

Transportation Information Update*

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September 2018, No. 169

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AIR TRANSPORTATION

1. Monthly civil aviation statistics, June 2018

The six Canadian Level I air carriers flew 7.1 million passengers on scheduled and charter services in June 2018, up 7.2% from June 2017 and continuing the upward year-over-year monthly trend that began in April 2014. Traffic increased 11.0% year over year to 20.0 billion passenger-kilometres in June 2018. Capacity rose 8.9% to 23.7 billion available seat-kilometres. This resulted in a higher passenger load factor in June 2018 (84.1%) compared with the same month a year earlier (82.5%), as the increase in demand for travel was stronger than the rise in capacity.

2. Aircraft movement statistics: Major airports, June 2018

Aircraft take-offs and landings at the 91 Canadian airports with NAV CANADA air traffic control towers and flight service stations increased 3.6% in June 2018 to 549,294 movements, compared with 530,185 movements in June 2017. In June 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 gain. Itinerant movements rose 2.0% to 388,050 and local movements were up 7.5% to 161,244.

3. Solid Traffic Growth, Record Load Factor in July

The International Air Transport Association (IATA) announced healthy global passenger demand for July 2018 with all regions reporting growth. Total revenue passenger kilometers (RPKs) rose 6.2%, compared to the same month last year. While this was down from 8.1% year-over-year growth in June 2018, it nevertheless marked a solid start to the peak passenger demand season. Monthly capacity (available seat kilometers or ASKs) increased by 5.5% and load factor rose 0.6 percentage point to a record high for July of 85.2%. "The industry posted another month of solid traffic growth. And the record load factor shows that airlines are becoming even more efficient in terms of deploying capacity to meet demand. However, rising costs -- particularly fuel -- will likely limit the stimulus we would expect from lower airfares. Therefore, we do expect to see a continued slowing of growth compared to 2017," said Alexandre de Juniac, IATA's Director General and CEO.

4. Airfreight volume growth in Asia Pacific accelerates in July

The Association of Asia Pacific Airlines (AAPA) saw international air cargo demand, as measured in freight tonne-kilometres (FTK), increase by five per cent in July compared with the same month a year earlier, data from the association shows. According to AAPA, consumer confidence in the region has remained relatively unaffected by the political rhetoric of recent times, including the potential threat of protectionist measures, reported London's Air Cargo News. However, the average international freight load factor declined by 0.5 percentage points to 64.4 per cent in July 2018 on the back of a 5.9 per cent increase

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1. Monthly civil aviation statistics, June 2018, August 30, 2018, www.statcan.gc.ca
2. Aircraft movement statistics: Major airports, June 2018, August 30, 2018, www.statcan.gc.ca
3. Solid Traffic Growth, Record Load Factor in July, August 30, 2018, www.iata.org
4. Airfreight volume growth in Asia Pacific accelerates in July, August 31, 2018, www.transportweekly.com
5. US airports to receive US\$617m funding for 408 projects, September 3, 2018, www.transportweekly.com
6. IoT Clears the Air for Transportation Companies, August 31, 2018, www.inboundlogistics.com
7. Strengthening Indian Aviation, September 4, 2018, www.iata.org
8. Traveler Numbers Reach New Heights, September 6, 2018, www.iata.org
9. WestJet reports August load factor of 89.0 per cent, September 10, 2018, www.westjet.ca
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13. June 2018 U.S. Airline Traffic Data, September 14, 2018, www.bts.gov
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15. Soaring Through the Glass Ceiling, September 13, 2018, www.iata.org
16. ICAO underscores pressing need for modernisation in air cargo industry, September 17, 2018, www.transportweekly.com
17. U.S. Department of Transportation announces \$586 million in airport infrastructure grants, September 17, 2018, www.transportweekly.com

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

in offered air freight capacity.

5. US airports to receive US\$617m funding for 408 projects

The US Federal Aviation Administration (FAA) is to award US\$616.9 million in airport infrastructure grants for 408 projects at 226 airports. The decision marks the fourth increment in funding under the \$3.18 billion Airport Improvement Program (AIP).

6. IoT Clears the Air for Transportation Companies

The Internet of Things (IoT) is set to help transportation and logistics providers significantly reduce emissions, enabling compliance with clean air targets. It will also improve worker health and safety while maximizing resource efficiency and reducing expenses. That's according to Inmarsat's 2018 research project, which analyzes IoT adoption across the transportation and logistics sector. The research surveyed 125 of the world's largest transport companies to establish the key trends, challenges, and expected benefits around their current and planned adoption of IoT.

7. Indian Aviation

The International Air Transport Association (IATA) called on the government of India to maximize the potential contribution of aviation to India's development by addressing infrastructure constraints that limit growth and government policies that impose excessive costs on aviation. Growth forecasts for India indicate a trebling of passenger demand by 2037 when some 500 million people are expected to fly to, from or within India. Already aviation supports 7.5 million Indian jobs and 30 billion Rupees of GDP (1.5% of the economy).

8. Traveler Numbers Reach New Heights

The International Air Transport Association (IATA) announced industry performance statistics for 2017. Worldwide annual air passenger numbers exceeded four billion for the first time, supported by a broad-based improvement in global economic conditions and lower average airfares. At the same time, airlines connected a record number of cities worldwide, providing regular services to over 20,000 city pairs in 2017, more than double the level of 1995. Such increases in direct services improve the industry's efficiency by cutting costs and saving time for both travelers and shippers alike. This information is included in the recently released 62nd Edition of the *World Air Transport Statistics* (WATS), the yearbook of the airline industry's performance. "In 2000, the average citizen flew just once every 43 months. In 2017, the figure was once every 22 months. Flying has never been more accessible," said Alexandre de Juniac, IATA's Director General and CEO. Highlights of the 2017 airline industry performance were: 1) System-wide, airlines carried 4.1 billion passengers on scheduled services, an increase of 7.3% over 2016, representing an additional 280 million trips by air. 2) Airlines in the Asia-Pacific region once again carried the largest number of passengers. The top five airlines ranked by total scheduled passenger kilometers flown, were: 1. American Airlines (324 million); 2. Delta Air Lines (316.3 million); 3. United Airlines (311 million); 4. Emirates Airline (289 million); 5. Southwest Airlines (207.7 million). Globally, cargo markets showed a 9.9% expansion in freight and mail tonne kilometers (FTKs). This outstripped a capacity increase of 5.3% increasing freight load factor by 2.1%. The top five airlines ranked by scheduled freight tonne kilometers flown were: 1. Federal Express (16.9 billion); 2. Emirates (12.7 billion); 3. United Parcel Service (11.9 billion); 4. Qatar Airways (11 billion); 5. Cathay Pacific Airways (10.8 billion).

9. WestJet reports August load factor of 89.0 per cent

On September 10, 2018 WestJet announced August 2018 traffic results with a load factor of 89.0 per cent, a decrease of 1.6 percentage points year over year. Revenue passenger miles (RPMs), or traffic, increased 8.1 per cent year over year, while capacity, measured in available seat miles (ASMs), grew 10.0 per cent over the same period. WestJet welcomed an additional 128,000 guests in August, a year-over-year increase of 5.4 per cent. Year-to-date we continue to see traffic growth outpace capacity additions. Ed Sims, WestJet President and CEO said "In August, we flew two of our busiest-ever traffic days with more than 80,000 guests choosing one of our four airline brands. In only its second full month of operation, Canadians continue to embrace Swoop with load factors consistently above ninety-five per cent. I want to

18. Second Quarter 2018 U.S. Airline Financial Data, September 17, 2018, www.dot.gov

19. London Heathrow's August cargo traffic rises 1.2pc, September 20, 2018, www.transportweekly.com

20. Air cargo volumes at Frankfurt airport dip 0.8pc in August, September 20, 2018, www.transportweekly.com

21. July 2018 U.S. Passenger Airline Employment Data, September 20, 2018, www.bts.gov

22. Quarterly civil aviation statistics, first quarter 2018, September 25, 2018, www.statcan.gc.ca

23. Statement on Brexit negotiations and aviation, September 25, 2018, www.iata.org

24. Air Canada President and Chief Executive Calin Rovinescu Given CEO Lifetime Achievement Award by the Airline Passenger Experience Association, September 24, 2018, www.aircanada.ca

25. USDOT Air Travel Consumer Report Now Includes More Complete Airline Data, September 25, 2018, www.bts.gov

26. Aircraft movement statistics: Major airports, July 2018, September 26, 2018, www.statcan.gc.ca

27. Monthly civil aviation statistics, July 2018, September 27, 2018, www.statcan.gc.ca

thank every individual WestJet for continuing to provide our guests with an award-winning service experience."

10. Air China intends to offload its stake holding in its air freight division

Air China Ltd plans to sell a 51 per cent stake in Air China Cargo to a sister unit for CNY2.44 billion (US\$357 million) in order to fix its focus more firmly on its passenger unit, according to the *Shipping Gazette*. The airline said that while Air China Cargo's profitability had improved, intensifying competition, exchange rate fluctuations and the complicated international trade situation had created many uncertainties, reported Reuters. "Therefore the sale of Air China Cargo is the company's strategic and rational response to the air cargo market's uncertainties, to strengthen the stability of the company's operations," it said.

11. Air Canada Unveils New Maple Leaf Lounge at Saskatoon's John G. Diefenbaker International Airport

Air Canada on September 14, 2018 unveiled its newest Maple Leaf Lounge at Saskatoon John G. Diefenbaker International Airport (Skyxe). The lounge seats up to 40 customers in an elegant space that showcases Canadian design and art, including work by two Saskatchewan artists, Shawn Evans and Holly Friesen. "We are excited to welcome Air Canada and Star Alliance eligible customers to our new Maple Leaf Lounge at Skyxe, which has been created to enhance the overall travel experience for our premium customers," said Andrew Yiu, Vice President, Product at Air Canada.

12. Air Canada Affirmed as North America's Only Four-Star, Full Service International Carrier by the Independent Research Firm Skytrax

Air Canada's Four-Star rating has been affirmed by Skytrax, the international air transport rating organization whose research is used for benchmarking in the global airline industry. The rating is based on assessment of more than 1,000 aspects of the airline's airport and onboard products and services and makes Air Canada the only Four-Star, full-service international carrier in North America, a distinction first earned in 2013.

13. June 2018 U.S. Airline Traffic Data

Despite the month-to-month decline, the level of for-hire freight shipments in July 2018 measured by the Freight TSI was up 4.8 percent from July 2017 and was at its third highest all-time level. The index was 1.6 percent higher than the level of any month prior to 2018 and 8.0 percent higher than the level of any month prior to 2017. Systemwide load factor (84.7 percent) was down 0.1 points from the all-time seasonally-adjusted high (84.8 percent) reached in October 2015. Domestic and international load factors both declined.

14. Preparing for the New Era of Airline Retailing

The International Air Transport Association (IATA) announced that the Airline Industry Retailing Symposium (AIRS), formerly part of the World Passenger Symposium (WPS), will focus on how changes in distribution and payment are paving the way for a new era of airline retailing. "Initiatives like the New Distribution Capability are enabling airlines to become true internet retailers and to control the offer in every sales channel. Concurrently, digital transformation and big data are creating huge opportunities for personalization and customization. The result is a new era in which travelers will have more transparency and greater options to tailor their journey when they shop for travel, while airlines will be able to offer a richer, more customized retail experience, and own their content, regardless of shopping channel. The Airline Industry Retailing Symposium provides a forum to examine challenges to achieving this vision for a new era of airline retailing," said Aleks Popovich, IATA's Senior Vice President, Financial and Distribution Services.

15. Soaring Through the Glass Ceiling

Five stakeholder organizations in the aviation and aerospace industry will launch a global study - "Soaring Through the Glass Ceiling" - to identify and promote means by which the aviation and aerospace industry can more effectively recruit and advance women into leadership roles. The study is scheduled for release in the second quarter of 2019.

16. ICAO underscores pressing need for modernisation in air cargo industry

Air freight will expand by 4.2 per cent annually through to 2032 provided current air cargo modernisation continues to be "robustly and cooperatively pursued by governments and industry", says the UN's International Civil Aviation Organisation (ICAO). This was one of the key messages conveyed by ICAO secretary general Fang Liu at the organisation's air cargo development forum held in Zhengzhou. "With current consumer expectations for same day or next day delivery driving a great deal of today's growth in e-commerce and air freight, we cannot allow the speed and efficiency of commercial operations to be impeded due to network capacity shortfalls or other infrastructure-related risks," she said.

17. U.S. Department of Transportation announces \$586 million in airport infrastructure grants

Federal Aviation Administration (FAA) will award \$586 million in airport infrastructure grants, as part of the total \$3.18 billion in Airport Improvement Program (AIP) funding for airports across the United States. “These airport investments will create jobs in local communities, upgrade reliability, and further improve safety of air travel for the flying public,” said Secretary Chao. This fifth increment of funding provides 217 grants to 181 airports in 39 states, and will fund 458 infrastructure projects. These include runways, taxiways, aprons, terminals, aircraft rescue and firefighting vehicles, snow removal equipment, and two firefighting training facilities.

18. Second Quarter 2018 U.S. Airline Financial Data

The 2018 second quarter results of all US scheduled passenger Airline data are as follows: 1) net income \$3.4 billion in 2Q 2018 (21st consecutive quarterly after-tax net profit); 2) net income up from \$1.7 billion in 1Q 2018; 3) net income down from \$4.7 billion in 2Q 2017; 4) Total operating revenue was \$48.9 billion; 5) Total revenue comprised of \$36.3 billion from fares (74.3 percent of total second-quarter operating revenue); \$1.2 billion in baggage fees (2.5 percent of total operating revenue); and \$694.0 million from reservation change fees (1.4 percent of total operating revenue).

19. London Heathrow's August cargo traffic rises 1.2pc

London Heathrow Airport's airfreight traffic rose by 1.2 per cent in August 2018 to 140,738 tonnes. Between January 2018 and August 2018 the airport handled 1.1 million tonnes of cargo, representing an increase of 1.5 per cent compared to the same period in 2017.

20. Air cargo volumes at Frankfurt airport dip 0.8pc in August

Germany's Frankfurt airport's air cargo volumes remained largely flat in August 2018 after recording a year-on-year increase of just 0.8 per cent to 182,589 tonnes. August's marginal improvement follows a 6.4 per cent decrease in July's traffic to 75,960 tonnes on the back of a reduction in the freighter flights and less belly freight on passenger aircraft. In the first eight months of 2018, air freight and air mail throughputs at Europe's leading air cargo hub declined 0.7 per cent to 1.4 million tonnes, reported *London's Air Cargo News*.

21. July 2018 U.S. Passenger Airline Employment Data

U.S. scheduled passenger airlines employed 3.6 percent more workers in July 2018 than in July 2017: 1) July's 443,475 full-time equivalents (FTE) was the highest monthly employment total since July 2004 (444,431 FTEs). 2) June was the 57th consecutive month that U.S. scheduled passenger airline FTEs exceeded the same month of the previous year.

22. Quarterly civil aviation statistics, first quarter 2018

The number of Canadian air carriers decreased from 26 in 2017 to 25 in 2018, as one Level II air carrier was reclassified to Level IV. Total operating revenue for the 25 largest Canadian air carriers increased 10.4% from the first quarter of 2017 to \$6.1 billion in the first quarter of 2018. Total operating expenses grew 11.5% to \$6.0 billion, largely because of higher fuel and labour prices. Net operating income fell 33.1% to \$92.4 million. This amount, combined with a net non-operating loss of \$234.1 million, produced a net loss of \$141.7 million. This marked the first net loss following four consecutive quarters of profits. The 25 Canadian air carriers carried 22.2 million passengers in the first quarter, up 6.4% from the first quarter of 2017.

23. Statement on Brexit negotiations and aviation

Alexandre de Juniac, Director General and CEO of IATA released the following statement: “The UK government’s papers on the air transport implications of a “no deal” departure from the EU clearly exposes the extreme seriousness of what is at stake and underscores the huge amount of work that would be required to maintain vital air links. It is not just permission for flights to take off and land. Everything from pilots’ licenses to security arrangements need to be agreed. Much of this could be secured through mutual recognition of existing standards. But formalizing this cannot happen overnight. And even when that is done, there will still be an administrative burden for the airlines and governments involved that will take time and significant resources. While we still hope for a comprehensive EU-UK deal, an assumption that “it will be all right on the night” is far too risky to accept. Every contingency should be prepared for, and we call upon both the EU and the UK to be far more transparent with the state of the discussions.”

24. Air Canada President and Chief Executive Calin Rovinescu Given CEO Lifetime Achievement Award by the Airline Passenger Experience Association

Air Canada President and Chief Executive Officer Calin Rovinescu is being recognized with the CEO Lifetime Achievement Award at the Airline Passenger Experience Association (APEX) EXPO opening in

Boston on September 24, 2018. Mr. Rovinescu is the first CEO from the Americas to be presented with the award by APEX, an international association dedicated to enhancing the passenger experience.

25. USDOT Air Travel Consumer Report Now Includes More Complete Airline Data

The U.S. Department of Transportation (USDOT) on September 25, 2018 issued its monthly Air Travel Consumer Report (ATCR), which, for the first time since its inception more than 30 years ago, contains data on domestic flights that are marketed by the mainline carriers, but operated by the mainline carriers' regional codeshare affiliates. Previously, numbers were only reported for domestic flights performed by reporting carriers with at least one-half of one percent of the total scheduled-service domestic passenger revenue. Flight performance numbers by reporting carriers continue to be included separately in the ATCR, but the report now also includes the addition of the airline service quality data by marketing carriers.

26. Aircraft movement statistics: Major airports, July 2018

Aircraft take-offs and landings at the 91 Canadian airports with NAV CANADA air traffic control towers and flight service stations increased 0.3% in July 2018 to 598,384 movements, compared with 596,387 movements in July 2017. In July 2018, a modest rise in local movements (flights that remain in the vicinity of the airport) contributed to the year-over-year increase, while itinerant movements (flights from one airport to another) were down slightly. Local movements rose 1.6% to 171,997, while itinerant movements decreased 0.2% to 426,387.

27. Monthly civil aviation statistics, July 2018

The six Canadian Level I air carriers flew a record 8.1 million passengers on scheduled and charter services in July 2018, up 6.7% from July 2017 and continuing the upward year-over-year monthly trend that began in April 2014. Traffic increased 8.4% year over year to 23.2 billion passenger-kilometres in July 2018. Capacity rose 7.2% to 26.8 billion available seat-kilometres. This resulted in a higher passenger load factor in July 2018 (86.4%) compared with the same month a year earlier (85.5%), as the increase in demand for travel was stronger than the rise in capacity. This marks the first month ever that traffic and passenger capacity have reached these levels.

WATER TRANSPORTATION

1. Maersk ups rate from Far East to US and Canada on September 15

Maersk Line has announced an increase in all contract rates expiring September 14, 2018 on cargo from the Far East to the United States and Canada. Thus, from the Far East to the Pacific Northwest of Canada and the US, there will be an increase of US\$480 per TEU, \$600 per FEU, \$600 per FEU high cube and \$800 per 45-footer containing dry cargo from September 15. And from the Far East to the Pacific east coast of Canada and the US there will be an increase of US\$480 per TEU, \$600 per FEU, \$600 per FEU high cube and \$800 per 45-footer containing dry cargo from September 15, 2018.

2. Montreal site of first port innovation accelerator in NA

The Port of Montreal announced that it is partnering with the Centre for Technological Entrepreneurship (Centech) and École de technologie supérieure (ÉTS) to launch a port logistics innovation unit, the first of its kind in North America. This puts it at the forefront of the marine sector's movement towards a future where emerging technologies, efficiency and sustainable development go hand in hand.

3. ILWU, Vancouver terminal operator reach deal to avert strike

"With the assistance of federal mediators, GCT Canada and ILWU Local 502 reached a tentative five-year collective bargaining agreement," the terminal operator stated in a release on September 6, 2018.

4. Vancouver longshoremen agree to labor deal

GCT Canada, which operates two container terminals, has reached a

WATER TRANSPORTATION Canada

1. Maersk ups rate from Far East to US and Canada on September 15, September 4, 2018, www.transportweekly.com
2. Montreal site of first port innovation accelerator in NA, September 6, 2018, www.ctl.ca
3. ILWU, Vancouver terminal operator reach deal to avert strike, September 6, 2018, www.joc.com
4. Vancouver longshoremen agree to labor deal, September 7, 2018, www.americanshipper.com
5. China is world's leading maritime nation: report, September 7, 2018, www.ctl.ca
6. Growth in maritime transport: 65 new positions opening at the Port of Montreal, September 10, 2018, www.ctl.ca
7. Long Beach volumes slip for second straight month, September 10, 2018, www.americanshipper.com
8. TT Club emphasises need for cargo integrity ahead of IMO meeting on container safety, September 10, 2018, www.transportweekly.com
9. Canada EU trade deal boosts container traffic at Montreal port: Officials, September 11, 2018, www.ctl.ca
10. Port of Halifax expands as Eastern Canada volume outpaces West Coast, September 11, 2018, www.joc.com
11. Los Angeles dips 2.5pc to 826,638 TEU in

tentative five-year labor contract with Local 502 of the International Longshore and Warehouse Union. The agreement was reached through negotiations for about 15 months between the parties with the assistance of mediators from Canada's Federal Mediation and Conciliation Service. GCT operates both the Deltaport and Vanterm terminals in Vancouver. Eric Waltz, the president of GCT Canada, said in a note posted on the company's website that the agreement follows 15 months of negotiations for GCT planners and assistant planners.

5. China is world's leading maritime nation: report

DNV GL and Menon Economics announced that China is the top international shipping nation according to their new report "The Leading Maritime Nations of the World", which was presented at the SMM trade fair in Hamburg. The study benchmarks the 30 leading maritime nations around the world in four key maritime pillars: shipping, finance and law, maritime technology and ports & logistics, in an attempt to understand the key drivers behind national maritime success. The new report follows up the 2017 report by Menon and DNV GL on the "*Leading Maritime Capitals of the World*", but shifts the focus to an extensive review of the maritime industry at the national level. The 30 nations were ranked by size and magnitude on all four key maritime pillars and their subgroups. As the shipping sector is the main engine of the entire maritime industry, more weight was given to the shipping sector. The 2018 report ranks China as the world's leading maritime nation, due to its top four ranking in all of the maritime pillars. China's position is particularly strong on the ports and logistics pillar, with the world's largest container and bulk ports.

6. Growth in maritime transport: 65 new positions opening at the Port of Montreal

In a clear sign of the vitality of maritime transport activities in Montreal, the Maritime Employers Association (MEA) announced the creation of 65 new full-time positions at the Port of Montreal. These jobs represent an investment of close to \$ 8 million annually and will help meet the demands of the strong growth in container traffic from Europe at the Port of Montreal. Over the coming weeks, 50 longshoremen and 15 checkers will join the already 1,200 employees of the MEA. These new positions are in addition to the extension of the terminal gate opening hours, further increasing the fluidity of the supply chain.

7. Long Beach volumes slip for second straight month

Containerized cargo volumes at the Port of Long Beach fell for the second straight month in August 2018 when compared with the same month a year ago, as an increase in loaded outbound shipments was not enough to offset declines in volumes of loaded inbound and empty containers. Long Beach terminals saw container handling volumes slip 1.9 percent year-over-year to 679,543 TEUs for the month after falling 4.4 percent in July 2018, according to the latest data from the port authority. Throughput of loaded import containers fell 3.6 percent to 343,029 TEUs in August 2018, while loaded exports grew 1.9 percent to 119,546 TEUs and empty container volumes slipped 1.1 percent to 216,968 TEUs.

8. TT Club emphasises need for cargo integrity ahead of IMO meeting on container safety

The International Maritime Organization's (IMO) latest meeting of the Sub-Committee on Carriage of Cargoes and Containers (CCC)

August, Long Beach off 1.9pc, September 14, 2018, www.transportweekly.com

12. Oakland's laden imports up 9.2pc to 85,166 TEU, September 17, 2018, www.transportweekly.com

13. Q2 box volume at world's ports up 3.25pc, September 17, 2018, www.transportweekly.com

14. Government of Canada awards contract to assess the cumulative effects of marine shipping on coastal marine ecosystems through the Oceans Protection Plan, September 17, 2018, www.tc.gc.ca

15. North Atlantic ports expanding for larger vessels, September 17, 2018, www.americanshipper.com

16. St. Lawrence Seaway shipments up 4%: Grain star performer, September 18, 2018, www.ctl.ca

17. Vancouver Fraser Port Authority joins leading port authorities in climate action program, September 17, 2018, www.portmetrovvancouver.com

18. Kalmar equipment to form backbone of fleet renewal programme at GCT's Deltaport and Vanterm terminals in Canada, September 19, 2018, www.ajot.com

19. A.P. Moller-Maersk to merge Damco, Ocean Product units, September 19, 2018, www.ctl.ca

20. HK's box volumes fall for 7th straight month in August, September 20, 2018, www.transportweekly.com

21. Port of Toronto generated \$378M in economic activity: new study, September 20, 2018, www.ctl.ca

22. Government of Canada supports removal of abandoned boats through the Oceans Protection Plan, September 22, 2018, www.tc.gc.ca

23. Port of Halifax undergoing digital transformation, September 21, 2018, www.ctl.ca

24. Trucking Commodity Origin and Destination Survey, 2016, September 21, 2018, www.statcan.gc.ca

25. Travel between Canada and other countries, July 2018, September 21, 2018, www.statcan.gc.ca

26. FedEx fiscal year off to flying start with earnings up 40pc, September 21, 2018, www.transportweekly.com

27. Expanded Deltaport rail deepens Vancouver's interior reach, September 24, 2018, www.joc.com

28. Cheers: Beer tanks deliver via Great Lakes system, September 24, 2018, www.ctl.ca

29. Mega-ship deployment at NY-NJ scales up amid peak season, September 24, 2018, www.joc.com

30. European Shippers' Council criticizes fuel surcharges, September 25, 2018, www.americanshipper.com

31. Antitrust: Commission invites comments on future regime for liner shipping consortia, September 27, 2018, www.europa.eu

32. Government of Canada marks World Maritime Day 2018, September 27, 2018, www.tc.gc.ca

33. Vancouver welcomes largest cruise ship

takes place in London this week and the international freight insurance specialist, TT Club is calling for more urgent action on issues pertaining to the safety of container transport. For some time now the insurer has been drawing both industry and regulators' attention to the need for greater 'Cargo Integrity', by which is meant the safe, secure and environmentally sound packing, handling and transport of all goods in containers and other transport units, in compliance with conventions (such as SOLAS) and codes, including IMDG Code and the CTU Code.

to-date, Norwegian Bliss, to Canada Place at the Port of Vancouver, September 27, 2018, www.portvancouver.com

34. Shippers slam liner companies' fuel surcharges, September 2, 2018, www.transportweekly.com

35. Box volume at Rotterdam up 6pc but total throughput dips 2pc, September 2, 2018, www.transportweekly.com

9. Canada EU trade deal boosts container traffic at Montreal port: Officials

The free trade deal between Canada and the European Union has boosted container shipping and prompted a hiring spree at the docks, Montreal port officials say. The volume moving through the gates of the country's second largest port jumped 19.7 per cent in July 2018 compared to the same month last year, hitting the equivalent of about 147,000 20-foot containers, according to the Maritime Employers Association. Container imports increased 7.8 per cent to nearly 4.33 million tonnes in the first seven months of this year versus the same period in 2017, with the bulk of that traffic coming from Europe.

10. Port of Halifax expands as Eastern Canada volume outpaces West Coast

The Port of Halifax's volume has grown amid the global economic recovery, and now it has flexible expansion plan to position it for even greater volume and bigger ships.

11. Los Angeles dips 2.5pc to 826,638 TEU in August, Long Beach off 1.9pc

The Port of Los Angeles handled 826,638 TEU in August 2018, a 2.5 per cent year-on-year decline compared to neighbouring Long Beach throughput that fell 1.9 per cent last month to 679,543 TEU, according to *Shipping Gazette*. Still, Los Angeles said this past month was the second-strongest August in its history and the sixth-busiest month ever. "In addition to being one of our top 10 busiest months, August 2018 marked the inauguration of APL's Eagle Express here in Los Angeles," said LA port executive director Gene Seroka.

12. Oakland's laden imports up 9.2pc to 85,166 TEU

The peak season is off to a record start at the Port of Oakland with laden import boxes up 9.2 per cent year on year to 85,166 TEU in August 2018, said the port authority after its busiest August in history. The August-through-October period is traditionally the high-water mark for container shipping. It's the time of year when US retailers stock shelves for holiday merchandising, reported the *American Journal of Transportation*. "We're encouraged by the solid start to peak season, but there's still uncertainty in the trade environment," said Port of Oakland maritime director John Driscoll. "Let's see what the next few months bring." The previous record for August imports was set in 2015 with 82,492 TEU. The port attributed the gains to strong US consumer spending at the beginning of peak season.

13. Q2 box volume at world's ports up 3.25pc

Cargo throughput at major seaports grew by 7.23 per cent and container throughput was up by 3.25 per cent, according to the Shanghai International Shipping Institute's (SISI) second quarter *Global Port Development Report*. Four out of the five top terminal operators are located in Chinese ports, yet Singapore made second place after its container throughput rose by 6.8 per cent in the second quarter to 40.9 million TEU. The period was also saw the tangible effects of trade and economic policies start to kick in. Key among these were the effects on throughput at some US and China ports and the strong growth in dry bulk throughput at Australian ports as well as the growth in liquid bulk throughput in general, reported *Colchester's Seatrade Maritime News*. The Sino-US trade war affected cargo volumes with US ports coming off worse off in the conflict. The port of South Louisiana took the hardest hit after its cargo throughput dropped by 7.2 per cent, SISI noted.

14. Government of Canada awards contract to assess the cumulative effects of marine shipping on coastal marine ecosystems through the Oceans Protection Plan

Transport Canada has awarded a contract to ESSA Technologies Ltd. to look at methodologies and tools to assess the cumulative impacts of marine shipping on coastal marine ecosystems. Transport Canada and ESSA Technologies will work together to review different methodologies and options for the assessment of cumulative effects, while continuing engagement with Indigenous peoples, local stakeholders and coastal communities to understand their key concerns related to marine shipping. This collaboration will ensure the decision on which assessment tool to use is based on facts. This \$95,000 investment is part of the \$9.3 million Cumulative Effects of Marine Shipping Initiative under the Oceans Protection Plan. Engagement

with Indigenous and coastal communities to outline a framework for this national initiative began in the fall of 2017.

15. North Atlantic ports expanding for larger vessels

North America's East Coast ports have been undertaking projects to handle larger container ships since before the expanded Panama Canal opened in June 2016, and despite headwinds from global trade tensions, port expansion plans remain on track. The largest vessels routinely utilizing the Panama Canal are three, 14,414-TEU CMA CGM-operated vessels, the CMA CGM J. Adams, CMA CGM J. Madison and CMA CGM T. Roosevelt. As of August 2018, the average containership size transiting the Panama Canal was 6,846 TEUs, up 5.4 percent from a year earlier and up 48.6 percent from three years earlier, as illustrated in the chart below, which was constructed using data from BlueWater Reporting.

16. St. Lawrence Seaway shipments up 4%: Grain star performer

As the fall harvest approaches, Great Lakes-St. Lawrence Seaway ships are hard at work delivering the large excess of grain remaining from the 2017 harvest to export markets. Canadian grain shipments via the St. Lawrence Seaway (from March 29 to August 31) totaled 4.3 million metric tons, up 13 per cent over the same period last year. The grain rush has helped boost overall cargo shipments on the St. Lawrence Seaway between March 29, 2018 and August 31, 2018 to 21.4 million metric tons; a four per cent increase over this time last year. Liquid bulk shipments at 2.8 million metric tons are also up 33 per cent, with coal at 1.5 million metric tons, up 30 per cent.

17. Vancouver Fraser Port Authority joins leading port authorities in climate action program

The Vancouver Fraser Port Authority, the organization responsible for the stewardship of the Port of Vancouver, is pleased to announce its participation in the World Ports Climate Action Program. In this new international initiative, the port authorities of Vancouver, Los Angeles, Long Beach, Rotterdam, Antwerp, Hamburg, and Barcelona will be joining forces and working together on a number of projects that address the issue of global warming. The international collaboration was announced last week during the opening session of the Global Climate Action Summit in San Francisco. The World Ports Climate Action Program focuses on the following specific five actions: 1) Increasing efficiency of supply chains using digital tools. 2) Advancing common and ambitious public policy approaches on emission reductions within larger geographical areas. 3) Accelerating development of in-port renewable power-to-ship solutions or other zero emission solutions. 4) Accelerating the development of commercially viable sustainable low-carbon fuels for maritime transport and infrastructure for electrification of ship propulsion systems. 5) Accelerating efforts to fully decarbonize cargo-handling facilities in our ports.

18. Kalmar equipment to form backbone of fleet renewal programme at GCT's Deltaport and Vanterm terminals in Canada

Kalmar, part of Cargotec, has concluded a deal to supply 10 new machines to Global Container Terminals (GCT) in Canada. The order, which comprises three heavy-duty loaded container handlers, four empty container handlers, and three reachstackers, was booked in Cargotec's 2018 first quarter order intake with delivery scheduled to take place during Q3 and Q4 of 2018. Established over 100 years ago and a leading player in the terminal industry, GCT operates four state-of-the-art terminals on the east and west coasts of North America, providing customers with easy access to major international trade routes.

19. A.P. Moller-Maersk to merge Damco, Ocean Product units

A.P. Moller – Maersk announced it will combine its offering for ocean products and supply chain services in order to offer more comprehensive end-to-end logistic solutions for cargo owners and to better serve customers and unlock growth potential in the logistics and services segment. According to the company, this is the next step in the Maersk journey to become a global, integrated container transport and logistics company.

20. HK's box volumes fall for 7th straight month in August

Preliminary figures from the Hong Kong Marine Department show that container throughput at the Port of Hong Kong fell again in August 2018 for the seventh month in a row to 1.64 million TEU, 4.3 per cent lower than the 1.72 million TEU moved in the same month last year. For the year to date, the cumulative slowdown in pace is starting to drag, with overall throughput also down 4.3 per cent to 13.16 million TEU compared to the first eight months of 2017.

21. Port of Toronto generated \$378M in economic activity: new study

Marine cargo arriving and managed at the Port of Toronto generated \$377.7 million in economic activity and 1,566 jobs in Ontario in 2017 as confirmed in a new report — *Economic Impacts of the Port of Toronto* — published in September 2018 by Martin Associates. These results are part of wider regional study released in July – Economic Impacts of Maritime Shipping in the Great Lakes – that confirmed cargo

shipments to ports on the Great Lakes-St. Lawrence River waterway generated 181,000 jobs in Canada and CDN \$26 billion in economic activity in Ontario and Quebec. The report, Economic Impacts of the Port of Toronto, isolates the economic impacts created by all cargo and vessel activity at the Port of Toronto and highlights the Port of Toronto's vital part in Ontario's transportation infrastructure and economic strength.

22. Government of Canada supports removal of abandoned boats through the Oceans Protection Plan

On September 22, 2018, Parliamentary Secretary to the President of the Treasury Board and Minister of Digital Government Joyce Murray announced, on behalf of the Minister of Transport the Honourable Marc Garneau, the most recent applicants to receive funding under the Abandoned Boats Program. This program provides money to support the assessment, removal, and disposal of abandoned boats in Canadian waters. A total of \$31,346 will be provided to remove six boats that litter the shores of British Columbia. Recipients are: 1) Bowen Island Municipality (Bowen Island) – \$5,250; 2) Vancouver Fraser Port Authority (Vancouver) – \$6,411; and 3) Salish Sea Industrial Services (Victoria) – \$19,685.

23. Port of Halifax undergoing digital transformation

The Port of Halifax is taking steps to become one of the most digitized ports on the eastern seaboard. The Port Operations Centre on the Port of Halifax website, www.portofhalifax.ca, has become a critical digital tool for the sharing of real-time information with customers and the larger community. Shippers and cargo owners can find up-to-the minute information on terminal gate metrics, weekly dwell time, predictive air gap, arrivals and departures, and special alerts. The Port Operations Centre on the Port of Halifax website is this year's American Association of Port Authorities (AAPA) winner in the IT Awards program in the Port Operation and Management Systems category. AAPA's Information Technology Awards program, which began in 2002, highlights port technology accomplishments in the areas of Port Operations and Management Systems and in Improvements in Intermodal Freight Transportation. "We are focused on digital transformation," said Karen Oldfield, President and CEO, Halifax Port Authority. "With our partners, we are taking existing information that was once paper-based, digitizing it and then sharing that information broadly to drive efficiency."

24. Trucking Commodity Origin and Destination Survey, 2016

The Trucking Commodity Origin and Destination survey data are now available for the reference year 2016.

25. Travel between Canada and other countries, July 2018

US residents made 2.0 million trips to Canada in July 2018, down 1.4% from June 2018. However, after adjusting for normal seasonal variation, July's total was close to the monthly average for 2018. Travel to Canada by residents of overseas countries (countries other than the United States) fell 2.4% in July to 545,000 trips. After accounting for normal seasonal variation, July's total was 2.5% below the monthly average for 2018. Canadian residents made 3.6 million trips to the United States in July 2018, down 4.1% from June 2018 and the fourth consecutive monthly decrease. Some 1.0 million Canadian residents returned home from overseas destinations (countries other than the United States) in July, up 0.2% from the previous month.

26. FedEx fiscal year off to flying start with earnings up 40pc

FedEx achieved a 40 per cent year-on-year increase in June to August 2018 net income at US\$835 million on 11 per cent higher revenues at \$17 billion on the back of higher volumes, improved yields and lower fuel costs. "FedEx delivered higher first-quarter earnings driven by solid execution of our business plan and a strong US economy," FedEx chairman Fred Smith was quoted as saying in a report by London's Air Cargo News. "We are very optimistic about our prospects for profitable growth and remain confident we will reach our goal to improve FedEx Express operating income by \$1.2 billion to \$1.5 billion in fiscal 2020 versus fiscal 2017."

27. Expanded Deltaport rail deepens Vancouver's interior reach

Vancouver, Canada's largest container port, until now has been limited in its capacity to grow by a lack of surge capacity at its rail operations, which serve eastern Canada and the US Midwest. This could change with the expanded Deltaport rail.

28. Cheers: Beer tanks deliver via Great Lakes system

At the Port of Indiana-Burns Harbor, it was smooth "ale-ing" in the third lastweek of September 2018 for the bulk carrier M/V Federal Mackinac as it arrived carrying 12 brewery tanks destined for a Michigan brewery. The total weight for this cargo is 304,235 pounds or 138 metric tons. The port has become an international hub for "heavy lift" and "project cargo" because of its ocean access and proximity to the U.S. Heartland. Shipments of brewery tanks are not as common at the port as coal, limestone, steel and

agricultural products, but they are an example of the specialized type of shipment and growing trend of project cargo the Port of Indiana-Burns Harbor is capable of handling. In the last three years, the port has handled dozens of brewery tanks in five separate shipments.

29. Mega-ship deployment at NY-NJ scales up amid peak season

The peak season on the US East Coast in the weeks ahead could provide a test regarding whether the Port of New York and New Jersey can handle the increased volume and surges in activity generated by mega-ships.

30. European Shippers' Council criticizes fuel surcharges

The European Shippers' Council (ESC) is criticizing Maersk, MSC and CMA CGM for their plans to implement fuel surcharges they say will help cover costs associated with meeting 2020 global sulphur deadlines. "Carriers impose it unilaterally without any negotiation with shippers and ignore a market approach to the global problem," the ESC said in a press release issued on September 25, 2018. "This does not set an ideal cooperation scenario." The new International Maritime Organization low-sulphur regulation will take effect at the beginning of 2020 and will require all shipping companies to reduce their sulphur emissions by 85 percent. Maersk, MSC and CMA CGM all have announced new surcharges to take effect at the beginning of 2019. The ESC said it is monitoring bunker surcharges and encourages shipping lines to negotiate all freight costs with shippers.

31. Antitrust: Commission invites comments on future regime for liner shipping consortia

The European Commission is inviting comments on the legal framework exempting liner shipping consortia from EU antitrust rules that prohibit anticompetitive agreements between companies, known as the "Consortia Block Exemption Regulation". EU law generally bans agreements between companies that restrict competition. However, the maritime Consortia Block Exemption Regulation allows, under certain conditions, shipping lines with a combined market share of below 30% to enter into cooperation agreements to provide joint cargo transport services (known as "consortia"). Where such consortia face sufficient competition, where they are not used to fix prices nor share the market, their users may benefit from improvements in productivity and service quality. They are therefore exempted from the prohibition of anticompetitive agreements in Article 101(1) of the Treaty on the Functioning of the European Union (TFEU). The Consortia Block Exemption Regulation will expire on 25 April 2020. The Commission has therefore launched a consultation seeking to collect views from stakeholders to assist the Commission's assessment of the impact and relevance of the Consortia Block Exemption Regulation, and to provide evidence for determining whether it should be left to expire or prolonged, and if so, under which conditions.

32. Government of Canada marks World Maritime Day 2018

As an active member of the International Maritime Organization, Canada joins 173 other member states and three associate members to mark World Maritime Day. This year's theme – better shipping for a better future – marks the organization's 70th anniversary and the progress made to ensure safe, environmentally friendly and more efficient shipping. Transport Canada indicates many accomplishments of the Government of Canada in shipping.

33. Vancouver welcomes largest cruise ship to-date, Norwegian Bliss, to Canada Place at the Port of Vancouver

On Sunday, September 30, Norwegian Bliss will arrive at the Canada Place cruise ship terminal at the Port of Vancouver. At over 168 thousand tonnes, 333 metres in length, and room to accommodate nearly six thousand people, the Bliss is the largest cruise ship ever to come through the Port of Vancouver.

34. Shippers slam liner companies' fuel surcharges

The European Shippers' Council (ESC) and the Global Shippers Forum (GSF) have criticised the move by container shipping companies Maersk, MSC and CMA CGM for their plans to implement fuel surcharges they say will help cover costs associated with meeting 2020 global sulphur deadlines. The ESC said in a press statement that "carriers impose it unilaterally without any negotiation with shippers and ignore a market approach to the global problem. This does not set an ideal cooperation scenario." The ESC said it is monitoring bunker surcharges and encourages shipping lines to negotiate all freight costs with shippers.

35. Box volume at Rotterdam up 6pc but total throughput dips 2pc

The port of Rotterdam handled a total of 232.8 million tonnes in the first six months of 2018 - 2.2 per cent less than in the same period last year, according to *Shipping Gazette*. Container throughput, one of the strategic priorities of the Port Authority, rose by 5.9 per cent (in tonnes, 6.2 per cent in TEU) by comparison with the first six months of 2017, including a new throughput record in May 2018. The market

share of Rotterdam by comparison with the other ports in the Hamburg-Le Havre range increased from 30.9 per cent (Q1 2017) to 31.2 per cent (Q1 2018).

RAIL TRANSPORTATION

1. ‘This is historic:’ Deal reached on broken rail line to Churchill in Manitoba

A deal has been reached to sell and repair a broken rail line that is the only land link for the northern Manitoba town of Churchill. The community on Hudson Bay has been isolated since spring flooding in 2017 damaged the line and forced fuel and food to be flown in at skyrocketing costs. The town said the deal includes the sale of the Hudson Bay Railway, the Port of Churchill and the Churchill Marine Tank Farm. “This is great news,” Churchill Mayor Mike Spence said in an interview. “This is historic.” A news release from the federal government on August 31, 2018 said the assets have been purchased by the Arctic Gateway Group, a private-public partnership of Mississippi Rail Limited Partnership, Toronto-based Fairfax Financial Holdings and AGT Limited Partnership.

2. Churchill residents hopeful railway deal will revitalize their shuttered port

News of a deal to sell and repair a Manitoba town’s broken rail line means more than just a return to reasonably priced groceries and easier access for visitors to the polar bear capital of Canada. It has brought hope that Churchill, the once-bustling port on Hudson Bay, will soon be busy again. “The future looks bright in terms of that to happen,” Churchill Mayor Mike Spence said September 1, 2018, a day after an announcement that the rail line, port facilities and tank farm in Churchill have been sold by Omnitrax.

3. Increased revenues and ridership for VIA rail in second quarter 2018

For the second quarter of 2018, VIA Rail Canada (VIA Rail) reported a ridership increase of 10.0%, while its revenues improved by 8.4% compared to the same quarter last year. In the Québec City - Windsor corridor, ridership and revenues increased by 11.5% and 13.6% respectively compared to 2017. Furthermore, over the May long weekend VIA Rail saw an 8.4% growth in ridership and a 9.7% increase in passenger revenue over 2017. “Canadians in record numbers are demonstrating their preference for train travel and taking advantage of the easy, enjoyable and sustainable experience that VIA Rail offers, declared Yves Desjardins-Siciliano, President and Chief Executive Officer at VIA Rail. “Our continued growth over the last four years, this being our 17th consecutive quarter with revenue growth, and our 10th consecutive quarter with ridership increases, is a direct result of the dedication and professionalism of our employees who provide the best travel experience to Canadians.”

4. CN orders 60 more locomotives from GE Transportation

GE Transportation announced on September 5, 2018 that CN will acquire 60 additional locomotives, expanding the class I’s 200-unit order placed in December 2017. “With strong demand across our business, we continue to invest for the long haul with these locomotives that further expand the reliability and size of our fleet,” said JJ Ruest, president and chief executive officer of CN. “With expanded infrastructure and new equipment, we are giving our industry-leading transportation team the tools they need to provide higher levels of service with greater operating efficiency.” Similar to

RAIL TRANSPORTATION Canada

1. ‘This is historic:’ Deal reached on broken rail line to Churchill in Manitoba, August 31, 2018, www.ctl.ca
2. Churchill residents hopeful railway deal will revitalize their shuttered port, August 31, 2018, www.ctl.ca
3. Increased revenues and ridership for VIA rail in second quarter 2018, August 31, 2018, www.viarail.com
4. CN orders 60 more locomotives from GE Transportation, September 5, 2018, www.cn.ca
5. 2018 Rail Tank Car Safety Report, September 5, 2018, www.bts.gov
6. U.S. rail volumes sustain steady climb, September 6, 2018, www.americashipper.com
7. Rail Traffic for August and the Week Ending September 1, 2018, September 5, 2018, www.aar.com
8. CP brings together short line and regional connections to strengthen relationships and share ideas on moving the supply chain forward, September 10, 2018, www.cpr.ca
9. For 10th consecutive year, DJSI recognizes CN as sustainability leader, September 13, 2018, www.cn.ca
10. Ottawa putting up \$117M to restore land link to Hudson Bay town of Churchill, September 15, 2018, www.ctl.ca
11. VIA rail recognized by women in governance, September 12, 2018, www.viarail.com
12. Canadian Pacific Railway Limited declares dividend, September 17, 2018, www.cpr.ca
13. The Government of Canada hosts stakeholder roundtable discussion on grain transportation, September 12, 2018, www.fc.gc.ca
14. Eurobarometer on rail satisfaction: Europeans increasingly satisfied with passenger rail services, September 18, 2018, www.europa.eu
15. Intermodal analyst: 2018 is ‘heck of a year’, September 18, 2018, www.americashipper.com
16. Rail Traffic for the Week Ending September 15, 2018, September 19, 2018, www.ajot.com
17. Government for the People Announces Largest GO Train Service Increase in Five Years, September 20, 2018, www.mto.gov.on.ca
18. RAIL SAFETY: VIA Rail’s Employees Present In Over 25 Locations Across Canada This Week, September 24, 2018, www.viarail.ca
19. Rail traffic for the week ending September 22, 2018, September 26, 2018,

CN's 2017 purchase, this order includes Tier 4 Evolution™ Series locomotives equipped with GE Transportation's GoLINC™ Platform, Trip Optimizer™ System and Distributed Power LOCOTROL® eXpanded Architecture to maximize train effective-

www.ajot.com
20. Railway carloadings, July 2018, September 27, 2018, www.statcan.gc.ca

ness and efficiency. These solutions are part of GE Transportation's Train Performance product suite, which optimizes power distribution, train handling, brake control and fuel utilization. The new purchase also includes a multi-year service agreement that supports CN's long-term operational needs.

5. 2018 Rail Tank Car Safety Report

The US Bureau of Transportation Statistics (BTS) has submitted [*Fleet Composition of Rail Tank Cars Carrying Flammable Liquids: 2018 Report*](#), to Congress measuring industry-wide progress in manufacturing and modifying safer rail tank cars that transport flammable liquids. Of the fleet, 20 percent met the new safety requirements for DOT-117 and DOT-117R, a significant increase from the 2 percent in 2015. Of the tank cars meeting the new safety requirements, 61 percent were new and 39 percent had been ret-rofitted. The report describes the progress of tank car safety upgrades from 2013 through 2017, by tank car type and type of flammable liquid. Class 3 flammable liquids most commonly include crude oil, ethanol, and refined petroleum products. In 2017, 77,216 rail tank cars were used to carry Class 3 flammable liquids, the fewest during the five-year 2013-2017 period, down from a high in 2015 of 92,358 tank cars.

6. U.S. rail volumes sustain steady climb

Combined US carload and intermodal shipments have grown 4 percent year-over-year through August 2018.

7. Rail Traffic for August and the Week Ending September 1, 2018

The Association of American Railroads (AAR) on September 5, 2018 reported U.S. rail traffic for the week ending September 1, 2018, as well as volumes for August 2018. U.S. railroads originated 1,386,026 carloads in August 2018, up 3.8 percent, or 50,335 carloads, from August 2017. U.S. railroads also originated 1,442,920 containers and trailers in August 2018, up 5.1 percent, or 70,198 units, from the same month last year. Combined U.S. carload and intermodal originations in August 2018 were 2,828,946, up 4.5 percent, or 120,533 carloads and intermodal units from August 2017.

8. CP brings together short line and regional connections to strengthen relationships and share ideas on moving the supply chain forward

Canadian Pacific Railway Limited (CP) and its short line and regional railroad connections met over the last two days to discuss shared opportunities for moving the North American supply chain forward, as part of CP Reconnect 2018 Short Line and Regional Railroad Conference. "Our short line and regional connections are integral to the business we do here at CP," said John Brooks, CP's Senior Vice-President and Chief Marketing Officer. "Reconnect 2018 was an excellent opportunity to touch base with these key stakeholders and help them understand CP's vision, while also getting a better look into their own priorities and business goals. By sharing ideas and strategies we are able to generate innovative ways to serve new and existing markets together."

9. For 10th consecutive year, DJSI recognizes CN as sustainability leader

CN announced on September 13, 2018 that it is pleased to have again earned a place on the Dow Jones Sustainability World Index (DJSI). This marks the seventh consecutive year that CN has been listed on the DJSI World Index and the 10th consecutive year that CN has been listed on the DJSI North America Index. CN is the only Canadian company listed in the Transportation and Transportation Infrastructure sector. The DJSI follows a best-in-class approach, surveying sustainability leaders from each industry on a global and regional level. The annual review of the DJSI family is based on a thorough analysis of economic, environmental and social performance, assessing issues such as corporate governance, risk management, climate change mitigation, supply chain standards, stakeholder engagement and labour practices.

10. Ottawa putting up \$117M to restore land link to Hudson Bay town of Churchill

The agreement to restore rail service to the town of Churchill in northern Manitoba will include at least \$117 million from the federal government. The federal funding consists of \$74 million to help repair the damaged rail line and buy it, along with the town's port, from Denver-based Omnitrax. Ottawa is also committing another \$43 million over 10 years to subsidize operations of the rail line.

11. VIA rail recognized by women in governance

VIA Rail Canada (VIA Rail) has received a Silver Parity Certification, in recognition of its efforts and achievements in its strategies, actions and results to promote and support women in their leadership

development, career advancement and representation at all levels of the organization. This certification was given to VIA Rail last night, at the Women in Governance Parity Certification gala honouring many other deserving organizations.

12. Canadian Pacific Railway Limited declares dividend

The Board of Directors of Canadian Pacific Railway Limited (CP) on September 17, 2018 declared a quarterly dividend of \$0.65 per share on the outstanding Common Shares. The dividend is payable on October 29, 2018 to holders of record at the close of business on September 28, 2018, and is an "eligible" dividend for purposes of the Income Tax Act (Canada) and any similar provincial/territorial legislation.

13. The Government of Canada hosts stakeholder roundtable discussion on grain transportation

On September 12, 2018, the Honourable Marc Garneau, Minister of Transport, and the Honourable Lawrence MacAulay, Minister of Agriculture and Agri-Food, hosted a roundtable discussion on grain transportation with grain producers, shippers, and railways. The *Transportation Modernization Act*, which became law on May 23, 2018, put in place the right conditions to ensure a fair, efficient, balanced and transparent freight rail system. Today's roundtable discussion provided participants with an opportunity to share information, to address challenges, and to support the implementation of some of the new measures that will help advance our common goals. Topics covered included: 1) the Transportation Modernization Act, which provides a strengthened suite of freight rail measures for all shippers, including the ability to seek reciprocal financial penalties in service agreements with railways; 2) the new data provisions that will significantly improve transparency across the freight rail system and provide insight into railway service and performance; and, 3) the importance of sharing information, particularly in the context of forecasting and planning.

14. Eurobarometer on rail satisfaction: Europeans increasingly satisfied with passenger rail services

The European Commission on September 18, 2018 published the results of a Eurobarometer survey on satisfaction of Europeans with rail services, which looked at who travels by train and why, as well as to what extent people are happy with the services provided. According to the survey, 66% of Europeans are satisfied with the frequency of trains. Punctuality and reliability are also well received, with 59% of users satisfied. Moreover, 55% of Europeans are satisfied with the provision of information during the journey, particularly when facing a delay.

15. Intermodal analyst: 2018 is 'heck of a year'

The rail intermodal industry is having "a heck of a year," says Larry Gross, president of Gross Transportation Industry, with volumes up both because of strong movement of cargo in international containers and because of shippers facing a shortage of trucking capacity. A leading analyst of the intermodal industry, Gross noted that a year ago he thought the intermodal industry would see volumes grow 4.2 percent in 2018, but instead they were up 6.8 percent in the first seven months of the year. He said he expects 2019 to be "a more challenging year for intermodal" sales because of less growth in demand by international shippers. He also said the driver shortage may ease.

16. Rail Traffic for the Week Ending September 15, 2018

For the week ending September 15, 2018, total U.S. weekly rail traffic was 553,003 carloads and intermodal units, up 4.8 percent compared with the same week last year. Total carloads for the week ending September 15 were 268,612 carloads, up 3.1 percent compared with the same week in 2017, while U.S. weekly intermodal volume was 284,391 containers and trailers, up 6.5 percent compared to 2017. Nine of the 10 carload commodity groups posted an increase compared with the same week in 2017.

17. Government for the People Announces Largest GO Train Service Increase in Five Years

Ontario's Government for the People is keeping its promise to get people moving faster by adding GO train service to reduce congestion in the Greater Toronto and Hamilton Area. On September 20, 2018, John Yakabuski, Minister of Transportation, announced the largest GO service increase in five years. Starting September 24, travelers on the Lakeshore corridors will have access to 220 new trips per week, an increase of nearly 18 per cent. "Your government is making life easier for those travelling within the GTHA," said Minister Yakabuski. "We are making GO trains run more frequently and increasing seat capacity — more than 400,000 additional train seats will be available every week. This will bring immediate relief to the thousands of travelers who use GO Transit in the area."

18. RAIL SAFETY: VIA Rail's Employees Present In Over 25 Locations Across Canada This Week

From September 24 to 29, VIA Rail Canada (VIA Rail) invites the general public to join Operation Lifesaver in posting with the awareness campaign's hashtag #STOPTrackTragedies during Rail Safety Week. In more than 25 cities around the country, including Vancouver, Edmonton, Winnipeg, London, Toronto, Ottawa, Montréal, Québec, Moncton and Halifax, and alongside Operation Lifesaver volunteers

and industry partners, VIA Rail employees will man kiosks and run information sessions in stations, on board trains, near railway crossings and in schools to educate Canadians about railway hazards and raise awareness about precautions to take near tracks.

19. Rail traffic for the week ending September 22, 2018

The Association of American Railroads (AAR) on September 26, 2018 reported U.S. rail traffic for the week ending September 22, 2018. For this week, total U.S. weekly rail traffic was 567,078 carloads and intermodal units, up 4.9 percent compared with the same week last year. Total carloads for the week ending September 22 were 272,615 carloads, up 4.2 percent compared with the same week in 2017, while U.S. weekly intermodal volume was 294,463 containers and trailers, up 5.7 percent compared to 2017. For the first 38 weeks of 2018, U.S. railroads reported cumulative volume of 9,976,253 carloads, up 2 percent from the same point last year; and 10,532,388 intermodal units, up 6 percent from last year. Total combined U.S. traffic for the first 38 weeks of 2018 was 20, 508,641 carloads and intermodal units, an increase of 4 percent compared to last year. North American rail volume for the week ending September 22, 2018, on 12 reporting U.S., Canadian and Mexican railroads totalled 377,956 carloads, up 3.7 percent compared with the same week last year, and 388,775 intermodal units, up 4.3 percent compared with last year.

20. Railway carloadings, July 2018

The volume of rail freight carried in Canada totalled 32.8 million tonnes in July 2018, up 9.5% from the same month a year earlier. Freight originating in Canada rose 11.2% from the same month last year to 29.5 million tonnes in July. Non-intermodal freight increased by 11.7% to 315,000 carloads. The amount of freight loaded into these cars rose 12.6% from July 2017 to 26.5 million tonnes. Intermodal freight loadings rose 1.9% from July 2017 to 210,000 units in July. In terms of weight, intermodal traffic rose 0.2% to 3.0 million tonnes. Freight traffic received from the United States declined 3.5% to 3.3 million tonnes as a result of a 5.1% decrease in non-intermodal freight.

HIGHWAY TRANSPORTATION

1. Couriers and Messengers Services Price Index, July 2018

The Couriers and Messengers Services Price Index (CMSPI) rose 0.3% in July 2018, following a 0.5% increase in June 2018. The couriers' component was up 0.4% while the local messengers' and local delivery component posted no change. The year-over-year change of the CMSPI rose 6.0% in July 2018 compared with the same month last year. Both the couriers' (+5.9%) and the local delivery (+6.6%) components' increased.

2. Monthly Passenger Bus and Urban Transit, June 2018

Total operating revenues (excluding subsidies) for urban transit companies rose 5.0% from June 2017 to \$357.3 million in June 2018. Ridership was 166.9 million passenger trips over the same period.

3. Tougher Penalties for Dangerous Driving Start September 1

Ontario's Government for the People is taking steps to ensure Ontario's roads are safe for everyone. Starting September 1, 2018 there will be tougher penalties for careless driving and endangering pedestrians. Drivers convicted of careless driving causing bodily harm or death will face: Fines from \$2,000 to \$50,000; Six demerit points; A driver's licence suspension of up to five years; Up to two years in jail.

4. Ford Government Delivers on Promise to Build Regional Transportation

Ontario's Government for the People is working to get residents and business across the Greater Toronto and Hamilton Area moving with a plan to upload responsibility for subway infrastructure, from the City of Toronto to the Province. The Government of Ontario is determined to deliver a modern transit system that will serve the

HIGHWAY TRANSPORTATION Canada

1. Couriers and Messengers Services Price Index, July 2018, August 31, 2018, www.statcan.gc.ca
2. Monthly Passenger Bus and Urban Transit, June 2018, August 31, 2018, www.statcan.gc.ca
3. Tougher Penalties for Dangerous Driving Start September 1, August 31, 2018, www.mto.gov.on.ca
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8. CTA: National Trucking Week Recognizes the Engine of Canadian Economy, September 5, 2018, www.ontruck.ca
9. Travel between Canada and other countries, June 2018, September 10, 2018, www.statcan.gc.ca
10. Leading indicator of cross-border traveller volume, August 2018, September 11, 2018, www.statcan.gc.ca
11. Moving Cross-border Shipments, September 12, 2018, www.inboundlogistics.com

GTHA's growing communities, drive economic development and alleviate traffic congestion. On August 31, 2018, John Yakabuski, Minister of Transportation, announced the appointment of Michael Lindsay as Special Advisor on the upload of the Toronto subway system. He will work with the province on a plan to efficiently and effectively deliver on this key commitment. Mr. Lindsay, and an advisory panel of up to three experts to be appointed, will support the government in determining the best approach for the upload, including the building and maintenance of new and existing subway lines.

5. Statement by Minister John Yakabuski on the Electric and Hydrogen Vehicle Incentive Program

Following the decision by the Ontario Superior Court of Justice on the Electric and Hydrogen Vehicle Incentive Program, the Honourable John Yakabuski, Minister of Transportation, issued the following statement: "Ontario cancelled the cap and trade program to bring gas prices down and help lower costs for Ontario families and businesses. As a result, on July 11, 2018, the Electric and Hydrogen Vehicle Incentive Program was cancelled. The Court has rendered its decision. The ministry will abide by the court's decision and I have directed the ministry to expand the wind-down process for the

Electric and Hydrogen Vehicle Incentive Program. Incentives will be provided as long as the following conditions are met: Eligible vehicles were delivered, registered, and plated on or before July 11th; or, Eligible vehicles were on dealer lots in Ontario - or on order by dealers or by customers directly from manufacturers on or before July 11th, and delivered to customers, registered and plated on or before September 10, 2018. These vehicles must be on the ministry approved order list from dealers and manufacturers. Applications must be submitted within 90 days of vehicle registration, plating and delivery." Ending the Electric and Hydrogen Vehicle Incentive Program could save Ontario taxpayers up to an estimated \$1 billion over four years.

6. Dicom Canada sold

Dicom Canada has been sold to General Logistics Systems, a subsidiary of Royal Mail, for \$360 million. Dicom Canada focuses on ground-based parcel, freight, and logistics services in Canada, with a focus on Ontario and Quebec. It was owned by Wind Point, which acquired the company in 2014 from founder and majority owner Peter Overing. Wind Point and its shareholder will retain the Dicom Transportation Group's U.S. subsidiary, Dicom USA.

7. Hub Group looking to sell off Mode segment

Hub Group Inc., a multimodal transportation service provider, said it is exploring "strategic alternatives" for its Mode segment. Hub Group intends to redeploy capital derived from a potential sale of its Mode segment into acquisitions of new service lines, existing businesses and technology, Hub Group CEO Dave Yeager said on the company's earnings conference call. "Hub continues to look for acquisitions that would add value to our network and allow Hub to continue to diversify our product offerings," Yeager said. Commenting on whether Hub Group could make acquisitions prior to selling off its Mode segment, Yeager said the company could make a purchase of "a fair size," but said "it's not really something we can comment on because we don't know any timing, if or when it will occur." Hub Group later sold Mode transportation.

8. CTA: National Trucking Week Recognizes the Engine of Canadian Economy

National Trucking Week marks an opportunity to recognize one of Canada's largest and most important employment sectors. The Canadian Trucking Alliance (CTA), in conjunction with the provincial trucking associations, are proud to highlight the many contributions made by over 400,000 Canadians who work in the industry and keep our economy moving. "Driving truck is a skill and a professional commitment that has received a lot of public attention lately. This week is a time for Canadians, who benefit from the services provided by these professional men and women, to thank them for all they do to keep our economy moving," said Canadian Trucking Alliance president Stephen Laskowski. According to the 2016 Census, transport truck driver is one of the most prevalent jobs in Canada, representing 3.1% of total male employment. And while the supply chain is honouring the hundreds of thousands of truck drivers in Canada who already make their living in the industry, CTA is reminding governments there are still employment shortages in our sector and the trucking industry is open for business when it comes to hiring Canadians.

12. UPS expects automation, expansion plans to boost earnings by 2022, September 13, 2018, www.ctl.ca

13. July 2018 Freight Transportation Services Index (TSI), September 13, 2018, www.bts.gov

14. Distracted Driving Growing Risk, Costly for Fleets, September 14, 2018, www.cantruck.ca

15. GlobalTranz acquires AFN Logistics, September 17, 2018, www.americanshipper.com

16. FedEx profit jumps 40 per cent on strong shipping demand, September 17, 2018, www.ctl.ca

17. FedEx Slides as Labor Costs, TNT Struggles Lead to 'Messy Start', September 18, 2018, www.ajot.com

18. CTA Offers Gov't Solutions to Improve Trucking Competitiveness, Expand Growth, September 19, 2018, www.ontruck.ca

19. Trucking conditions among the best since 2004, September 24, 2018, www.todaystrucking.com

20. July 2018 North American Freight Numbers, September 25, 2018, www.bts.gov

9. Travel between Canada and other countries, June 2018

US residents made 2.1 million trips to Canada in June 2018, up 3.5% from May 2018. After adjusting for normal seasonal variations, this is the second-highest monthly total this year, following March 2018, for US travel to Canada. *Residents of overseas countries* (countries other than the United States) made 562,000 trips to Canada in June 2018. This was little changed (-0.1%) from May 2018. *Canadian residents* made 3.8 million trips to the United States in June 2018, down 1.1% from May 2018. This was the third consecutive month of declines in trips by Canadians to the United States. Canadian residents made 1.0 million trips to overseas destinations (countries other than the United States) in June 2018. This was up 0.7% from the previous month.

10. Leading indicator of cross-border traveller volume, August 2018

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

11. Moving Cross-border Shipments

As your suppliers and customers become more geographically diverse, more of your supply chain and customer experience depends on moving shipments through Customs accurately and without delay. The article provides the following guidelines: 1. Create a dashboard for incoming orders. 2. Improve product classification accuracy. 3. Use correct valuation and markings. 4. Set up alerts. 5. Score vendors on paperwork accuracy. 6. Put outgoing paperwork on autopilot. 7. Communicate with other departments. 8. Stay informed on best practices. 9. Focus on bright spots. 10. Support your company's growth in new markets.

12. UPS expects automation, expansion plans to boost earnings by 2022

UPS quantified the financial benefits of its transformation initiatives based on the company's outlook for revenue quality improvement and operating cost reductions between 2018 and 2022. The company expects these actions to result in an incremental increase to adjusted earnings per share in the range of \$1.00 to \$1.20 by 2022. "Transformation will lift our earnings, as we generate higher-quality revenue and use technology to increase operating efficiency and enhance customer service," said David Abney, chairman and chief executive officer. "UPS is transforming from a position of strength. We are implementing an enterprise-wide transformation that will enable and accelerate our enhanced business strategy."

13. July 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 0.9 percent in July 2018 from June 2018, falling for the first month after reaching an all-time high in June. The July 2018 index level (135.1) was 42.5 percent above the April 2009 low during the most recent recession. The July 2018 index level (135.1) was 42.5 percent above the April 2009 low during the most recent recession. Despite the month-to-month decline, the level of for-hire freight shipments in July measured by the Freight TSI was up 4.8 percent from July 2017 and was at its third highest all-time level. The index was 1.6 percent higher than the level of any month prior to 2018 and 8.0 percent higher than the level of any month prior to 2017.

14. Distracted Driving Growing Risk, Costly for Fleets

Now exceeding the cost of impaired driving, the problem of distracted driving – and its associated costs – will continue to get worse if left unchecked, says C.J. Meurell, co-founder of Motion Intelligence, at the recent PeopleNet in.sight User Conference in Houston. Distracted driving, now one of the most common causes of collisions, can cost a carrier an average of \$63,000 for just property damage, \$438,000 for a crash leading to an injury and as high as \$10.9 million if a fatality is involved. As reported by Truck News, he said the issue is becoming worse with younger generations, who are more attached to mobile devices, getting behind the wheel.

15. GlobalTranz acquires AFN Logistics

GlobalTranz Enterprises Inc., a technology-driven third-party logistics solutions provider, announced that it had signed a definitive agreement to acquire AFN Logistics. The company said in its announcement that the acquisition "further solidifies GlobalTranz's position as a top freight brokerage firm and significantly increases its market share in 3PL services."

16. FedEx profit jumps 40 per cent on strong shipping demand

The growing economy, lower taxes and changing habits of American shoppers are helping boost profit at FedEx Corp. The delivery giant said on September 17, 2018 that it earned \$835 million in the quarter that ended Aug. 31, a 40 per cent increase from a year ago. Still, the results fell short of Wall Street expectations, and shares of the Memphis, Tennessee-based company fell in after-hours trading. FedEx and rival United Parcel Service Inc. are benefiting from strong pricing power as online shopping continues to boom. Some analysts predict that growing global demand, along with consumers' expectations for speedy delivery of their online purchases, will help the company heading into the crucial Christmas shopping season.

17. FedEx Slides as Labor Costs, TNT Struggles Lead to 'Messy Start'

FedEx Corp. dropped the most in almost six months after increased labor costs and a bumpy integration effort for the company's TNT Express acquisition weighed on profit. The weak performance got FedEx off to a "messy start" in its new fiscal year, Morgan Stanley said in a note to clients. But FedEx is betting on a rebound, raising its full-year earnings target by 20 cents a share as much as \$17.80. That puts pressure on the company to perform much better in the busy upcoming holiday season and the rest of its fiscal year ending May 31, 2019. "The end result is that the guide is even more back-half loaded and highly dependent on the successful capture of expected TNT synergies and improved revenue mix at TNT," Jack Atkins, an analyst with Stephens Inc., said in a note on September 18, 2018. FedEx fell 4.7 percent to \$243.82 at 10:43 a.m. in New York after dropping as much as 5.2 percent for the biggest intraday decline on March 22. The shares had gained 2.5 percent this year through September 17, 2018.

18. CTA Offers Gov't Solutions to Improve Trucking Competitiveness, Expand Growth

The CTA in its report to the government has offered solutions on how to improve the competitiveness of the trucking industry. The central theme of CTA's report focused on competitive issues, namely how conscientious, law-abiding trucking companies are finding it increasingly difficult to compete with non-compliant domestic carriers that take advantage of the lack of national oversight in Canada as well as U.S. fleets, which already enjoy healthy cost/tax benefits over their Canadian counterparts. The report indicated five major concerns: 1) US Carriers have more advantageous, eg. more flexible tax rules in the US, double-digit corporate tax reductions and natural advantages of economies of scale which are severely hurting Canadian carriers' ability to compete. 2) The industry is frustrated over truck safety environment because of lack of uniformity and inconsistent regulatory developments in all provincial jurisdictions, eg. hours of service, roadside enforcement and mandatory entry level training, among other issues. 3) The current immigration system is impeding the trucking industry's ability to service the Canadian economy by not allowing companies to recruit professional truck drivers from around the world. 4) More trucking companies are incorporating truck drivers and employing them to drive company vehicles with no financial obligation to operate or maintain the equipment, resulting in failing to properly file taxes, labour, recruitment practices, etc. 5) Some fleets are removing emission control equipment from trucks (in an attempt to cut costs and reduce operating expenses).

19. Trucking conditions among the best since 2004

Trucking conditions in the U.S. are at among their strongest since early 2004, according to the FTR Trucking Conditions Index (TCI). The July 2018 reading of 14.04 reflected the second strongest month the industry has seen since early 2004, and the current growth cycle is stronger in duration than in 2004, FTR reported. It predicts the index has peaked and will moderate modestly through the rest of the year. However, the industry forecaster said key indicators – manufacturing, construction, and retail sales – remain strong and retain a positive outlook for the coming months. "Carriers might not see stronger conditions in the current cycle, but they shouldn't lose too much sleep over it," said Avery Vise, vice-president of trucking for FTR. "We expect the TCI to remain in double-digit territory into 2019. With manufacturing and construction hot and the labor market tight, it would be very difficult for capacity growth to outstrip freight demand for quite some time."

20. July 2018 North American Freight Numbers

Total NAFTA trade for the month of July 2018 was \$101.2 billion of freight moved by all modes of transportation, up 13.5 percent from July 2017. The freight moved by truck, rail, vessel, pipeline, and air was \$62.7b, \$14.4b, \$9.0b, \$6.6b, and \$3.7b, respectively. The US-Canada freight by mode was truck: \$27.8b; rail: \$7.7b; pipeline: \$6.2b; vessel: \$3.0b; and air: \$2.3b.

GENERAL TRANSPORTATION

Canada

1. Trudeau and Trump both hopeful they will reach a NAFTA deal by Friday

The fresh round of U.S.-Canada negotiations on the North American Free Trade Agreement generated hopeful signals from both camps on August 29, 2018 that a deal could be struck by the end of the week. A day after the two neighbours restarted intensive, face-to-face negotiations on NAFTA, both Prime Minister Justin Trudeau and U.S. President Donald Trump expressed optimism a new continental accord could be reached by August 31, 2018.

2. U.S. Q2 GDP revised upward

U.S. gross domestic product — the broadest measure of a nation's overall economic health — grew at an annual rate of 4.2 percent in the second quarter of 2018, the fastest pace since the third quarter of 2014, according to the second estimate from the Department of Commerce.

3. ITF-OECD Papers

The International Transport Forum in the OECD has recently released the following papers: **a. London's Accessibility Indicators: Strengths, Weaknesses, Challenges**, Discussion Paper, August 28, 2018, www.itf-oecd.org **b. How the Inaccessibility Index Can Improve Transport Planning and Investment**, Discussion Paper, August 29, 2018, www.itf-oecd.org **c. Transport Planning With Accessibility Indices in the Netherlands**, Discussion Paper, August 29, 2018, www.itf-oecd.org

These papers are available on their website.

4. NAFTA's sticking points: Key hurdles to clear on the way to a deal

Canadian and U.S. officials say the path to a renegotiated North American Free Trade Agreement is opening up, and could come together this week. But to get to the finish line, there are a number of obstacles to move out of the way — Dispute settlement; Dairy; Pharmaceuticals; Exemptions on cultural products; Sunset Clause; and De minimis.

5. Deal, or no NAFTA deal, uncertainty means consumers lose out, say experts

Under almost any normal circumstance, the negotiation of a trade pact between countries should result in benefits for consumers, say experts who are closely watching the North American free trade talks unfold in Washington. After all, the mutual lifting of trade barriers should result in more competition, which should translate into more consumer choice and, therefore, lower prices. But with Donald Trump driving the agenda for the American side of the bargaining process, some experts warn that the uncertainty generated by the negotiation of a new North American Free Trade Agreement will ultimately hurt consumers. "Nothing that's going down right now in Washington should be presented as being a win from a consumer point of view, or an economic point of view," says economic consultant and researcher Dan Ciuriak, senior fellow at the Centre for International Governance Innovation. "This is protectionism, cost-raising and uncertainty-raising," he added. "Compared to the status quo, (consumers) are going to be worse off."

GENERAL TRANSPORTATION

Canada

1. Trudeau and Trump both hopeful they will reach a NAFTA deal by Friday, August 29, 2018, www.ctl.ca
2. U.S. Q2 GDP revised upward, August 29, 2018, www.americanshipper.com
3. ITF-OECD Papers, August 30, 2018, www.itf-oecd.org
4. NAFTA's sticking points: Key hurdles to clear on the way to a deal, August 30, 2018, www.ctl.ca
5. Deal, or no NAFTA deal, uncertainty means consumers lose out, say experts, September 1, 2018, www.ctl.ca
6. Trilateral NAFTA deal looks likely: Trump notifies congress, September 3, 2018, www.transportweekly.com
7. Trump to open front in trade war on European Union's non-tariff barriers, September 6, 2018, www.transportweekly.com
8. Labour shortage is the 'new norm' that will last a decade: BDC economist says, September 5, 2018, www.ctl.ca
9. Travel Patterns of American Adults with Disabilities, September 6, 2018, www.bts.gov
10. 'Milk' blocking NAFTA, says Trump adviser as Freeland departs Washington, September 7, 2018, www.ctl.ca
11. Loosen grip on dairy sector to help NAFTA talks, New York Republican says, September 10, 2018, www.ctl.ca
12. Free trade father figure Mulroney urges Ottawa to make a deal on NAFTA, September 11, 2018, www.ctl.ca
13. State of the Union 2018: Commission proposes to put an end to seasonal clock changes, September 12, 2018, www.europa.eu
14. Trudeau says Liberals looking for right NAFTA deal despite looming deadline, September 14, 2018, www.ctl.ca
15. New products are available from Statistics Canada, September 17, 2018, www.statcan.gc.ca
16. Foreign minister to return to NAFTA talks in Washington this week, September 18, 2018, www.americanshipper.com
17. Trade war escalates as China announces tariffs on US imports, September 18, 2018, www.ctl.ca
18. U.S. congressman issues dire warning to Canada's NAFTA team: time is running out, September 19, 2018, www.ctl.ca
19. Major risks to Canadian economy if NAFTA collapses: conference board, September 20, 2018, www.ctl.ca
20. US, China hike tariffs as trade row intensifies, September 24, 2018, www.ctl.ca
21. Lighthizer says US won't wait for Canada on new NAFTA accord, September 25, 2018, www.ajot.com
22. Canada unveils plan to bolster WTO in face of US protectionism, September 25, 2018, www.ajot.com
23. Trump says new NAFTA a get out of jail card on 232 tariffs, Trudeau, September 26, 2018, www.ctl.ca
24. National tourism indicators, second

6. Trilateral NAFTA deal looks likely: Trump notifies congress

US President Donald Trump has officially notified Congress that his administration intends to keep the North American Free Trade

Agreement (NAFTA) as a trilateral agreement. The formal notification sets in motion Trade Promotion Authority (TPA) timelines that require submission of final NAFTA text to Congress within 30 days and executive signature of the agreement within 90 days. It states that the Trump administration intends to enter into the agreement by the end of November. "Pursuant to [TPA,] I hereby notify the House of Representatives and the Senate that I intend to enter into a trade agreement with Mexico - and with Canada if it is willing, in a timely manner, to meet the high standards for free, fair, and reciprocal trade contained therein," the notice says, according to American Shipper.

7. Trump to open front in trade war on European Union's non-tariff barriers

European Commission president Jean-Claude Juncker can be expected to be the focus of tough negotiations at the hands of US President Donald Trump, reports Bloomberg News. "The European Union doesn't let our agricultural products in," he said. "They have a wall. It's not even a tariff. They have a wall," said President Trump. "It's ridiculous that you have a NATO to protect Germany from a certain country and then you're paying a fortune to that certain country," he said in an interview with Bloomberg. "What kind of a deal is that?" "We're competing against not only, not only the yuan, we're competing against the euro," he said. "They keep dropping, dropping, dropping."

8. Labour shortage is the 'new norm' that will last a decade: BDC economist says

Canada's small and mid-sized companies must find ways to adapt to a "new norm" of worker shortages that will likely persist for a decade, says Pierre Cleroux, chief economist for the Business Development Bank of Canada. "They represent about 50 per cent of the Canadian economy. So they are very important. Also, they are very important in smaller communities," Cleroux said in an interview ahead of a report issued on September 5, 2018 by the federal Crown corporation. The BDC's survey of 1,208 people from small and medium-sized businesses, with at least \$500,000 in annual sales, found 39 per cent of them were having difficulties hiring the types of new workers they required.

9. Travel Patterns of American Adults with Disabilities

An estimated 25.5 million Americans have disabilities that make traveling outside the home difficult and 3.6 million do not leave their homes because they are disabled or housebound, according to "Travel Patterns of American Adults with Disabilities." The Bureau of Transportation Statistics developed the report using data from the 2017 National Household Travel Survey to examine the daily travel of adults with self-reported travel-limiting disabilities.

10. 'Milk' blocking NAFTA, says Trump adviser as Freeland departs Washington

The vexing issue of securing more American access to Canadian dairy remained a major obstacle in NAFTA negotiations as Canada's lead minister on the continental trade pact departed the U.S. capital September 7, 2018. Larry Kudlow, the director of President Donald Trump's National Economic Council, laid that out in the plainest terms possible during a televised interview on September 7 morning, hours before talks ended between Foreign Affairs Minister Chrystia Freeland her U.S. counterpart, trade czar Robert Lighthizer. Freeland had come to Washington this week in an attempt to break the impasse in the 13-month renegotiation of the North American Free Trade Agreement, which was started at Trump's behest.

11. Loosen grip on dairy sector to help NAFTA talks, New York Republican says

The pressure on the Liberals to loosen protections around Canada's dairy sector took new focus on September 9, 2018 as the key stumbling block in North American Free Trade Agreement talks came under scrutiny and spin on political talk shows on both sides of the border. A member of an influential Congressional panel — and a Donald Trump supporter — said in a Canadian interview that providing American dairy farmers with more access to the Canadian market may appease the president. To the south, Trump's agriculture secretary suggested deeper concessions would be coming from the Canadians over Canada's system of managing supply and prices in the dairy sector.

12. Free trade father figure Mulroney urges Ottawa to make a deal on NAFTA

Brian Mulroney says Canada needs to put a little more water in its milk if it expects to make a new NAFTA deal with a hard-bargaining U.S. president whose political fortunes depend heavily on being able to declare victory for American dairy farmers. Mulroney, the former prime minister widely considered the father of the modern era of North American free trade, held court on September 18, 2018 in Ottawa on the fate of the intercontinental trade pact as talks to modernize NAFTA resumed on the anniversary of the Sept. 11

quarter 2018, September 27, 2018, www.statcan.gc.ca

25. At UN, Trump tees off on NAFTA, knocks Freeland, threatens tariffs, September 27, 2018, www.ctl.ca

terrorist attacks. Mulroney said Prime Minister Justin Trudeau phoned him last weekend to discuss the NAFTA situation and the two spoke for an hour.

13. State of the Union 2018: Commission proposes to put an end to seasonal clock changes

On 12 September 2018, on the occasion of his State of the Union Address, President Jean-Claude Juncker said: "We all say in soap-box speeches that we want to be big on big things and small on small things. But there is no applause when EU law dictates that Europeans have to change the clocks twice a year. The Commission is today proposing to change this. Clock-changing must stop. Member States should themselves decide whether their citizens live in summer- or wintertime. It is a question of subsidiarity. I expect the Parliament and Council will share this view and find solutions that work for our internal market. We are out of time."

14. Trudeau says Liberals looking for right NAFTA deal despite looming deadline

The United States and Mexico both ratcheted up the pressure on Canada to sign on to a new NAFTA by month's end or face exclusion from the continental trade pact — but the warnings on September 13, 2018 did not appear to faze Justin Trudeau. The prime minister made it clear that he won't be rushed into accepting a deal that's not in Canada's best interests. And at the moment, sources say what's on offer would, in fact, be a bad deal for Canada. The biggest sticking point is the Chapter 19 dispute resolution mechanism. The U.S. wants to scrap it and allow American courts to judge trade disputes, but Canada is insistent that some form of independent bi-national dispute resolution must be part of the deal.

15. New products are available from Statistics Canada

Transportation Data and Information Hub: "Activity indicators - Transportation Data and Information Hub"

Catalogue number [Catalogue number50-502-X2018001](#), (HTML)

Transportation Data and Information Hub: "Selected components of the transportation system in Canada"

Catalogue number [Catalogue number50-502-X2018002](#), (HTML)

Transportation Data and Information Hub: "Performance indicators - Transportation Data and Information Hub"

Catalogue number [Catalogue number50-502-X2018003](#), (HTML)

16. Foreign minister to return to NAFTA talks in Washington this week

High-level meetings are set to resume this week in Washington in an effort to bring Canada into a revised North American Free Trade Agreement. The renewed effort comes as the Opposition Conservatives criticize Prime Minister Justin Trudeau for the tactics his government has been using to get a NAFTA deal done. Foreign Affairs Minister Chrystia Freeland said on September 17, 2018 that she and U.S. Trade Representative Robert Lighthizer have agreed to meet again face-to-face to try to reach an understanding about each other's positions on NAFTA, although an exact meeting schedule hadn't been set.

17. Trade war escalates as China announces tariffs on US imports

The U.S.-China trade war escalated further on September 18, 2018, with China announcing retaliatory tax increases on \$60 billion worth of U.S. imports, including coffee, honey and industrial chemicals. The increases are in response to the U.S. announcing it will impose tariffs on \$200 billion worth of Chinese-made goods starting next week. The tariffs will start at 10 per cent, then rise to 25 per cent on Jan. 1, 2019. China's Finance Ministry said its tariff increases are aimed at curbing "trade friction" and the "unilateralism and protectionism of the United States." There was no word on whether China would back out of trade talks it said it was invited to by the U.S., but a Chinese Commerce Ministry statement said the U.S. increase "brings new uncertainty to the consultations."

18. U.S. congressman issues dire warning to Canada's NAFTA team: time is running out

A prominent congressional ally of U.S. President Donald Trump fired a pointed NAFTA broadside across Canada's bow on September 18, 2018 as Foreign Affairs Minister Chrystia Freeland travelled to Washington to resume efforts to forge a new version of the continental trade pact. House of Representatives majority whip Steve Scalise, who represents the state of Louisiana, gave voice to a sentiment some trade observers say is building among members of Congress who suspect Canada is ignoring their timetable and dragging out the talks for its own political purposes. "There is a growing frustration with many in Congress regarding Canada's negotiating tactics," Scalise said in a statement that appeared timed to coincide with Freeland's planned return to Washington. "Members are concerned that Canada does not seem to be ready or willing to make the concessions that are necessary for a fair and high-standard agreement." Scalise insisted Congress does indeed want to see Canada join the bilateral U.S.-

Mexico deal those two countries negotiated in Freeland's absence last month — much to the consternation of the federal Liberal government. But it's neither willing nor able to wait indefinitely, he warned.

19. Major risks to Canadian economy if NAFTA collapses: conference board

The Conference Board of Canada expects the Canadian economy to grow by 2.0 per cent in 2018, up 0.2 percentage points from its previous forecast. But it also warns risks to this forecast are substantial due to trade uncertainty. A collapse of NAFTA would likely subtract 0.5 per cent from growth. Meanwhile, there is a broader risk if the U.S. and Canada increase tariffs. This could subtract as much as 1.3 per cent from Canada's economic growth over a two-year period, according to the Conference Board's Canadian Outlook: Autumn 2018. "The Canadian economy performed well in the second quarter of 2018, with consumers increasing their pace of spending, businesses raising investment in their capital stock and a double digit increase in exports," said Matthew Stewart, Director, National Forecast. "However, significant challenges remain, which will slow growth over the remainder of the year and into 2019."

20. US, China hike tariffs as trade row intensifies

China and the United States imposed new tariff hikes on each other's goods on September 24, 2018 and Beijing accused Washington of bullying, giving no sign of compromise in an intensifying battle over technology that is weighing on global economic growth. U.S. regulators went ahead with a planned 10 per cent tax on a \$200 billion list of 5,745 Chinese imports including bicycles and furniture. China's customs agency said it responded at noon by beginning to collect taxes of 5 or 10 per cent on a \$60 billion list of 5,207 American goods, from honey to industrial chemicals. The conflict stems from U.S. President Donald Trump's complaints Beijing steals or pressures foreign companies to hand over technology.

21. Lighthizer says US won't wait for Canada on new NAFTA accord

The U.S. is moving forward on its bilateral trade deal with Mexico by month-end even if Canada is left out because negotiators can't resolve their sharp differences over dairy and a dispute resolution system, U.S. Trade Representative Robert Lighthizer said. The Trump administration soon plans to present to Congress a text of the U.S.-Mexico trade agreement that was announced last month to revise portions of the North American Free Trade Agreement, Lighthizer said at an event in New York on September 25, 2018. The timeline is important because current Mexican President Enrique Pena Nieto wants to sign the deal before he's succeeded by Andres Manuel Lopez Obrador in December, Lighthizer said.

22. Canada unveils plan to bolster WTO in face of US protectionism

The Canadian government released a new blueprint on September 25, 2018 to reinforce the World Trade Organization and buffer it from President Donald Trump's 'America First' attacks on the Geneva-based trade body. The proposal, called "Strengthening and Modernizing the WTO," seeks to forge an alliance of like-minded countries to "restore confidence in the multilateral trading system and discourage protectionist measures and countermeasures," according to a copy of the eight-page document obtained by Bloomberg.

23. Trump says new NAFTA a get out of jail card on 232 tariffs, Trudeau

Prime Minister Justin Trudeau gave Canada's NAFTA-talks nemesis a gentle nudge on September 26, 2018, saying U.S. President Donald Trump has insisted repeatedly that punitive American tariffs on steel and aluminum won't be an issue under a new North American trade deal. Trudeau was asked about U.S. trade ambassador Robert Lighthizer's recent glum assessment of the talks, which remain deadlocked over issues like dispute resolution, access to Canada's dairy market and the so-called Section 232 tariffs on Canadian steel and aluminum. Trump has said "a few times" that a new deal would mitigate the tariff issue, the prime minister said. "One of the things in my many conversations with President Trump on the issue of 232 tariffs ... was his insistence that while if we renegotiate NAFTA, if we get to a NAFTA deal, there will be no need to worry about these other things," Trudeau told a news conference at the United Nations.

24. National tourism indicators, second quarter 2018

Tourism spending in Canada rose 1.2% in the 2018 second quarter, following increases of 0.2% in each of the previous two quarters. Growth was driven by increased tourism spending by Canadians at home, as households spent more on products such as accommodation and transport services.

25. At UN, Trump tees off on NAFTA, knocks Freeland, threatens tariffs

U.S. President Donald Trump let Canada know how he really feels on September 26, 2018 — sharpening his tariff threat, calling out Chrystia Freeland and claiming he denied Justin Trudeau a bilateral meeting, all because of the federal government's hard bargaining on North American trade. Trump made the comments during a free-wheeling news conference at the end of his two days at the United Nations General Assembly. He was asked if he had denied Trudeau a request for face time while the two leaders were at the UN. "Yeah, I did," Trump said. "His tariffs are too high and he doesn't seem to want to move. And I've told

him, 'Forget about it.'" But the president wasn't done. He then reiterated his threat to slap punitive tariffs on Canadian auto imports to the U.S., a both-barrels tactic experts on either side of the border have warned would devastate the industry.