Vancouver, Los Angeles and San Francisco to Toronto.

22. 4th-Quarter 2017 Air Fare Data

The average domestic air fare rose to \$347 in the fourth quarter of 2017, rising 3.0 percent from \$337 in the third quarter of 2016, which was the lowest inflation-adjusted quarterly average fare in 23 years of air fare records, the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported on April 17, 2018.

23. LAX cargo up 8.1pc

Los Angeles International Airport (LAX) cargo volume in 2017 increased 8.1 per cent year on year to 2.16 million tonnes, breaking the all-time record of 2.04 million tonnes in 2000. The Airports Council International recently reported that total cargo handled by airports worldwide rose 7.9 per cent in 2017, which puts the growth LAX is experiencing on par with the industry-wide trend, reported New York's Air Cargo World. Unlike express hubs such as Memphis (MEM) and Louisville (SDF), or interline hubs such as Anchorage (ANC) - which more serve as mid-points between the cargo's origin and destination - a significant portion of the cargo moving through LAX is either destined for, or originated in, the airport's catchment area. In its statement, LAX attributed the growth to "increased trade between the Asia-Pacific and North American regions," which agrees with the data on cargo volume from Airports Council International.

24. Annual civil aviation statistics, 2016

Canadian Level I to III air carriers reported 81.6 million passengers in 2016, up 7.0% from 2015. The number of passengers flying on scheduled flights rose 8.2% to 79.2 million, while the passenger counts on chartered flights declined 21.5% to 2.4 million, as a major charter carrier, CanJet Airlines, suspended its services on September 1, 2015. These air carriers recorded 192.8 billion passenger-kilometres flown in their scheduled and chartered operations in 2016, up 9.5% from 2015. Total operating revenue rose 0.9% from 2015 to \$23.0 billion in 2016. Total operating expenses increased 1.0% to \$20.6 billion. As a result, net operating income edged up 0.5% to \$2.5 billion. This amount, combined with a net non-operating loss

of \$966.7 million and adjusted for provision for income taxes (\$142.0 million), produced a net income of \$1.4 billion in 2016, up 38.0% from 2015.

25. Air Canada to Save 160 Tonnes of Carbon on Earth Day through Innovative Biojet Fuel Project at Toronto Pearson Airport

Air Canada will save 160 tonnes of carbon on 22 domestic flights this Earth Day through an innovative biofuel demonstration project at Toronto-Pearson Airport. Under the project, coordinated by Canada's Biojet Supply Chain Initiative (CBSCI), Air Canada is a leading partner, introducing 230,000 litres of sustainable biofuel blended into the airport's multi-user fuel supply system to show the feasibility of biofuel use in shared fueling systems Canadian airports.

26. February 2018 Passenger Airline Employment Data

U.S. scheduled passenger airlines employed 3.0 percent more workers in February 2018 than in February 2017. February 2018 was the highest monthly full-time equivalent (FTE) employment total (432,232 FTEs) since December 2004 (436,909 FTEs) and was the 52nd consecutive month that U.S. scheduled passenger airline FTEs exceeded the same month of the previous year.

27. Global Standards, Collaboration and more are Key to Future of Ground Handling

The International Air Transport Association (IATA) highlighted three key priorities for the ground handling industry to support the growing demand for air travel: harmonizing global standards to improve safety, improving collaboration between stakeholders, and developing talent. "Effective ground operations are an essential part of the airline industry's efforts to meet the forecast growth in demand for air connectivity. In preparing for the future we need to focus on consistently implementing global standards, enhanced collaboration, and accelerating modernized processes," said Nick Careen, IATA's Vice President, Airport, Passenger, Cargo and Security, speaking at the 31st IATA Ground Handling Conference in Doha, Qatar.

28. WestJet Encore wins 2017 Airline Reliability Performance Award

WestJet Encore on April 24, 2018 announced it has been named a winner in the Bombardier Commercial Aircraft's 2017 Airline Reliability Performance awards. The Airline Reliability Awards recognize operators of Bombardier's Q-Series turboprops and CRJ regional jets that have achieved at least 99 percent dispatch reliability throughout the year.

29. Porter Airlines invests in Sudbury maintenance base

Porter Airlines has established an aircraft maintenance base at Greater Sudbury Airport. This development contributes to Porter servicing its fleet of 29 Bombardier Q400 aircraft and creates eight full-time positions at the airport. "Sudbury's location, access to a deep talent pool and cooperative airport and government partners contributed to our decision to open a maintenance base here," said Robert Deluce, president and CEO of Porter Airlines. "This investment demonstrates our long-term commitment to the community."

30. Air Canada to Launch Daily non-stop Montreal-London, Ontario and Montreal-Windsor, Ontario flights

Air Canada on April 25, 2018 announced that it will begin new domestic regional non-stop flights on July 2, 2018. The only year-round service between Montreal-London and Montreal-Windsor will provide services that meets the needs of both local and connecting passengers. Flights are timed to offer convenient connections to/from Atlantic Canada including Saint John, Fredericton, Moncton Halifax and St. John's; to Europe including Brussels, Rome, Geneva, Barcelona, Lisbon, Paris, Lyon, Frankfurt, as well as Casablanca, Morocco.

31. Cleared for take-off: Regulatory reform and Canada's aviation sector

The rules around air travel are about to undergo a significant modernization. The Bill has been returned from the Senate to the House of Commons with a number of amendments. Among its provisions are an increase in the maximum voting share foreign investors can hold in a Canadian airline from 25 to 49 per cent, which may help spur more competition and consumer choice, while retaining control by Canadians, and a new process for the approval of joint ventures between carriers. The Bill also gives the CTA the mandate to make regulations setting out airlines' obligations to passengers with respect to flight delays and cancellations, denied boarding, tarmac delays, lost and damaged baggage, the seating of children, the transportation of musical instruments, and communication of information. The CTA has committed to launching consultations on air passenger protection regulations within 72 hours of the Bill's receiving Royal Assent, if and when that happens, and completing the consultations within three months. Complementing the work on airlines' obligations towards consumers are a number of anticipated updates to the *Air Transportation Regulations*. Finally, the CTA is engaged in an ambitious reform of regulations focused specifically on the accessibility of transportation services to persons with disabilities which they

expect to have modernized and ready later this year. Taken together, these developments will mean significant changes for Canada's aviation sector.

32. Quarterly civil aviation statistics, fourth quarter 2017

Total operating revenue for the 26 largest Canadian air carriers increased 13.2% from the fourth quarter of 2016 to \$5.8 billion in the fourth quarter of 2017. Total operating expenses grew 11.3% to \$5.5 billion. As a result, net operating income almost doubled, rising from \$112.2 million to \$220.4 million. This amount, combined with a net non-operating loss of \$139.8 million, produced a net income of \$80.7 million. The average number of employees was up 9.4% over the fourth quarter of 2016. Other operating expenses accounted for the largest share (58.4%) of total operating expenses in the fourth quarter of 2017, followed by turbo fuel (22.7%) and wages, salaries and benefits (19.0%). These airlines recorded a profit margin of 1.4% (net income divided by operating revenue). In other words, every dollar of service sold in the fourth quarter earned 1.4 cents of profit for the carriers.

33. Aircraft movement statistics: Major airports, February 2018

There were 365,673 aircraft take-offs and landings at the 91 Canadian airports with NAV CANADA air traffic control towers and flight service stations in February 2018, compared with 355,609 movements in February 2017. In February 2018, an increase 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 increase. Itinerant movements rose 2.3% to 263,590 and local movements were up 4.3% to 102,083.

34. WestJet statement regarding ALPA strike authorization vote

WestJet on April 25, 2018 issued the following statement regarding the Airline Pilots Association (ALPA) announcement that it has issued a strike authorization vote to WestJet pilots. "A strike authorization vote is a common step by unions in context of the overall labour negotiation process," said Ed Sims, WestJet President and CEO. "We remain focused on successfully negotiating an agreement that will benefit our pilots and WestJet."

35. Air Canada prepared for potential labour disruptions at WestJet

Air Canada on April 26, 2018 said that it is ready to adjust its schedules and capacity to limit disruptions for the traveling public and to ensure that customers get to their destinations in the event of a labour disruption at WestJet. We know that people travel for a variety of reasons and as the busy summer period approaches, we appreciate that the traveling public may be feeling anxious about their plans resulting from the uncertainty associated with potential labour disruptions at WestJet. With our extensive network and varied fleet, we are well placed to accommodate passengers disrupted by this situation. The travelling public can book Air Canada with confidence at www.aircanada.com or by calling their travel agents.

36. Air Travel Consumer Report: February 2018 Numbers

The U.S. Department of Transportation (DOT) on April 26, 2018 released its April 2018 *Air Travel Consumer Report (ATCR)* on air carrier data compiled for the month of February 2018. The full consumer report and other aviation consumer matters of interest to the public can be found at <http://www.transportation.gov/airconsumer>. Regarding, on-time performance in February 2018, the reporting carriers posted an on-time arrival rate of 79.3 percent, down from both the 82.6 percent on-time rate in February 2017 and the 79.6 percent mark in January 2018. In February 2018, airlines reported 27 tarmac delays of more than three hours on domestic flights, compared to 12 such tarmac delays reported in January 2018. In February 2018, airlines also reported four tarmac delays of more than four hours on international flights, compared to 32 such tarmac delays reported in January 2018. Extended tarmac delays are investigated by the Department.

WATER TRANSPORTATION

1. St. Lawrence Seaway Begins 60th Navigation Season

The U.S. Saint Lawrence Seaway Development Corporation (SLSDC) joined with the Canadian St. Lawrence Seaway Management Corporation (SLSMC) to mark the opening of the Seaway's 60th navigation season on March 29, 2018. The official opening ceremony of the binational waterway took place in St. Catharines, Ontario, with Canadian Transport Deputy Minister Michael Keenan attending as honored guest and SLSMC President and CEO Terence Bowles and SLSDC Associate Administrator Thomas Lavigne addressing the gathering.

2. Port of NY/NJ container volumes on pace to surpass record 2017

The Port of New York and New Jersey, the busiest cargo gateway on the U.S. East Coast and third largest in the country, handled 521,921 TEUs in February 2018, surpassing the previous monthly record set in February 2017 by 2.9 percent, according to the most recent data from the Port Authority of New York and New Jersey.

3. EU approves IBM-Maersk commercialising blockchain digitalisation

The EU has approved, under its Merger Regulation, a joint venture between IBM and Maersk to develop and commercialise the blockchain digitisation system that underpins the value of the crypto currency Bitcoin. IBM is active in the development, production, and marketing of information technology solutions, while Maersk is active in container shipping, terminal services. The European Commission concluded that the proposed transaction would raise no competition concerns given the limited overlap between the joint venture's digitisation solution and the companies' activities, reported American Shipper.

4. Drewry predicts modest growth for ocean carriers

The container shipping market's healthy demand growth in 2018 and 2019 is likely to outpace fleet growth, leading to slightly higher freight rates and profits for carriers, according to Drewry's latest annual Container Forecaster report. However, the London-based shipping research and consulting firm cautioned the report was completed before recent escalation in trade hostility between the United States and China.

5. Leading the way to environmental excellence in the maritime industry

Earlier this month, the Panama Canal hosted international experts at an event to discuss ways the global maritime community can adopt more sustainable practices to deliver on their commitments to reducing carbon emissions. During "The Green Connection and the New Challenges of the Maritime Industry" event, the Panama Canal welcomed international experts including Dr. Alkut Olcer, World Maritime University Professor, and Dr. Jose Matheickal from the International Maritime Organization (IMO)'s Marine Environment Division – in Panama for the Canal-sponsored Latin America Maritime Technology Cooperation Centre inauguration. Canal executives including Deputy Administrator Manuel Benítez; Executive Vice President of Environment, Water and Energy Carlos Vargas; and Environmental Protection Specialist Alexis Rodriguez discussed not only the obstacles facing shippers and maritime officials as they seek to reduce their carbon footprint, but also the opportunities available to them as a result of the Canal's shorter

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1. St. Lawrence Seaway Begins 60th Navigation Season, March 29, 2018, www.dot.gov
2. Port of NY/NJ container volumes on pace to surpass record 2017, April 2, 2018, www.americanshipper.com
3. EU approves IBM-Maersk commercialising blockchain digitalisation, March 29, 2018, www.transportweekly.com
4. Drewry predicts modest growth for ocean carriers, April 3, 2018, www.americanshipper.com
5. Leading the way to environmental excellence in the maritime industry, April 5, 2018, www.transportweekly.com
6. Ocean Transport: Next door competition knocks, April 5, 2018, www.americanshipper.com
7. Modest growth for ocean carriers: Drewry, April 5, 2018, www.ctl.ca
8. Wilhelmsen and Kongsberg establish world's first autonomous shipping company, April 6, 2018, www.ctl.ca
9. Port of Montreal, Accumulated Container traffic (TEUs) January to March 2018, April 9, 2018, www.portmontreal.ca
10. 2018 cruise season starts tomorrow, April 9, 2018, www.portmetrovancover.com
11. Port of New York/New Jersey has record-setting year in 2017, April 10, 2018, www.transportweekly.com
12. Canadian investors buy auto terminal operator, April 10, 2018, www.americanshipper.com
13. Container shipping outlook 'decidedly mixed', April 10, 2018, www.americanshipper.com
14. US port throughput growth could be derailed by China tariffs and trade row, April 10, 2018, www.transportweekly.com
15. Long Beach touts Q1 record, April 11, 2018, www.americanshipper.com
16. Port of Prince Rupert – Accumulated Container Statistics: January to March 2018, April 16, 2018, www.rupertport.com
17. The Government of Canada invests in transportation infrastructure at the Port of Montréal to move Canadian goods to market, April 13, 2018, www.tc.gc.ca
18. Vancouver Island lands auto terminal, April 13, 2018, www.americanshipper.com
19. Tariffs could have \$8b impact on Washington ports, April 13, 2018, www.americanshipper.com
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21. World shipping industry agrees to reduce carbon emissions 50% by 2050, April 16, 2018, www.ctl.ca
22. Port of L.A. volumes recede in March, April 17, 2018, www.americanshipper.com
23. Government of Canada is making Arctic re-supply operations safer and more efficient for remote northern communities, through the Oceans Protection Plan, April 16, 2018,

route and “Green Connection” initiatives.

6. Ocean Transport: Next door competition knocks

U.S. ports coast to coast enjoyed a rebound in their container volumes during 2017, but the country’s neighbors to the north and south are stepping up their game through the initiation of new, friendly international trade policies that are expected to attract more cargo to their shores. Friendlier international trade policies and recent container terminal investments by Canada and Mexico should keep ports across the United States looking over their shoulders.

7. Modest growth for ocean carriers: Drewry

The outlook for the container shipping market in 2018 and 2019 is a combination of healthy demand growth that will outpace the fleet; resulting in a better supply-demand balance and slightly higher freight rates and profits for carriers, according to the latest edition of the *Container Forecaster* published by global shipping consultancy Drewry. Simon Heaney, senior manager, container research at Drewry and editor of the *Container Forecaster* said “The bad news for carriers is that they are unlikely to see the very strong demand growth rates of early 2017 for the foreseeable future. The good news is that while port handling growth may have peaked, they can still expect more than adequate volumes for at least the next two years.”

8. Wilhelmsen and Kongsberg establish world’s first autonomous shipping company

Wilhelmsen and Kongsberg are joining forces to take the next step in autonomous shipping by offering a complete value chain for autonomous ships, from design and development, to control systems, logistics services and vessel operations. Thomas Wilhelmsen,

Wilhelmsen group CEO said “As a world-leading maritime nation, Norway has taken a position at the forefront in developing autonomous ships, through the creation of the new company named Massterly, we take the next step on this journey by establishing infrastructure and services to design and operate vessels, as well as advanced logistics solutions associated with maritime autonomous operations. Massterly will reduce costs at all levels and be applicable to all companies that have a transport need.”

9. Port of Montreal, Accumulated Container traffic (TEUs) January to March 2018

The Port of Montreal reported its first quarter traffic results for 2018. Total traffic was 384,056 TEUs (twenty-foot equivalent units) for the first quarter of 2018 compared to 360, 122 TEUs for the same period in 2017, a 6.6% increase. Total inbound traffic was 197,688 TEUs and total outbound traffic was 186,368 TEUs compared to 175,304 TEUs and 184,818 TEUs, a 12.8% and 0.8% increase.

10. 2018 cruise season starts tomorrow

The 2018 cruise season kicks begins on April 10, 2018 at the Port of Vancouver with the arrival of the *Star Princess* at the Canada Place cruise terminal. Approximately 895,000 cruise passengers on 241 vessel visits are expected in Vancouver this year, a seven per cent increase in passenger volume over 2017. “We always look forward to the start of the cruise season and are thrilled this year to welcome even more visitors to our cruise terminal at Canada Place,” said Robin Silvester, president and chief executive officer of the Vancouver Fraser Port Authority. Vancouver cruise passenger volumes have been strong and steady over the past five years, with 2018 forecasting the highest passenger volumes since 2010. This year, the Port of Vancouver is welcoming the *Norwegian Bliss*, which accommodates more than 4,000 passengers, the largest ship to date to come to Vancouver.

11. Port of New York/New Jersey has record-setting year in 2017

The port complex of New York and New Jersey on the US east coast handled a record 521,921 TEU in February 2018, a year-on-year increase of 2.9 per cent following a surge in cargo volumes in the latter part of 2017 and the beginning of 2018. The port of New York and New Jersey handled a record 6.71 million TEU in 2017. The spike in container traffic is attributed to larger containerships calling at New York/New Jersey in the wake of last June’s completion of the Bayonne Bridge Navigational Clearance Project, which allows ships of up to 18,000 TEU to now reach its terminals, reported American Shipper.

www.tc.gc.ca

24. Container shipping faces mixed outlook, April 19, 2018, www.transportweekly.com

25. Long Beach box growth tops, LA still bigger, but gap closes, April 19, 2018, www.transportweekly.com

26. Port of Halifax, Accumulated Container traffic (TEUs) January to March 2018, April 20, 2018, www.portofhalifax.ca

27. New report examines port-based incentives to boost green shipping, April 19, 2018, www.ctl.ca

28. Yang Ming & THE Alliance Introduce Weekly PS8 Prince Rupert Service, April 20, 2018, www.cn.ca

29. New standard for electronic tagging of marine equipment, April 23, 2018, www.europa.eu

30. Ports urge careful consideration of trade sanctions, April 23, 2018, www.americznshipper.com

31. Global container throughput up 6pc in 2017, April 24, 2018, www.transportweekly.com

32. The Port of Gdansk has signed agreements involving EU subsidies, April 25, 2018, www.transportweekly.com

33. New standard for electronic tagging of marine equipment, April 23, 2018, www.europa.eu

34. Statement by Ministers Garneau, Carr, McKenna and LeBlanc on the Government of Canada’s investment in marine science and safety, April 26, 2018, www.tc.gc.ca

12. Canadian investors buy auto terminal operator

Toronto-based investment firm InstarAGF Asset Management Inc. has acquired 100 percent equity interest in AMPORTS Inc., an automotive port terminal operator and processing firm headquartered in Jacksonville, Fla., from Lincolnshire Management Inc. and its co-investors. InstarAGF says AMPORTS processed about 1.52 million vehicles last year at eight locations in the U.S. and Mexico.

13. Container shipping outlook 'decidedly mixed'

The outlook for global container carriers this year is "decidedly mixed," according to a report released on April 10, 2018 by AlixPartners. "Although the industry enjoyed modest improvement in 2017, it still needs to address the dual challenges of rising costs and oversupply - driven mostly by fleet expansion - to keep the momentum going," the consulting firm said.

14. US port throughput growth could be derailed by China tariffs and trade row

US retail ports are expected to benefit from an increase in shipment volumes in the coming months, however, a looming trade row with China could derail future gains, warns authors of the Port Tracker report published by the US National Retail Federation (NRF). "Tariffs are a tax on American consumers in the form of higher prices but they are also a tax on American jobs," NRF Vice president for Supply Chain and Customs Policy Jonathan Gold said: "American consumers and workers should not be punished for China's wrongdoing."

15. Long Beach touts Q1 record

The Port of Long Beach said it handled 575,258 TEUs in March 2018, an increase of 13.8 percent compared to the same month last year. Dockworkers moved 267,824 import TEUs in March 2018, 7.3 percent more than a year ago. Exports grew 18.3 percent to 142,419 TEUs, and the port handled 165,015 TEUs of empty containers. "Our March cargo jumped despite the shipping slowdown during the Lunar New Year holiday in China," said Port of Long Beach Authority.

16. Port of Prince Rupert – Accumulated Container Statistics: January to March 2018

The Port of Prince Rupert released its accumulated container statistics (TEUs) on April 16, 2018. Total traffic for the first quarter of 2018 was 239,487.75 TEUs, an increase of 28% (i.e. 186,878.00) from the same quarter in 2017. Total imports for this period were 127,589 TEUs an increase of 21% (i.e. 105,312.00). Total exports for this period were 111,898.75 TEUs an increase of 37% (i.e. 81,566.00).

17. The Government of Canada invests in transportation infrastructure at the Port of Montréal to move Canadian goods to market

On April 13, 2018, the Honourable Marc Garneau, Minister of Transport announced a major investment of \$18.4 million for the Port of Montréal that will help local businesses compete by moving commercial goods to market, and create more jobs for the middle class. This project will optimize the Port of Montréal's rail network capacity, particularly in the port's interchange zone. The work is expected to include relocating underground and above-ground infrastructure, relocating and constructing the port's new road, and building new rail lines. This work will eliminate bottlenecks, while increasing the flow of rail traffic and the Port of Montréal's competitiveness. The Optimisation du réseau intermodal Project is a project of the Montréal Port Administration in partnership with the Ministère des transports du Québec.

18. Vancouver Island lands auto terminal

A new terminal for imported automobiles in the Port of Nanaimo on Vancouver Island in British Columbia plans to open in January 2019. The Nanaimo Port Authority said it will partner with Western Stevedoring and the auto division of SSA Marine (sister companies that are both owned by Carrix) to "design, build, finance and operate a multipurpose breakbulk terminal with an initial focus on European automobile import and processing."

19. Tariffs could have \$8b impact on Washington ports

About \$8 billion in annual imports and exports through Northwest Seaport Alliance (NWSA) ports and Seattle-Tacoma (Sea-Tac) International Airport will potentially be affected by U.S. and Chinese tariffs, based on recent announcements by both countries, NWSA CEO John Wolfe said in written testimony for a House Ways and Means Committee hearing on April 12, 2018.

20. Port of Metro Vancouver – Accumulated Container Statistics: January to March 2018

The Port of Metro Vancouver released its accumulated container statistics (TEUs) on April 17, 2018. Total traffic for the first quarter of 2018 was 801,217 TEUs, an increase of 8.2% (i.e. 740,239) from the same quarter in 2017. Total imports for this period were 425,813 TEUs an increase of 9% (i.e. 390,522). Total exports for this period were 375,405 TEUs an increase of 7.3% (i.e. 349,717).

21. World shipping industry agrees to reduce carbon emissions 50% by 2050

Members of the UN International Maritime Organization on April 13, 2018 struck a deal to halve carbon dioxide emissions from shipping by 2050 in a deal that will force the industry to redesign fleets. "The initial strategy envisages for the first time a reduction in total GHG (Greenhouse Gas) emissions by at least 50% by 2050 compared to 2008," the IMO said in a statement.

22. Port of L.A. volumes recede in March

Container volumes at the Port of Los Angeles fell 26.7 percent to 577,865 TEUs in March 2018. The Port of Los Angeles handled 577,865 TEUs of containerized cargo in March 2018, a 26.7 percent decline from the same 2017 period, according to the latest figures from the Southern California port. Loaded import volumes dropped 29.2 percent to 264,460 TEUs for the month, while loaded exports were down 14.6 percent to 163,706 TEUs compared with the previous March.

23. Government of Canada is making Arctic re-supply operations safer and more efficient for remote northern communities, through the Oceans Protection Plan

Protecting the marine environment and all users of Canada's oceans and waterways is of paramount importance. That is why the Government of Canada, under the Oceans Protection Plan, is investing \$94.3 million over five years to make Arctic re-supply operations faster, safer, and more efficient for remote communities. The Safety Equipment and Basic Marine Infrastructure in Northern Communities initiative is providing on-the-ground equipment and infrastructure, along with training on how to use and maintain it. Transport Canada is now accepting proposals from the governments of Nunavut and Northwest Territories for projects to be funded by the \$94.3 million fund. Territorial governments will work with local communities, Inuit and Indigenous peoples, and stakeholders to assess needs.

24. Container shipping faces mixed outlook

The container shipping industry outlook is "decidedly mixed", according to a report published by AlixPartners. For 2018, 30 per cent of the 1.3 million TEU of new containership capacity scheduled for delivery is for mega ships with a capacity ranging from 18,000 TEU to 25,000 TEU, reported American Shipper. "Although the industry enjoyed modest improvement in 2017, it still needs to address the dual challenges of rising costs and oversupply - driven mostly by fleet expansion - to keep the momentum going," said the consulting firm. "In 2018, we will begin to see the impacts that might result from the industry's reconfiguration into two tiers: the five large global players and about two dozen much smaller players, many of which compete either as specialists or exclusively in niche markets. The giants have absorbed the traditional second tier of midsize carriers.

25. Long Beach box growth tops, LA still bigger, but gap closes

The Port of Long Beach 2018 first quarter container throughput soared 19.4 per cent year on year to 1.9 million TEU while the neighbouring Port of Los Angeles suffered a 5.7 per cent decline to 2.1 million TEU, according to Shipping Gazette. In March 2018, Long Beach cargo volume was up 13.8 per cent to 575,258 TEU, compared to LA's March decline of 27 per cent to 577,865 TEU, a drop blamed on shippers moving record-breaking volumes in February ahead of the Chinese New Year's annual factory shutdowns in Asia.

26. Port of Halifax, Accumulated Container traffic (TEUs) January to March 2018

The Port of Halifax reported its first quarter traffic results for 2018. Total traffic was 134,367 TEUs (twenty-foot equivalent units) for the first quarter of 2018 compared to 130,763 TEUs for the same period in 2017, a 2.8% increase. Total inbound traffic was 70,803 TEUs and total outbound traffic was 63,564 TEUs compared to 64,784 TEUs and 65,979 TEUs, a change of 9.3% and -3.7% respectively.

27. New report examines port-based incentives to boost green shipping

Ports play an important role in reducing the global carbon footprint of maritime shipping, says a new report by the International Transport Forum. Greenhouse gas emissions from shipping currently represent around 2.6% of total global emissions. Without reduction measures, this share could more than triple by 2050. The International Maritime Organization (IMO) last week set a target of reducing shipping CO2 emissions by "at least" 50% by 2050 compared to 2008 levels. To achieve this, stringent measures now need to be put into place. While the focus is naturally on the ships themselves, portside measures can significantly add to the environmental performance of shipping and the decarbonization of maritime transport, the ITF report says.

28. Yang Ming & THE Alliance Introduce Weekly PS8 Prince Rupert Service

The Port of Prince Rupert, DP World Prince Rupert and CN (CN) are pleased to announce a new weekly marine carrier service at the Fairview Container Terminal. Yang Ming and its partners in THE Alliance, Hapag-Lloyd and Ocean Network Express, have added Prince Rupert as the first North American port of call on the amended PS8 trans-Pacific service this spring. Originating in the ports of Tianjin, Qingdao,

Shanghai and Busan, the new service makes its inaugural call at the Port of Prince Rupert on April 21, 2018, with the arrival of the 6,500 TEU capacity vessel, the YM Masculinity.

29. New standard for electronic tagging of marine equipment

The Commission has presented on April 23, 2018 a new electronic tagging standard for better marine equipment safety. Manufacturers of marine equipment using the electronic tags will be better protected against counterfeiting and can offer their customers additional functions such as stock control. The new standard makes use of RFID (radio-frequency identification) and Data Matrix formatting. Once the e-tag is fully deployed, it will be easier for authorities to identify incorrectly certified or obsolete equipment. In order to realise the full potential of electronic tagging, the European Maritime Safety Agency (EMSA) will develop an easy to use app, which will be available for public authorities.

30. Ports urge careful consideration of trade sanctions

In a letter to U.S. Trade Representative Robert Lighthizer, the American Association of Port Authorities (AAPA) has expressed concern about the impact of potential trade sanctions on ports and the nation's economy.

31. Global container throughput up 6pc in 2017

Global container throughput rose six per cent year on year to 740 million TEU in 2017, according to the Shanghai International Shipping Institute. In its Global Port Development Report (2017), the institute said container traffic "constantly picked up under the impact of the recovering global economy and trade environment" in 2017. Despite the threat of a trade war with the US it forecasts growth will continue in 2018, reported London's World Cargo News. "It is estimated that, boosted by the active international commodity trade and consumption market, the container throughput of global ports will maintain a strong growing momentum in 2018," the report said.

32. The Port of Gdansk has signed agreements involving EU subsidies

The Port of Gdansk Authority is implementing huge projects which received subsidies from EU funds. Agreements with Contract Engineers who will supervise the implementation of the largest two projects have just been signed. The dredging of the fairway along with the conversion of the quays at the Inner Port and the modernisation of the road and railway network at the Outer Port are the largest two investments to be carried out by the Port of Gdansk with the support of EU funds. Within the framework of the Connecting Europe Facility (CEF), the PGA will not only improve navigation along the port canal, but also considerably alter the terminals' access infrastructure. The Port Authority has just signed agreements with Contract Engineers.

33. New standard for electronic tagging of marine equipment

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34. Statement by Ministers Garneau, Carr, McKenna and LeBlanc on the Government of Canada's investment in marine science and safety

On April 26, 2018, the Government of Canada submitted its response to the Government of British Columbia's consultation process on oil spill response, including an updated science report on diluted bitumen, and an open letter to B.C. Minister of Environment, George Heyman. The following statement was issued by government officials "Canada's actions have demonstrated our commitment to the highest environmental standards and strong Indigenous partnerships, while ensuring vital infrastructure for the Canadian economy moves ahead. Our submission outlines the comprehensive scope of federal spill prevention and response activities to protect our oceans and coastlines. We are proud of our historic, \$1.5-billion Oceans Protection Plan that will make Canada's oceans safer, cleaner, and healthier for future generations. Building on the existing safeguards, we are developing a marine safety system that rivals any in the world. The system draws on over thirty years of scientific research in spill prevention and response – including specific measures to ensure the safe transport of diluted bitumen..."

RAIL TRANSPORTATION

1. Broken rail led to Saskatchewan potash train derailment: TSB report

An investigation has concluded that a split rail ultimately led to the derailment of a freight train carrying potash in southwestern Saskatchewan last fall. A Transportation Safety Board report says the crack had been there for some time and the rail broke when the Canadian Pacific train passed over it on Oct. 3, 2017. The train was heading west from Swift Current when 37 cars derailed near the Maple Creek subdivision. Many of the derailed cars released potash, but no dangerous goods were involved and no one was hurt.

2. Grain railway backlog another reason to expand oil pipeline: Alberta premier

Alberta Premier Rachel Notley says Canada will continue to have trouble moving grain across the country unless more oil pipelines are built. Notley says moving oil by rail means there are fewer trains to ship grain for export. Grain shipments in Canada have been delayed for the second time in four years as railways grapple with a larger-than-expected grain crop and extreme winter weather. Saskatchewan Premier Scott Moe has said producers are struggling to pay their bills because their grain isn't moving. Notley says such transportation bottlenecks will continue as long as grain has to compete with oil for rail space.

3. Railway won't have to stand trial for Canada train disaster

The bankrupt railway at the centre of a 2013 train derailment that killed 47 people in the Canadian province of Quebec will not have to stand trial for criminal negligence, provincial officials said on April 3, 2018. There was little chance of convicting the Montreal Maine and Atlantic Railway of negligence after three of its former employees facing the same charge were acquitted in January 2018, said a spokesman for prosecutors, Robert Benoit. "The (Crown) was no longer reasonably convinced it could obtain a conviction against the company," Benoit said. "This closes the file."

4. \$54 million contract awarded to Bombardier for accessibility renovations to 17 train cars

VIA RailCanada (VIA Rail) has awarded Bombardier a \$54 million contract to upgrade 17 train cars. Built in the 1950s, the renovations will be used to transform them into a new generation of fully accessible cars, and will elevate the standards of accessibility in Canada. VIA Rail President and Chief Executive Officer Yves Desjardins-Siciliano announced the investment this morning in La Pocatière, Quebec, in the presence of the Honourable Marc Garneau, Minister of Transport, Françoise Bertrand, Chairperson of the Board of Directors of VIA Rail, Sylvain Lévesque, Vice-President, Corporate Strategy, and David Van der Wee, Chief Executive Officer at Bombardier Transportation, Americas.

5. Manitoulin Global Forwarding acquires IPE Logistics (Canada)

Manitoulin Global Forwarding has acquired IPE Logistics (Canada) Ltd., of Toronto. The purchase strengthens Manitoulin's overall global capabilities, especially from Asia to North America in the less-than-container-load (LCL) space, and provides enhanced access to Asian markets. This is the eighth acquisition Manitoulin has made in the last year to extend its offerings and global reach.

6. 18% more passengers travelled on VIA rail's intercity trains over the Easter long weekend

RAIL TRANSPORTATION Canada

1. Broken rail led to Saskatchewan potash train derailment: TSB report, March 29, 2018, www.ctl.ca
2. Grain railway backlog another reason to expand oil pipeline: Alberta premier, March 31, 2018, www.ctl.ca
3. Railway won't have to stand trial for Canada train disaster, April 4, 2018, www.ctl.ca
4. \$54 million contract awarded to Bombardier for accessibility renovations to 17 train cars, April 3, 2018, www.viarail.ca
5. Manitoulin Global Forwarding acquires IPE Logistics (Canada), April 4, 2018, www.ctl.ca
6. 18% more passengers travelled on VIA rail's intercity trains over the Easter long weekend, April 5, 2018, www.viarail.ca
7. AAR: U.S. rail traffic full speed ahead in March, April 6, 2018, www.americanshipper.com
8. Irving owned railway pleads not guilty to safety violations in oil transport, April 9, 2018, www.ctl.ca
9. VIA rail awards \$46 million contract to Cad railway industries for renovation of 25 train cars, April 10, 2018, www.viarail.ca
10. On The Surface: Top of the class, April 10, 2018, www.americanshipper.com
11. House signals OK on rail bills, April 11, 2018, www.americanshipper.com
12. CP continues to engage in good faith bargaining with TCRC, IBEW; significant gap remains, April 13, 2018, www.cpr.ca
13. VIA rail launches RFQ to replace its Quebec-Windsor corridor fleet, April 16, 2018, www.viarail.com
14. CSX profit tops estimates on cost-cutting boost, April 17, 2018, www.globemail.ca
15. CP reports first quarter revenue of \$1.66 billion; positive momentum heading into second quarter, April 18, 2018, www.cpr.ca
16. TCRC-Train & Engine and IBEW issue 72-hour strike notice, April 18, 2018, www.cpr.ca
17. CP Rail reports lower profits as Teamsters, IBEW serve 72 hour strike notice, April 19, 2018, www.ctl.ca
18. CN to acquire 350 boxcars to meet growing demand in forest products, metals business, April 18, 2018, www.cn.ca
19. CSX Announces Record First Quarter 2018 Financial Results, April 17, 2018, www.csx.com
20. VIA rail is transforming to lead Canadians towards a more sustainable future, April 19, 2018, www.viarail.ca
21. Strike at CP Railway postponed, commuter and freight service to continue, April 21, 2018, www.ctl.ca
22. CP, TCRC-Train & Engine and IBEW take significant steps forward, avoid work stoppage, April 20, 2018, www.cpr.ca
23. Kansas City Southern posts record Q1 revenues, April 20, 2018, www.americanshipper.com

Many passengers travelled on VIA Rail Canada (VIA Rail) intercity trains in Québec and Ontario over the Easter long weekend, posting its best performance in 10 years for this period. Between March 29 and April 3, 2018 VIA Rail transported over 83,000 people on the Québec City – Windsor Corridor, representing an 18% increase compared to 2017. Following a trend that started in 2014, passenger revenue was up nearly 20% compared to the same period last year.

7. AAR: U.S. rail traffic full speed ahead in March

Total combined U.S. freight railroad traffic in March 2018 increased 5 percent to 2.13 million carloads and intermodal units compared with the same month a year ago, according to the latest data from the Association of American Railroads (AAR). U.S. railroads saw carload shipments rise 3.6 percent year-over-year to 1.05 million carloads for the month, while intermodal traffic rose 6.5 percent to 1.08 million containers and trailers.

8. Irving owned railway pleads not guilty to safety violations in oil transport

A railway owned by New Brunswick's Irving family has pleaded not guilty to 24 charges alleging the company violated safety standards in the way it transported oil. The allegations against the New Brunswick Southern Railway Company Ltd., a subsidiary of J.D. Irving Ltd., occurred after a Transport Canada probe set off by the 2013 rail derailment in Lac Mégantic, Que., that killed 47 people. According to court documents, half of the 24 charges against the railway related to an alleged failure to create proper shipping documents and the other half allege unqualified personnel were involved in the shipments.

9. VIA rail awards \$46 million contract to Cad railway industries for renovation of 25 train cars

VIA Rail Canada (VIA Rail) has awarded a contract valued at \$46 million to Cad Railway Industries (Cad) to upgrade 25 train cars intended for use on the long-haul train, the Canadian. Built in the 1950s, these cars will be completely refurbished and transformed to better meet our clients' present and future needs. VIA Rail President and Chief Executive Officer Yves Desjardins-Siciliano announced the investment this morning at the company's Montreal site in the presence of the Honourable Marc Garneau, Minister of Transport; Anju Dhillon, Member of Parliament for Dorval-Lachine-LaSalle; Françoise Bertrand, the Chairperson of the Board of Directors, VIA Rail; and Fausto Levy, Cad Chairperson of the Board, President and Chief Executive Officer. This work will be undertaken by 100 Cad employees at their Montreal facilities.

10. On The Surface: Top of the class

All seven Class I freight railroads operating in the United States were full steam ahead in terms of profitability during 2017, but their customer service has started to leave a lot to be desired for American shippers, attracting the attention of regulators in Washington. While it's good for the Class I railroads to show financial wherewithal, it's also more important than ever for them to show demonstrable investments in technology and human resources that allow them to expedite shipments.

11. House signals OK on rail bills

The U.S. House of Representatives on March 10, 2018 passed two bipartisan railroad data and information security bills, the STB Information and Security Act (H.R. 4921) and the FRA Safety Data Improvement Act (H.R. 4925)

12. CP continues to engage in good faith bargaining with TCRC, IBEW; significant gap remains

Canadian Pacific Railway Limited (CP) and two of its unions – the Teamsters Canada Rail Conference – Train & Engine (TCRC) and the International Brotherhood of Electrical Workers (IBEW) – are currently working through the collective bargaining process. Despite CP's best efforts, a significant gap remains between the company and these two unions. In the event an agreement cannot be reached, a work stoppage could occur as early as 0001 on Saturday, April 21, 2018.

13. VIA rail launches RFQ to replace its Quebec-Windsor corridor fleet

VIA Rail Canada (VIA Rail) has launched phase 1 of its procurement process to select the supplier who will manufacture the rolling stock to replace the current fleet that operates in the Quebec-Windsor Corridor.

24. CN reports Q1-2018 financial results, April 23, 2018, www.cn.ca

25. CN declares second-quarter 2018 dividend, April 23, 2018, www.cn.ca

26. CN Rail reports lower first quarter profit as winter weather bites into bottom line, April 23, 2018, www.ctl.ca

27. Grain shippers welcome action to avoid rail work stoppage, April 24, 2018, www.ctl.ca

28. CN Rail tackling capacity issues 'with a great sense of urgency', April 24, 2018, www.nationalpost.ca

29. Railway carloadings, February 2018, April 25, 2018, www.statcan.gc.ca

30. Rail transportation, 2016, April 25, 2018, www.statcan.gc.ca

31. Canadian Pacific's unions: strike 'inevitable', April 26, 2018, www.transportweekly.com

32. North American rail freight up 4.3pc first week in April, April 26, 2018, www.transportweekly.com

33. CTA announces a 2.8% increase in the Volume-Related Composite Price Index for Crop Year 2018–2019, April 25, 2018, www.tc.gc.ca

34. Union Pacific thrives in Q1, April 26, 2018, www.americanshipper.ca

35. Norfolk Southern Q1 earnings surpass estimates, April 25, 2018, www.americanshipper.com

The fleet renewal is part of VIA Rail's transformation plan to lead Canadians towards a more sustainable future. Funding to replace VIA Rail's corridor fleet was provided by the federal government in its 2018 Budget. VIA Rail is looking for interested parties to submit their qualifications for consideration. Phase 1, the request for qualifications (RFQ), will allow VIA Rail to create a short list of suppliers to participate in a subsequent request for proposal (RFP) process.

14. CSX profit tops estimates on cost-cutting boost

CSX Corp topped Wall Street forecasts for the 2018 first-quarter profit as the No. 3 U.S. railroad operator benefited from a cut-throat efficiency and cost-cutting drive, sending its shares 5 percent higher on April 17, 2018. CSX has been cutting jobs and the number of locomotives and rail cars it operates to boost profitability, as part of an overhaul launched by Hunter Harrison, the industry veteran who took over as CEO last year but passed away eight months after.

15. CP reports first quarter revenue of \$1.66 billion; positive momentum heading into second quarter

Canadian Pacific Railway Limited (CP) on April 18, 2018 announced first-quarter reported diluted earnings per share (EPS) of \$2.41, or \$2.70 on an adjusted diluted EPS basis. "This was a challenging quarter, as we battled extreme weather and unprecedented demand, specifically in the northern reaches of our network," said Keith Creel, CP's President and Chief Executive Officer. "Despite these challenges, we delivered 6 percent more freight than last year, demonstrating once again the resiliency of our operating model and the commitment from our family of professional railroaders. With the extraordinary winter weather behind us, we built a tremendous amount of momentum through March - one of our best months in recent history - positioning us well for the rest of the year." The 2018 first quarter highlights were: 1) Volumes as measured by revenue ton-miles increased 6 percent and carloads increased 4 percent; 2) Revenue increased by 4 percent to \$1.66 billion from \$1.60 billion; 3) Reported diluted EPS \$2.41, an 18 percent decrease from \$2.93, and adjusted diluted EPS was \$2.70, an 8 percent increase from \$2.50 last year; 4) Operating ratio was 67.5 percent, an increase of 510 basis points and 190 basis points compared to last year's operating ratio and adjusted operating ratio, respectively. Effective January 1, 2018, CP adopted a new accounting standard for the presentation of pension retirement benefits which resulted in a 430 basis point increase in CP's 2017 operating ratio.

16. TCRC-Train & Engine and IBEW issue 72-hour strike notice

Canadian Pacific Railway Limited (CP) has received 72-hour strike notice from the Teamsters Canada Rail Conference-Train & Engine (TCRC) and the International Brotherhood of Electrical Workers (IBEW) of their respective plans to strike at 12:01 a.m. eastern time on April 21, 2018.

17. CP Rail reports lower profits as Teamsters, IBEW serve 72 hour strike notice

Severe winter weather that left grain farmers complaining about poor rail service is being blamed for disappointing 2018 first-quarter earnings at Canadian Pacific Railway Ltd. as it deals with the potential for further disruption amid a possible strike this weekend. The company, which was handed 72-hour strike notices on April 18, 2018 by two unions representing about 3,400 of its workers, reported after markets closed that it earned \$348 million in the first three months of the year, down from \$431 million a year ago, despite a four per cent increase in revenue to \$1.66 billion. Reported diluted earnings per share were \$2.41, an 18 per cent decrease from \$2.93 a year earlier, and short of analyst expectations of \$2.64 according to Thomson Reuters.

18. CN to acquire 350 boxcars to meet growing demand in forest products, metals business

"These additional boxcars, combined with our new locomotives, hundreds of new train crew members, and track expansion investments, will help give us the capacity and network resiliency we need for pulp, paper and metals customers," said Doug MacDonald, vice president of bulk at CN. The leased 50-foot, high-capacity plate F boxcars, equipped with 12-foot plug doors, are expected to be delivered beginning in late summer with all the cars in service by the end of 2018. As part of CN's \$3.2 billion capital program in 2018, the company is investing in new trade-enabling infrastructure this spring and summer, building new track and yard capacity to handle increased traffic across CN's West Coast to Chicago corridor more efficiently. After adding approximately 400 conductors to the field so far this year, CN continues to hire with a particular focus on crews in Western Canada.

19. CSX Announces Record First Quarter 2018 Financial Results

CSX Corporation (CSX) on April 17, 2018 announced record first quarter 2018 net earnings of \$695 million, or \$0.78 per share, versus \$362 million, or \$0.39 per share in the same period last year. CSX's operating ratio for the quarter improved 950 basis points to 63.7 percent from 73.2 percent in the prior year. Compared to 2017 first quarter adjusted operating results, which excluded restructuring charges, this

represents an operating ratio improvement of 570 basis points and a 53 percent increase in earnings per share year over year. Revenue for the 2018 first quarter remained relatively flat at \$2.88 billion, while expenses declined 13 percent year over year or 8 percent when excluding prior year restructuring charges. Operating income for the 2018 quarter increased 36 percent to \$1.04 billion when compared to \$769 million in the same period last year or 19 percent when compared to the adjusted operating income of \$879 million reported in the first quarter of 2017.

20. VIA rail is transforming to lead Canadians towards a more sustainable future

In 2017, as VIA Rail Canada (VIA Rail) was preparing to mark its 40th anniversary, the company was looking to the future and laying the groundwork for a strategy intended to enhance the human experience through its flagship projects. Through its 2017 Sustainable Mobility Report, released on April 19, 2017, the company highlights the actions it is taking to transform mobility and contribute to Canada's inclusive growth. The highlights are: 1) Increased number of passenger trips: 4.39 million, +10.5% over 2016; 2) Increased inter-modal ridership: +97% since 2012; 3) Reduction in GHG emissions: -34% per passenger-kilometer since 2005; 4) Investments in safety and efficiency: \$88.4 million; 5) Fewer train incidents: -77% per million train-miles since 2014; and 6) Increased average hours of training per employee: 46 hours, +48% over 2014

21. Strike at CP Railway postponed, commuter and freight service to continue

A rail strike has been temporarily averted after the federal labour minister ordered employees of Canadian Pacific Railway Ltd. to vote on the company's final offers, just hours before they were set to walk off the job. Statements from both CP Rail and two unions representing workers say the minister's order to administer a ratification vote on each of the two offers follows advice of federal mediators. In a release on April 20, 2018 later in the day, representatives for the unions recommended that their members reject the company's offers.

22. CP, TCRC-Train & Engine and IBEW take significant steps forward, avoid work stoppage

Canadian Pacific Railway Limited (CP) has reached an agreement with both the Teamsters Canada Rail Conference-Train & Engine (TCRC) and the International Brotherhood of Electrical Workers (IBEW), which averts the potential work stoppage of 12:01 am Eastern time tomorrow, April 21, 2018. On the recommendation of federal mediators, the Minister of Labour will direct the Canadian Industrial Relations Board to administer a ratification vote on each of the company's final offers to the TCRC and IBEW. "I want to thank the leadership of the TCRC, IBEW, and Federal Mediation and Conciliation Service for their hard work, collaboration and openness to getting this situation resolved without a work stoppage," said Keith Creel, CP President and CEO. "This is tremendous news for our employees, our customers and the Canadian economy."

23. Kansas City Southern posts record Q1 revenues

Kansas City Southern (KCS), a U.S. Class I railroad with extensive operations in Mexico, reported a net income of \$145 million for the first quarter of 2018, relatively unchanged from \$147 million for last year's first quarter, the company revealed on April 20, 2018. KCS' record first quarter revenues of \$639 million, which rose 5 percent year-over-year, still fell short of the \$647 million Wall Street analysts expected.

24. CN reports Q1-2018 financial results

Canadian National Railway (CN) on April 23, 2018 reported its financial and operating results for the first quarter ended March 31, 2018. The financial results for the first quarter of 2018 compared to the first quarter of 2017 were as follows: 1) Net income decreased by 16 per cent to C\$741 million, and diluted earnings per share (EPS) decreased by 14 per cent (or 13 per cent on an adjusted basis) to C\$1.00; 2) Operating income decreased by 16 per cent to C\$1,030 million; 3) Revenues for the first quarter totaled C\$3,194 million, a decrease of C\$12 million; 4) Revenue ton-miles (RTMs) declined by four per cent and carloadings increased by three per cent. Operating expenses increased by nine per cent to C\$2,164 million; 5) Operating ratio of 67.8 per cent, increased by 6.0 points; and 6) Free cash flow for the first quarter of 2018 was C\$322 million, compared with C\$848 million for the year-earlier period. JJ Ruest, interim president and chief executive officer of CN, said: "With our entire team focused on restoring operational and service excellence for all our customers, CN has turned the corner on a difficult quarter and winter. Our metrics are showing sustained, sequential improvement, and that momentum will build as we continue to expand track capacity, add crews and bring on new locomotives."

25. CN declares second-quarter 2018 dividend

Canadian National Railway (CN) on April 23, 2018 announced that its Board of Directors has approved a second-quarter 2018 dividend on the Company's common shares outstanding. A quarterly dividend of

forty-five-and-one-half cents (C\$0.4550) per common share will be paid on June 29, 2018, to shareholders of record at the close of business on June 8, 2018.

26. CN Rail reports lower first quarter profit as winter weather bites into bottom line

Canadian National Railway Co. is cutting its 2018 financial outlook as it reports lower first-quarter income and revenue due to severe winter weather and lower network "resiliency." The company says it now expects to post 2018 adjusted diluted earnings per share of \$5.10 to \$5.25, down from its previous target of \$5.25 to \$5.40. Last year's number was \$4.99.

27. Grain shippers welcome action to avoid rail work stoppage

Grain shippers welcomed news that a work stoppage at CP has been avoided following a recommendation from federal officials and the parties to hold a ratification vote. A work stoppage this week on CP would have had a devastating impact on grain shippers, farmers and end use customers in a year that has already been very challenging. "We would like to thank Minister Hadju, the federal mediators, CP and the unions for working hard to help avoid a disruption in service," said Wade Sobkowich, Executive Director of the Western Grain Elevator Association (WGEA). "Minister Hadju's interaction on this demonstrates the Government's understanding of the need to ensure that the Canadian economy does not suffer from an avoidable rail work stoppage."

28. CN Rail tackling capacity issues 'with a great sense of urgency'

Canadian National Railway Co.'s interim chief executive Jean-Jacques Ruest said on April 24, 2018 the company is tackling its capacity challenges "with a great sense of urgency," focusing on building rail infrastructure in Western Canada to alleviate a backlog that infuriated many customers. The company's record \$3.4 billion capital spending plan to deal with increased demand and strained capacity is "progressing well" and includes a specific focus on expanding rail infrastructure in Manitoba, Saskatchewan, Alberta and British Columbia, Ruest said. "The major capital investment that will help us most is the (installation) of a double-track out West," Ruest said in an interview following the company's annual meeting in Toronto.

29. Railway carloadings, February 2018

The volume of rail freight carried in Canada totalled 27.2 million tonnes in February, down 0.2% from February 2017. Freight originating in Canada decreased 1.8% from the same month last year to 24.2 million tonnes. Non-intermodal freight fell by 2.1% to 264,000 carloads in February. The amount of freight loaded into these cars fell 2.3% from February 2017 to 21.4 million tonnes. Intermodal freight loadings rose 5.0% from February 2017 to 187,000 units in February 2018. The gain stemmed from a 5.0% increase in containers-on-flat-cars, and an 8.3% increase for trailers-on-flat-cars. In terms of weight, intermodal traffic increased 2.3% to 2.7 million tonnes. Freight traffic received from the United States rose 14.3% to 3.0 million tonnes as a result of increases in both non-intermodal (+15.0%) and intermodal (+5.6%) freight.

30. Rail transportation, 2016

Canadian railway lines had operating revenue of \$13.8 billion in 2016, down 4.0% from 2015. The drop was largely attributable to lower operating revenue for freight transportation. In 2016, operating expenses of the rail carriers fell by 7.2% to \$9.2 billion, down from \$10.0 billion in 2015. The drop was driven by lower expenses in all four expense accounts (way and structures, equipment, rail operation and general expenses). As a result of the larger drop in operating expenses over operating revenue, the railways recorded a higher net rail operating income in 2016 of \$4.6 billion. The amount of revenue freight tonnage declined 3.7% to 319.9 million tonnes, down from 332.1 million tonnes in 2015. There was also a corresponding drop of 3.9% for the revenue freight tonne-kilometres in all freight carriers. The average number of employees fell 6.3% in 2016 compared with 2015, while total employee compensation declined 5.8%. However, the average annual employee compensation rose 0.4%.

31. Canadian Pacific's unions: strike 'inevitable'

The Canadian Pacific Railway trade union leadership that recently signed an agreement not to strike the next day, are now urging members to reject the company's offer, saying a strike is "inevitable", reports Bloomberg. "The government will bring this ridiculous offer to our members and we strongly recommend that members vote against it" said Teamsters Canada Rail Conference president Doug Finson, who represents 3,000 conductors and engineers. Teamsters Canada and the International Brotherhood of Electrical Workers (IBEW), which represents 360 signalmen, agreed late Friday (April 20, 2018) to a recommendation from federal mediators that the Canadian Industrial Relations Board administer a ratification vote. While that averted a potential walkout starting the next day, it didn't bring labour peace, with both unions saying Saturday they recommend members reject the company offers.

32. North American rail freight up 4.3pc first week in April

North American rail freight volume for the week ending April 7, was up 4.3 per cent year on year to 365,482 carloads reported the Association of American Railroads. Total combined weekly rail traffic in North America was 714,487 carloads and intermodal units, up 4.3 per cent. North American rail volume for the first 14 weeks of 2018 was 9,864,299 carloads and intermodal units, up 2.5 per cent compared with 2017.

33. CTA announces a 2.8% increase in the Volume-Related Composite Price Index for Crop Year 2018–2019

The Canadian Transportation Agency (CTA) has announced a 2.8 percent increase in the Volume-Related Composite Price Index (VRCPI), which is used in determining the maximum revenue entitlement for the Canadian National Railway Company (CN) and the Canadian Pacific Railway Company (CP) for the movement of western grain. Determination No. [R-2018-80](#) sets the index at 1.4197 for the 2018–2019 crop year beginning August 1, 2018. Essentially an inflation factor, the VRCPI reflects a composite of the forecasted prices for railway labour, fuel, material and capital purchases. The VRCPI is one of the numerous factors included in the formula used to calculate the grain revenue entitlement. In determining the annual VRCPI, the CTA examines and verifies detailed railway submissions and collects and analyzes various data to develop the forecasts. The VRCPI of 1.4197 will be applied when the CTA makes its grain revenue entitlement determinations by December 31, 2019 for the 2018–2019 crop year. The 2.8 percent increase stems from two main sources:

34. Union Pacific thrives in Q1

Union Pacific posted a net income of \$1.3 billion on operating revenues of \$5.48 billion for the first quarter of 2018, rising 22 percent and 7 percent, respectively, from the first quarter of last year, the company said on April 26, 2018.

35. Norfolk Southern Q1 earnings surpass estimates

Norfolk Southern's net income for the first quarter of 2018 surged 27 percent from the corresponding prior-year period to \$552 million, the Class I railway announced April 25, 2018.

HIGHWAY TRANSPORTATION

1. January 2018 North American Freight Numbers

Trucks moved freight valued at \$60.6 billion between the U.S. and other North American countries (Canada and Mexico) in January 2018, up 10.2 percent compared to January 2017, according to the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS). Rail moved freight valued at \$13.3 billion, up 0.6 percent during the same period. The value of US-Canada freight flows for January 2018 was \$48.907 billion compared to \$44.945 billion in January 2017, an increase of 8.8%.

2. TFI buys Normandin Transit

TFI International has agreed to purchase Normandin Transit. The company says the move bolsters its cross-border LTL and truckload services. Based in Napierville, Que., Normandin has grown rapidly since its founding in 1988. It has focused on LTL and truckload freight shipments across North America. The company says it operates a young fleet of more than 300 tractors and 1,000 trailers. It will continue to operate under Danielle and Andre Normandin as a standalone entity within TFI's LTL operating segment.

3. U.S. Department of Transportation Announces \$264 Million in Grants to Modernize and Improve America's Bus Infrastructure

The U.S. Department of Transportation's Federal Transit Administration (FTA) on April 5, 2018 announced approximately \$264 million in project selections to improve the safety and

HIGHWAY TRANSPORTATION Canada

1. January 2018 North American Freight Numbers, March 30, 2018, www.bts.gov
2. TFI buys Normandin Transit, April 3, 2018, www.todaystrucking.com
3. U.S. Department of Transportation Announces \$264 Million in Grants to Modernize and Improve America's Bus Infrastructure, April 5, 2018, www.dot.gov
4. Canadian spot market load volumes surging, April 10, 2018, www.todaystrucking.com
5. February 2018 Freight Transportation Services Index (TSD), April 11, 2018, www.bts.gov
6. RoadOne IntermodalLogistics Acquired Jarvis Trans, April 11, 2018, www.inboundlogistics.com
7. Intermodal pricing growth streak continues in March, April 12, 2018, www.americanshipper.com
8. TL rates keep on truckin' in March, April 12, 2018, www.americanshipper.com
9. European road transport industry readies for tech transformation, April 12, 2018, www.transportweekly.com
10. U.S. Department of Transportation Announces \$1 Billion in Emergency Relief for

reliability of America's bus systems and enhance mobility for transit riders across the country. A total of 139 projects in 52 states and territories will receive funding from FTA's Buses and Bus Facilities Infrastructure Investment Program. A list of the selected projects is available online.

4. Canadian spot market load volumes surging

Canadian spot market load volumes are soaring, as shown by TransCore's Loadlink data. 2018 has started with high truckload volumes in all Canadian regions, TransCore reported, with the total number of loads posted and cross-border load volumes significantly outperforming any previous quarter on record. March 2018 volumes were up 6% compared to February 2018 and were 39% stronger year-over-year. First quarter 2018 volumes were up 41% over a strong Q4 2017, and increased 62% year-over-year. Alberta led the growth with a 41% increase in load volumes quarter-over-quarter. Western Canada saw load volumes spike 38%, Ontario 37%, Quebec 36%, and Atlantic Canada 30%.

5. February 2018 Freight Transportation Services Index (TSI)

The Freight Transportation Services Index (TSI), which is based on the amount of freight carried by the for-hire transportation industry, fell 0.1 percent in February 2018 from January 2018, falling for the second consecutive month. The February 2018 index level (127.5) was 34.5 percent above the April 2009 low during the most recent recession

6. RoadOne Intermodal Logistics Acquired Jarvis Trans

RoadOne Intermodal Logistics, an intermodal, distribution, and logistics service company, acquired Jarvis Trans, an intermodal transportation company serving the greater New England region including Boston. The acquisition allows RoadOne to address pressing issues confronting the intermodal drayage sector including a shortage of qualified drivers, the effects of federally mandated electronic logging device implementation, port-mandated clean trucks, and finding experienced operational staff.

7. Intermodal pricing growth streak continues in March

Intermodal rates grew another 5.8 percent in March 2018 compared to the same month the previous year, the 18th consecutive year-over-year increase, according to the latest Cass Intermodal Price Index, which measures all-in per-mile costs. According to Cass, last month's growth brought the index to a reading of 143.2, an all-time high, indicating that tight trucked capacity and higher fuel prices are "creating pricing incremental demand and pricing power for domestic intermodal."

8. TL rates keep on truckin' in March

Growth in domestic U.S. truckload rates continued to accelerate in March 2018, increasing 7.2 percent compared with the same month a year ago, according to the latest Cass Truckload Linehaul Index. The March 2018 growth reading of 133.5 represents the 12th consecutive month of year-over-year gains for the index, which rose 6.2 percent in December 2017 and 6.5 percent in both January and February 2018.

9. European road transport industry readies for tech transformation

The majority of transport operators in Europe (65%) plan to invest in digital solutions in the coming six months, according to new research from the world road transport organisation, IRU. New research from IRU reveals the challenges facing European transport operators today and highlights the potential for digital solutions and services to unlock opportunity for the industry. The data shows that while traditional concerns about the cost of fuel (50%) and environmental and regulatory constraints (60%) remain at the fore, operators are increasingly conscious of the rise of new market entrants and the impact of automation.

10. U.S. Department of Transportation Announces \$1 Billion in Emergency Relief for Road and Bridge Repairs

The U.S. Department of Transportation's (USDOT) Federal Highway Administration (FHWA) on April 13, 2018 announced more than \$1 billion in Emergency Relief (ER) funds to help 32 states, several U.S. territories and Federal Land Management Agencies (FLMA) repair roads and bridges damaged by storms, floods and other unexpected events.

11. Western Canada expansion drives growth for Fastfrate

The Fastfrate Group of Companies announced that Consolidated Fastfrate and CDI, its container transport division, have experienced unprecedented growth, since the company ownership changed hands from

Road and Bridge Repairs, April 13, 2018, www.dot.gov

11. Western Canada expansion drives growth for Fastfrate, April 16, 2018, www.ctl.ca

12. The path to autonomous, April 18, 2018, www.todaystrucking.com

13. Transportation leaders must be adaptable if they are to thrive, April 22, 2018, www.todaystrucking.com

14. February 2018 North American Freight Numbers, April 24, 2018, www.bts.gov

15. Truck tonnage decreases, but remains strong, April 24, 2018, www.todaystrucking.com

16. Researchers: Silk Road projects give China strategic benefit, April 23, 2018, www.ctl.ca

17. TEN-T Days 2018: Connecting Europe with investment in innovative mobility solutions, April 25, 2018, www.europa.eu

18. TFI boosts profit, creates last mile segment, April 25, 2018, www.todaystrucking.com

19. Mullen discusses "messy" results, April 26, 2018, www.todaystrucking.com

20. February 2018 North American Freight Numbers, April 26, 2018, www.bts.gov

Fenway Partners to Tepper Holdings late last year. A new 80 truck contract for CDI serving the Vancouver market and a direct service offering to Vancouver Island for Consolidated Fastfrate, top the list of recent highlights for 2018.

12. The path to autonomous

Today's driver assistance systems will eventually guide the trucking industry to autonomous driving – but it won't happen soon. That's according to Fred Andersky, director, customer solutions controls with Bendix, who spoke by video conference at the Canadian Fleet Maintenance Summit April 18, 2018. In fact, Andersky said his company is very purposely taking a slow approach to fully autonomous driving. However, he also noted the driver assistance systems in place today will be the foundation upon which autonomous driving will be built.

13. Transportation leaders must be adaptable if they are to thrive

With the impact transportation has on Alberta's supply chain, its vital the industry has leaders who are able to adapt to the ever-changing environment. That's according to Janice Isberg, CEO of the Supply Chain Management Association of Alberta, who highlighted what she called the Triple A supply chain where being adaptable, agile, and aligned will lead to a sustainable competitive advantage. This approach goes for leaders as well, who require the ability to adapt over time, while uniting and exciting co-workers to align to a common strategy. "If you can get them to do that, then your company is going to thrive," said Isberg. "That's called alignment, and good leaders can do that."

14. February 2018 North American Freight Numbers

In February 2018, all modes of transportation moved \$94.0 billion of freight between the U.S. and other North American countries (Canada and Mexico). The top two modes for those movements are truck and rail. Trucks moved freight valued at \$59.5 billion, up 8.9 percent compared to February 2017. Rail moved freight valued at \$13.6 billion, down 2.9 percent during the same period. The other \$20.9 billion was transported on other modes.

15. Truck tonnage decreases, but remains strong

For-hire truck tonnage in the U.S. decreased 1.1% in March 2018, according to the American Trucking Associations (ATA). The February 2018 decline was revised down from 2.6%, to 0.8%. Year-over-year, tonnage was up 6.3%, and for all of 2017 the truck tonnage index was up 3.8% compared to 2016. In the first quarter of 2018, tonnage is up 0.9% compared to the previous quarter, and 7.4% stronger than the same quarter last year.

16. Researchers: Silk Road projects give China strategic benefit

A massive Chinese infrastructure program that Beijing says is aimed at promoting global trade and economic growth is actually intended to expand the country's political influence and military presence, according to a report issued on April 23, 2018. The report by the U.S.-based research group C4ADS questions China's portrayal of the trillion-dollar program, called the "Belt and Road Initiative," as strictly meant to promote economic development.

17. TEN-T Days 2018: Connecting Europe with investment in innovative mobility solutions

From 25 – 27 April 2018 26 Ministers, 17 of which are from European Union Member States, and over 2,000 transport experts and decision-makers will join the TEN-T Days 2018 in Ljubljana, Slovenia. This year's conference will focus on smart, sustainable and safe mobility on the Trans-European Transport Network (TEN-T) and the appropriate investment in transport connectivity. In order to facilitate exchange and foster jobs and growth in the transport sector, TEN-T Days 2018 offers a new, dynamic format of bringing innovators of futuristic mobility solutions together with investors.

18. TFI boosts profit, creates last mile segment

TFI International reported stronger earnings during the first quarter, thanks to improved truckload operations. Total revenue of \$1.2 billion was flat compared to Q1 2017, but the company said this was due to currency exchange rates and the shedding of less profitable business. Operating income rose 56% year-over-year to \$65.9 million, while truckload operating margin nearly doubled. The company posted net income of \$48.2 million, up from \$14.1 million during the same quarter in 2017. "Earnings increased substantially at all four of our reportable segments, most sharply in truckload," said Alain Bédard, chairman, president and chief executive officer.

19. Mullen discusses "messy" results

"Disappointing" and "messy" were a couple of the words Mullen Group CEO Murray Mullen used to describe the company's first quarter, but he remains optimistic about the remainder of the year. On a conference call with analysts April 26, 2018 Mullen described the first quarter as "a real challenge and disappointment for our organization."

20. February 2018 North American Freight Numbers

In February 2018, all modes of transportation moved \$94.0 billion of freight between the U.S. and other North American countries (Canada and Mexico). The top two modes for those movements are truck and rail. Trucks moved freight valued at \$59.5 billion, up 8.9 percent compared to February 2017. Rail moved freight valued at \$13.6 billion, down 2.9 percent during the same period. The other \$20.9 billion was transported on other modes.

GENERAL TRANSPORTATION

Canada

1. Big data analytics, globalisation are vital for businesses in APAC: EIU study

Fifty-eight per cent of entrepreneurs in Asia Pacific are keen to expand their business to establish an overseas presence in the near future, even though 63 per cent of the entrepreneurs say that their existing customers are based in their home country, according to a survey by The Economist Intelligence Unit (EIU). The poll also revealed that 67 per cent of entrepreneurs in the region believe globalisation has a positive impact on their business and 45 per cent of them have identified big data and advanced analytics as key industry tools. These businesses say that they are heavily influenced by social causes and that their growth hinges on global expansion and social media connectivity. "SMEs are one of the growth drivers in Asia Pacific and we are excited to hear that entrepreneurs in this region are receiving the right support and are planning to expand their businesses globally," said FedEx Express Asia Pacific president Karen Reddington.

2. Fears of Amazon squeezing suppliers by raising fees to ship low-cost goods

Amazon is striving to create more profitability out of online shopping orders in a push to curb shipment losses by blocking orders of low-priced items and raising shipping fees for consumer goods suppliers, Bloomberg reports. The e-commerce giant deducts transport costs from payments for bulk orders from suppliers. Since its shipping costs have dramatically risen in recent the years, Amazon is attempting to shift these costs more to its suppliers and specifically target low-cost items that are heavy and expensive to ship, including beverages and nappies, New York's Business Insider reported.

3. The Government of Canada supports infrastructure projects that create quality middle-class jobs and boost economic growth

The quality of Canada's transportation infrastructure and the efficiency of the country's trade corridors is key to the success of Canadian firms in the global marketplace. On April 11, 2018, the Honourable Marc Garneau, Minister of Transport, announced a major investment of \$10,134,500 to ensure the Saint John Airport remains a key driver of economic activity in the region. The two runways, the public taxiway and aprons will be rehabilitated, and major cracks in the pavement will be repaired, and the drainage system will be fixed. Runways will be narrowed to comply with the latest airport design standards and to minimize annual routine maintenance and operating costs. Also, runway end safety areas will be added to both runways to significantly enhance operational safety at the airport. The Safety Related Airfield Modernization Investment Project is a project of the Saint John Airport in partnership with the Government of New Brunswick.

4. Artificial Intelligence to thrive in logistics according to DHL and IBM

In a joint report, DHL and IBM have evaluated the potential of Artificial Intelligence (AI) in logistics and exposed how it can be best applied to transform the industry, giving rise to a new class of intelligent logistics assets and operational paradigms. DHL and IBM outline how supply chain leaders can take advantage of AI's key benefits and opportunities now that performance, accessibility as well as costs are more favourable than ever before.

General Transportation

1. Big data analytics, globalisation are vital for businesses in APAC: EIU study, April 5, 2018, www.transportweekly.com
2. Fears of Amazon squeezing suppliers by raising fees to ship low-cost goods, April 10, 2018, www.transportweekly.com
3. The Government of Canada supports infrastructure projects that create quality middle-class jobs and boost economic growth, April 11, 2018, www.tc.gc.ca
4. Artificial Intelligence to thrive in logistics according to DHL and IBM, April 17, 2018, www.transportweekly.com
5. Transportation Data and Information Hub, April 16, 2018, www.statcan.gc.ca
6. New Reports from the ITF-OECD, April 17, 2018, www.itf-oecd.org
7. Pipeline transportation of oil and other liquid petroleum products, February 2018, April 20, 2018, www.statcan.gc.ca
8. Freight transport needs to accelerate adoption of disruptive technologies, April 26, 2018, www.ctl.ca
9. Integrating Urban Public Transport Systems and Cycling, April 26, 2018, www.itf-oecd.org

5. Transportation Data and Information Hub

Statistics Canada and Transport Canada have launched a new website to provide Canadians with online access to comprehensive statistics and measures on the country's transportation sector. The Transportation Data and Information Hub offers an array of information on the rail, road, air and marine modes. It also provides new performance indicators, such as port dwell times, and truck wait times at border crossings. Updated monthly, the Hub features data, analysis, maps, infographics and performance indicators. The interactive tools can be used to examine, for example, the cargo handled at specific Canadian ports, the number of international travellers entering Canada by border crossing, the types and volume of freight shipped by rail and truck, as well as the number of passengers travelling through Canada's airports.

6. New Reports from the ITF-OECD

1. Collaboration in Supply Chain Management: A Resilience Perspective, April 13, 2018, www.itf-oecd.org
2. Supply Chain Resilience, April 12, 2018, www.itf-oecd.org
3. Planning for Efficiency, Risk and Resilience in Supply Chains, April 12, 2018, www.itf-oecd.org

7. Pipeline transportation of oil and other liquid petroleum products, February 2018

Pipelines received 20.5 million cubic metres of crude oil and equivalent products from Canadian fields and plants in February, up 0.2% compared with the same month in 2017. The vast majority originated in Alberta (87.0%), followed by Saskatchewan (10.1%).

8. Freight transport needs to accelerate adoption of disruptive technologies

Full implementation of existing fuel-saving technologies, combined with accelerated adoption of emerging disruptive technologies will help Canada significantly reduce greenhouse gas (GHG) emissions from truck freight transport. But, this will not be enough to reduce emissions by the 30 per cent target for 2030, according to a new report released on April 26, 2018 at the inaugural meeting of The Conference Board of Canada's Centre on the Low-Carbon Growth Economy. "Canada needs to accelerate its efforts to improve technologies, adopt them more rapidly, and embrace innovative technologies aggressively in the trucking industry in order to make headway towards achieving its GHG reduction targets," said Glen Hodgson, Senior Fellow, The Conference Board of Canada. "However, technology alone cannot get us there. Changes to the way we use freight services will also be required."

9. Integrating Urban Public Transport Systems and Cycling

Sustainable urban transport systems require alternatives to the use of private cars that are competitive in terms of convenience and flexibility as well as cost. Mass transit systems are the central component but extension of heavy rail and metro systems is costly and these can never reach every part of the city. This report examines other options for improving public transport and extending network coverage.