

Transportation Information Update*

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AIR TRANSPORTATION

1. Monthly civil aviation statistics, August 2018

The six Canadian Level I air carriers flew a record 8.5 million passengers on scheduled and charter services in August 2018, up 5.3% from August 2017 and continuing the upward year-over-year monthly trend that began in April 2014. Traffic increased 7.7% year over year to 24.0 billion passenger-kilometres in August 2018. Capacity rose 7.9% to 26.9 billion available seat-kilometres. This resulted in a slightly lower passenger load factor (89.4%) in August 2018 compared with the same month a year earlier (89.5%), as capacity growth outpaced traffic growth. This marked the first month ever that traffic and passenger capacity have reached these levels. Total operating revenue increased 10.9% from the same month a year earlier to \$2.6 billion in August 2018.

2. Air Travel Consumer Report: August 2018 Numbers

The U.S. Department of Transportation (DOT) on October 29, 2018 released its October 2018 Air Travel Consumer Report (ATCR) on marketing and reporting air carrier data compiled for the month of August 2018. Regarding, *On-Time Performance*, marketing carriers posted an on-time arrival rate of 75.2 percent, down from the 76.0 percent on-time rate in July 2018. On-time numbers for marketing carriers were not reported in previous years. Regarding, *Tarmac Delays*, airlines reported 42 tarmac delays of more than three hours on domestic flights, compared to 29 such tarmac delays reported in July 2018 and nine tarmac delays reported in August 2017. Regarding *Mishandled Baggage*, the reporting carriers posted a mishandled baggage rate of 3.08 reports per 1,000 passengers, down slightly from the July 2018 rate of 3.11, but up from August 2017's rate of 2.45. Regarding *Complaints About Airline Service*, DOT received 1,725 complaints about airline service from consumers, down 9.6 percent from the total of 1,908 filed in August 2017, but up 3.6 percent from the 1,665 received in July 2018.

3. WestJet to offer non-stop Atlanta service from Calgary

WestJet on October 30, 2018 announced it is expanding choice and connectivity for Calgaryans when the airline begins operations between Calgary International Airport (YYC) and Hartsfield-Jackson Atlanta International Airport (ATL) next spring.

4. Buenos días, Barcelona

WestJet on October 30, 2018 announced it will be adding Barcelona to its growing presence in Europe with three-times weekly, non-stop service between Toronto and Barcelona starting May 24, 2019 through October 21, 2019.

5. Air Canada Reports Third Quarter 2018 Results

Air Canada on October 31, 2018 reported third quarter 2018 EBITDAR (earnings before interest, taxes, depreciation, amortization, impairment and aircraft rent) of \$1.265 billion compared to third quarter 2017 EBITDAR of \$1.360 billion. Air Canada reported operating income of

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2. Air Travel Consumer Report: August 2018 Numbers, October 29, 2018, www.dot.gov
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5. Air Canada Reports Third Quarter 2018 Results, October 31, 2018, www.aircanada.ca
6. Aircraft movement statistics: Major airports, August 2018, October 31, 2018, www.statcan.gc.ca
7. Liberalisation of Air Transport, October 31, 2018, www.itf-oecd.org
8. dnata doubles operations in Canada, November 5, 2018, www.transportweekly.com
9. WestJet signs strategic partnership agreement with ATCO, November 5, 2018, www.westjet.ca
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16. Aircraft movement statistics: Small airports, July 2018, November 8, 2018, www.statcan.gc.ca
17. WestJet reports October load factor of 80.9 per cent, November 8, 2018, www.westjet.ca

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

\$840 million compared to operating income of \$976 million in last year's quarter. The airline reported third quarter adjusted pre-tax income of \$793 million compared to adjusted pre-tax income of \$922 million in the prior year's quarter. On a GAAP basis, in the third quarter of 2018, Air Canada reported income before income taxes of \$876 million compared to income before income taxes of \$965 million in the third quarter of 2017. Calin Rovinescu, President and Chief Executive of Air Canada said "I am extremely pleased with both our unit revenue performance and our adjusted CASM results for our all-important third quarter. Quarterly operating revenue grew 11 per cent, exceeding \$5 billion for the first time in our history, and our year-over-year PRASM performance was among the best in the North American airline industry. Strong revenue and cost management substantially offset the challenges we faced in the quarter, principally the significant increase in fuel prices. Once again, the strength of our brand and of our people shone through in the quarter."

6. Aircraft movement statistics: Major airports, August 2018

Aircraft take-offs and landings at the 91 Canadian airports with NAV CANADA air traffic control towers and flight service stations decreased 1.3% in August 2018 to 549,354 movements, compared with 556,485 movements in August 2017. In August 2018, a decrease in itinerant movements (flights from one airport to another) contributed to the year-over-year decline, while local movements (flights that remain in the vicinity of the airport) increased. Itinerant movements were down 2.7% to 405,178 while local movements rose 2.9% to 144,176.

7. Liberalisation of Air Transport

On November 2, 2018, a report *Liberalisation of Air Transport* was released by the International Transport Forum. It indicated that in the last three decades, air transport has made significant progress in liberating itself from some of this economic regulation. While liberalisation has brought many benefits to society, it has also raised some issues tied to fair competition, maintaining high labour standards and how to mitigate the environmental impact of this ever-growing industry. This overview provides insights and recommendations resulting from work carried out by the International Transport Forum's Working Group on the Liberalisation of Air Transport.

8. dnata doubles operations in Canada

GTA dnata, dnata's joint-venture company in Canada, significantly expands operations at Toronto Pearson International Airport with the start of a new, long-term partnership with Air Transat. Air Transat, Canada's leading holiday airline, operates approximately 140 weekly flights from Toronto during peak season. Starting from November, GTA dnata provides ground and passenger services to the airline, more than doubling the number of flights handled by its operations. To support the growth, GTA dnata has hired more than 200 additional staff to its team, which now consists of 450 customer-oriented aviation professionals.

9. WestJet signs strategic partnership agreement with ATCO

WestJet announced on November 5, 2018 that it has reached a multi-year agreement as the primary flight provider for ATCO and its employees beginning in early November 2018. As part of the partnership agreement, ATCOenergy will also become the official energy provider for WestJet's Calgary Campus and will power WestJet's new 787 Hangar scheduled to open in 2019.

10. Traffic Growth Slows in September

The International Air Transport Association (IATA) announced global

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22. Airlines land fines for mishandling U.S. mail, November 13, 2018, www.americanshipper.com
23. First Airspace Strategy for Poland Published, November 13, 2018, www.iata.org
24. U.S. Department of Transportation Announces Aviation Consumer Protection Advisory Committee and National In-Flight Sexual Misconduct Task Force, November 15, 2018, www.dot.gov
25. Government of Canada invests in jobs, new cargo facilities at the Halifax Stanfield International Airport, November 15, 2018, www.tc.gc.ca
26. Estimated October 2018 U.S. Airline Traffic Data, November 16, 2018, www.bts.gov
27. Discover Another Side of Europe With Air Canada 'Vacations' 2019 Europe Collection Now With Trips for Foodies and More, November 20, 2018, www.aircanada.ca
28. Cargo Airports Do Brisk Business, www.inboundlogistics.com
29. Cargojet Q3 revenues surge 28pc, November 20, 2018, www.transportweekly.com
30. One of two runways at Halifax airport remains closed after plane skids off it, November 19, 2018, www.ctl.ca
31. September 2018 U.S. Passenger Airline Employment Data, November 19, 2018, www.dot.gov
32. Quarterly civil aviation statistics, second quarter 2018, November 20, 2018, www.statcan.gc.ca
33. WestJet to launch seasonal, non-stop service to Dublin from Halifax, November 22, 2018, www.westjet.ca
34. Air Travel Consumer Report: September 2018 Numbers, November 21, 2018, www.dot.gov
35. European Commission welcomes agreement on safeguarding competition in aviation, November 21, 2018, www.europa.eu
36. Aviation security: European Union is strengthening measures on vetting of aviation personnel, November 21, 2018, www.europa.eu
37. Hong Kong airfreight volumes up 2.8pc in October, November 22, 2018, www.transportweekly.com
38. Antitrust: Commission opens investigation into airline ticket

passenger traffic results for September 2018 showing that demand (measured in revenue passenger kilometers, or RPKs) rose 5.5% compared to the same month in 2017. This was a slowdown from the 6.4% growth recorded in August year-over-year. Capacity climbed 5.8% and load factor slipped for the first time in eight months, down 0.3 percentage point compared to the year-earlier period, to 81.4%. IATA estimated that impacts from severe hurricane and typhoon activity in September 2018 shaved around 0.1-0.2 percentage point off expected growth. However, even after accounting for these impacts, monthly traffic demand was below the 6.7% year-to-date pace.

11. Mixed picture behind 2% Increase in September Air Freight Growth

The International Air Transport Association (IATA) released data for global air freight markets showing that demand, measured in freight tonne kilometers (FTKs), rose 2.0% in September 2018, compared to the same period the year before. This pace of growth was relatively unchanged from the previous month but was less than half the five-year average growth rate of 5.1%. Freight capacity, measured in available freight tonne kilometers (AFTKs), grew by 3.2% year-on-year in September 2018. This was the seventh month in a row that capacity growth outstripped demand. Yields, however, appear to be holding up.

12. Play in the Coolest Playground with Air Canada Vacations' New 2019 Canada Collection

Air Canada Vacations announced on November 6, 2018 the launch of its 2019 Canada Collection. Canada's rugged landscapes, cultural attractions and proximity make it a prime destination for travellers looking to enjoy the country's four distinct seasons. Inviting you to discover the Great White North, the refined collection features 91 vacation packages, which include flight and hotel accommodations, options for stays ranging from three to fifteen nights, and the ability to combine two or more regions.

13. IATA fears no-deal Brexit will bring chaos to UK-EU aviation market

The International Air Transport Association (IATA) has issued a stark warning that the airline industry should prepare for chaos if no trade agreement is struck in the coming weeks for the UK's exit from the European Union. In its report published on Brexit, IATA raised concerns over the impact a no-deal Brexit would have on airline landing rights in the UK, pilot licences and the trade of aircraft parts across borders. "There are loads of technical issues that are absolutely key to ensure efficient, smooth air traffic that are not solved and that should be solved," IATA chief executive officer Alexandre de Juniac said in a conference call, reported Bloomberg.

14. Cargo plane goes off runway on landing in Halifax, sending five crew to hospital

A 747 cargo plane went off the runway while landing on November 7, 2018 at Halifax Stanfield International Airport, leaving a trail of debris and sending five crew to hospital. Airport spokeswoman Theresa Rath Spicer said the SkyLease Cargo plane skidded off Runway 32 just after 5 a.m., though it wasn't clear what caused the accident. "This happened upon landing at 5:15 this morning," she said in an interview. She said the five crew on board Flight KKE 4854 were taken to hospital with what she believed to be minor injuries.

15. Air Canada starts building a large air cargo facility in Edmonton

Air Canada recently broke ground on a new facility that will house its ground support equipment service and cargo teams at Edmonton International Airport (YEG) a 4,645-square-metre facility being built by Terracap Group. The facility is to open in September 2019. Air Canada has signed a 15-year lease for the multi-tenant facility, representing an investment of C\$19 million (US\$14.4 million) by the airline over the term of the lease. Air Canada Cargo will occupy 1,858 square metres, while Air Canada's ground support team will occupy the remaining 2,787 square metres.

16. Aircraft movement statistics: Small airports, July 2018

Take-offs and landings at 126 Canadian airports without air traffic control towers reached 70,514 movements in July 2018. Ten airports accounted for 39.3% of the month's activity: Peterborough, Ontario (6,600 movements); Goose Bay, Newfoundland and Labrador (2,940); Trois-Rivières, Quebec (2,880); Sherbrooke, Quebec (2,673); Barrie-Orillia-Lake Simcoe Regional, Ontario (2,312); Red Lake, Ontario (2,228); Muskoka, Ontario (2,107); Drummondville, Quebec (2,102); Comox, British Columbia (2,012); and Dryden Regional, Ontario (1,884). Total aircraft movements for the 122 airports for which year-over-year comparisons were possible decreased 3.1%, from 72,271 in July 2017 to 70,059 in July 2018, as 64 airports reported fewer movements.

distribution services, November 23, 2018, www.europa.eu
39. WestJet named one of top three places to work in Alberta, November 26, 2018, www.westjet.ca
40. Air Canada Enters into Definitive Agreements to Acquire the Aeroplan loyalty program and for Co-branded Credit Card Partners, November 26, 2018, www.aircanada.ca
41. Porter Airlines sponsors Northern Lights Mentorship Program, November 26, 2018, www.flyporter.com
42. Air cargo demand rises, November 29, 2018, www.transportweekly.com

17. WestJet reports October load factor of 80.9 per cent

On November 8, 2018, WestJet announced October 2018 traffic results with a load factor of 80.9 per cent, a decrease of 0.8 percentage points year over year. Revenue passenger miles (RPMs), or traffic, increased 7.4 per cent year over year to 2.105 billion, while capacity, measured in available seat miles (ASMs), grew 8.5 per cent to 2.602 billion over the same period. WestJet welcomed an additional 86,000 guests in October 2018, a year over year increase of 4.4 per cent. Year to date traffic growth continues to outpace capacity additions. Ed Sims, WestJet President & CEO said "Our year over year traffic growth remains strong as we welcomed a record 2.1 million guests into our network in October. As we move into the busy winter season, I want to thank every individual WestJetter for continuing to provide our guests with an award-winning service experience." Year-over-year, load factor, RPM and ASM increased 0.4 points, 7.2% and 6.6%, respectively.

18. Drones in the Transport System: Acceptability and Integration

The ITF Working Group "Drones in the Transport System of the Future" will examine how drones can become an accepted and integral part of a future transport system. Unmanned aerial vehicles present new opportunities for civil, commercial or leisure uses, and surveys indicate public support for them. Concerns about privacy, the environment, safety and security also exist, however. To maximise benefits and minimise risks, existing rules will need to be reviewed and new rules set. Current regulation of drones is often restrictive, thus hampering new developments. In other cases it is lagging behind technological advances, causing reluctance among potential adopters. To smoothly integrate drones into the overall transport system and ensure citizens' acceptance, governments must have good visibility of the rapidly developing concepts for drone designs and drone services. To inform policy decisions, the Working Group will consider the use of drones for both freight and passenger transport, with small and large payloads. It will also address their potential to improve the transport system in support roles for logistics, monitoring, maintenance or emergency services.

19. "Spirit of Change" Needed from Governments to Improve European Competitiveness

The International Air Transport Association (IATA) called for a spirit of change from governments to capture the social and economic benefits of air connectivity, by enabling a more competitive air transport sector. Today 8.5 million flights touch Europe each year. That activity supports 12.2 million jobs and \$823 billion of European GDP. Those benefits have the potential to increase with the expected 50% growth in demand for air connectivity over the next two decades. To fully realize this potential Europe must address deep-rooted issues which hamper the competitiveness of Europe's aviation sector. Chief among the concerns are the onerous regulation, high taxes, inefficient air traffic management, and a lack of sufficient infrastructure capacity.

20. Air Cargo Forward Curve 12th November 2018

The air freight peak season is in full swing and about to get even busier with all the big e-commerce events taking place this month, including Singles' Day, Black Friday, and Cyber Monday. Sources say online global retail sales are expected to exceed \$4.8 trillion by 2021 and e-commerce is the fastest-growing sector driving global air freight volumes. It's revolutionary time in the air cargo market. The Europe-China air cargo forward curve shows that the rate per kilogram will peak in mid December 2018 before falling until May 2019 and then rising again.

21. WestJet again named Best Low-Cost Airline in North America

WestJet on November 13, 2018 announced that it has been recognized as the Best Low-Cost Airline – The Americas for 2018 for the second year in a row by www.airlineratings.com. The website attracts more than 25 million visitors who rate more than 425 airlines around the globe on an annual basis. Ed Sims, WestJet President and CEO said "We are pleased and honoured to again be named Best Low-Cost Airline – The Americas."

22. Airlines land fines for mishandling U.S. mail

The US Justice Department said British Airways and Iberia Airlines have agreed to pay \$5.8 million for falsely reporting the times they transferred possession of U.S. mail to foreign postal operators under contract with the U.S. Postal Service. The U.S. Postal Service contracted with British Airways and Iberia to take possession of mail receptacles at six locations across the country, or at various Defense and State department locations overseas, and then deliver that mail to numerous international and domestic destinations. To obtain payment under the contracts, the airlines were required to submit electronic scans of the mail receptacles to the U.S. Postal Service reporting the time the mail was delivered at the specified destinations. It was alleged by the U.S. government that the scans submitted by the two airlines falsely reported the time the airlines transferred possession of the mail, a violation of the *False Claims Act*.

23. First Airspace Strategy for Poland Published

PANSA (the Polish Air Navigation Service Provider) and the International Air Transport Association (IATA) announced the publication of the first edition of an Airspace Strategy for Poland (ASP). The demand for

aviation in Poland is expected to double in the next two decades, generating an estimated 1.5 million flights per year. Over a similar period, passenger volumes at Polish airports could grow to as many as 68 million passengers a year.

24. U.S. Department of Transportation Announces Aviation Consumer Protection Advisory Committee and National In-Flight Sexual Misconduct Task Force

U.S. Department of Transportation (DOT) Secretary Elaine L. Chao on November 15, 2018 announced that she has reconstituted the Aviation Consumer Protection Advisory Committee (ACPAC or Committee) and established the National In-Flight Sexual Misconduct Task Force (Task Force) as an ACPAC Subcommittee. The ACPAC will evaluate current aviation consumer protection programs and provide recommendations to the Secretary for improving them, as well as recommend any additional consumer protections that may be needed. The Committee's charter is available online at their website.

25. Government of Canada invests in jobs, new cargo facilities at the Halifax Stanfield International Airport

The Honourable Marc Garneau, Minister of Transport, on November 15, 2018 announced an investment for the construction of an Air Cargo Logistics Park at the Halifax Stanfield International Airport. This project involves developing new cargo facilities at the airport and new buildings for cargo handling. The new Logistics Park will have easy access to the regional highway system, Burnside Business Park in Halifax, and cargo facilities throughout the Atlantic Region. This \$23 million investment-- \$18 million from the Government of Canada and \$5 million from the Government of Nova Scotia-- will increase the export of goods from Atlantic Canada by improving efficiency and reducing bottlenecks in the air cargo logistics chain; enhance overall cargo capacity with a continued focus on exporting fresh Nova Scotia seafood to flourishing and growing markets in China and the European Union. It also supports Canada's trade diversification strategy which is all about securing better trade deals and providing support to innovative, ambitious and hard-working Canadian entrepreneurs so they can achieve success here and in all corners of the world. This project is expected to have significant economic and employment benefits by creating an estimated 643 jobs during construction, as well as more than 3,000 jobs in the first year of operation.

26. Estimated October 2018 U.S. Airline Traffic Data

U.S. airlines carried an estimated 75.3 million systemwide (domestic and international) scheduled service passengers, seasonally-adjusted, in October 2018, up 0.1 percent from the September 2018 estimate, according to a Bureau of Transportation Statistics' (BTS) first estimate. Estimated systemwide load factor (84.4) was estimated down 0.5 points from the all-time seasonally-adjusted high (84.9) reported in July 2018. Estimated domestic load factor (85.4) was estimated down 0.5 points from the all-time seasonally-adjusted high (85.9) reported in July 2018. Estimated international load factor (81.7) was estimated down 1.4 points from the all-time seasonally adjusted high (83.1) reached in March 2013.

27. Discover Another Side of Europe With Air Canada Vacations' 2019 Europe Collection Now With Trips for Foodies and More

Air Canada Vacations on November 20, 2018 unveiled its 2019 Europe Collection, which now adds vacations in Switzerland to the 153 vacation packages and 500 cruises being offered. Aspiring travellers may find their next European bucket list items from the collection of guided tours, flight and hotel packages, restaurant tips, activities and other local gems. "With this collection we partnered with local experts, searched high and low for authentic travel moments and provided numerous inclusions so that we can go beyond packaged vacations to offer effortless travel that lets our customers experience the European way of life," said Nino Montagnese, Managing Director at Air Canada Vacations. "We're also thrilled to partner with Ferreira Group who will share their delicious Portuguese culinary expertise with our customers, inspiring them to experience what we're calling a vacation for the taste buds."

28. Cargojet Q3 revenues surge 28pc

Canada's aircraft lessor Cargojet said 2018 third-quarter revenues increased by 27.6 per cent year on year to CAD114.1 million (US\$86.1 million), adjusted ebitda was up 24 per cent to CAD31.5 million and net earnings stood at CAD4.7 million, down 16.1 per cent on a year earlier. The company said the increase in total revenues was due primarily to a CAD8.3 million increase in core overnight revenues, a CAD5.6 million increase in all-in charter revenues and a CAD9.3 million increase in fuel surcharges on the back of higher volumes and other cost pass-through revenues.

29. Cargo Airports Do Brisk Business

Cargo airports were bustling in 2017, according to the Airport Council International's finalized list of the world's top 20 busiest cargo airports in 2017. The article lists the twenty busiest airport hubs in the world. Total cargo volumes handled (loaded and unloaded freight and mail) increased by 7.8 percent from the

previous year, to 50.6 million metric tons. Airports in the Asia-Pacific region continued to handle the highest volumes of cargo, while Africa's airports saw the highest rate of growth from the previous year: 1) Asia-Pacific: 47 million metric tons (increased 3 percent); 2) North America: 33 million metric tons (increased 1 percent); 3) Europe: 22 million metric tons (increased 6 percent); 4) Middle East: 3 million metric tons (increased 5.9 percent); 5) Latin America-Caribbean: 4 million metric tons (increased 4.7 percent); 6) Africa: 2 million metric tons (increased 9.2 percent).

30. One of two runways at Halifax airport remains closed after plane skids off it

Halifax's international airport may not regain full use of both its runways until the end of November 2018, after an overshoot that left a cargo plane mangled. Airport spokeswoman Theresa Rath Spicer said on November 19, 2018 that the secondary runway has been closed since Nov. 7, 2018 when a Boeing 747 overshoot the runway and came close to breaching the airport's fence. Rath Spicer said part of the plane was removed over the weekend, and the dismantling of the huge aircraft should be complete November 20, 2018.

31. September 2018 U.S. Passenger Airline Employment Data

U.S. scheduled passenger airlines employed 2.7 percent more workers in September 2018 than in September 2017. More specifically: 1) September's 440,460 full-time equivalents (FTE) was the second highest monthly employment total since August 2004 (443,412 FTEs) exceeded only by July 2018 (443,475); and 2) September was the 59th consecutive month that U.S. scheduled passenger airline FTEs exceeded the same month of the previous year.

32. Quarterly civil aviation statistics, second quarter 2018

The number of 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 second quarter of 2018 for the 25 largest Canadian air carriers increased 8.4% from the second quarter of 2017 to \$6.3 billion in the second quarter. Total operating expenses grew 14.8% to \$6.1 billion, mainly driven by higher fuel prices year over year and by the increase in capacity. Net operating income fell 56.3% to \$226.4 million in the 2018 second quarter. This amount, combined with a net non-operating loss of \$296.5 million, produced a net loss of \$70.1 million. This marked the second consecutive net loss following four quarters of profits.

33. WestJet to launch seasonal, non-stop service to Dublin from Halifax

WestJet on November 22, 2018 announced that it is adding to its growing Atlantic gateway from Halifax with the addition of daily non-stop service to Dublin, Ireland starting on April 29, 2019 through October 25, 2019. Tim Croyle, WestJet Executive Vice-President Commercial said "WestJet continues to invest in Halifax with the addition of flights to Dublin on our efficient and guest-friendly Boeing 737-MAX this summer. We are proud to be the carrier with the most transatlantic flights from YHZ to destinations like Dublin, Paris, London and Glasgow while being a strong driver of economic and employment growth in the region."

34. Air Travel Consumer Report: September 2018 Numbers

The U.S. Department of Transportation (DOT) on November 21, 2018 released its November 2018 Air Travel Consumer Report (ATCR) on marketing and reporting air carrier data compiled for the month of September 2018. The data on a few aviation consumer matters are indicated. *On-Time Performance:* In September 2018, marketing carriers posted an on-time arrival rate of 81.9 percent, up from the 75.2 percent on-time rate in August 2018. On-time numbers for marketing carriers were not reported in previous years. *Tarmac Delays:* In September 2018, airlines reported 11 tarmac delays of more than three hours on domestic flights, compared to 42 such tarmac delays reported in August 2018 and eight tarmac delays reported in September 2017. *Mishandled Baggage:* In September 2018, the reporting carriers posted a mishandled baggage rate of 2.44 reports per 1,000 passengers, a lower rate than 3.08 in August 2018, but up from September 2017's rate of 1.99. *Complaints About Airline Service:* In September 2018, DOT received 1,309 complaints about airline service from consumers, down 16.9 percent from the total of 1,575 filed in September 2017 and down 24.1 percent from the 1,725 received in August 2018. The full consumer report and other aviation consumer matters of interest to the public can be found at <http://www.transportation.gov/airconsumer>.

35. European Commission welcomes agreement on safeguarding competition in aviation

On November 21, 2018, the European Parliament and Council reached a provisional political agreement on new EU rules to safeguard competition in aviation. This regulation will ensure that Europe remains a leader in international aviation, well connected to fast-growing markets. This is a concrete sign of a Europe that protects and that will take action whenever other non-EU carriers will benefit of practices that will put Europe's interest and connectivity at risk. With its "Aviation Strategy for Europe" from December 2015, the Commission underlined the importance of this proposal that it has delivered. Violeta Bulc, European Commissioner for Transport, said: "The agreement on safeguarding competition in aviation ensures that aviation can continue to drive mobility, growth and job creation in the EU."

36. Aviation security: European Union is strengthening measures on vetting of aviation personnel

On November 21, 2018, the European Member States expressed their positive opinion on the Commission's draft aviation security package. The proposal includes a revision on background checks for aviation personnel which is an essential step to address so-called "insider threats" – a priority point in the global agenda on aviation security of ICAO and of the European Union. Additionally, the proposal will ensure aviation security rules remain adequate and up to date with the current threat and risk picture and with evolving technological solutions.

37. Hong Kong airfreight volumes up 2.8pc in October

Hong Kong International Airport (HKIA) handled 451,000 tonnes of cargo and airmail in October, a 2.8 per cent rise over the same month in 2017, according to *Shipping Gazette*. HKIA reported a 7 per cent year-on-year rise in transshipments, which continued to be the main driver for cargo growth. Among key trading regions, traffic to and from North America and Southeast Asia posted the most significant increases for the month. Over the first 10 months of the year, HKIA handled 4.2 million tonnes of cargo and airmail, representing a year-on-year increase of 2.6 per cent.

38. Antitrust: Commission opens investigation into airline ticket distribution services

The European Commission has opened a formal investigation to assess whether agreements between booking system providers Amadeus and Sabre on the one hand, and airlines and travel agents on the other, may restrict competition in breach of EU antitrust rules. Commissioner Margrethe **Vestager**, in charge of competition policy said: "The liberalisation of the EU aviation market more than 25 years ago has brought significant benefits to EU citizens, including more choice and lower ticket prices. Our investigation into Amadeus and Sabre focuses on possible restrictions in competition in the market for airline ticket distribution services. We are concerned that such restrictions could create barriers to innovation and raise ticket distribution costs, ultimately raising ticket prices for travellers."

39. WestJet named one of top three places to work in Alberta

WestJet on November 26, 2018 announced that it has been recognized as one of Alberta's top-three workplaces in Alberta by Indeed, based on the site's hundreds of thousands of company reviews on Indeed company pages. Mark Porter, WestJet Executive Vice President, People and Culture said "Our passionate, caring attitude for each other, our guests and our business are what binds more than 13,000 WestJet employees together as a team. We are proud to be recognized as one of the top three places to work in Alberta. As we continue to invest in Alberta as our home and international aviation hub, we look forward to growing our team both here and across the network."

40. Air Canada Enters into Definitive Agreements to Acquire the Aeroplan loyalty program and for Co-branded Credit Card Partners

Air Canada on November 26, 2018 provided the following updates on Air Canada's acquisition of Aimia Inc.'s Aeroplan loyalty business and significant developments for its new loyalty program launching in 2020. The three major aspects of the updates were: 1) Air Canada entered into a definitive share purchase agreement with Aimia Inc. to acquire the Aeroplan loyalty business; 2) Air Canada, TD, CIBC and Visa concluded credit card loyalty program and network agreements for future participation in Air Canada's new loyalty program; and 3) Agreement provided continuity for Aeroplan members to earn and redeem miles with confidence.

41. Porter Airlines sponsors Northern Lights Mentorship Program

Porter Airlines is sponsoring a new mentorship program with The Northern Lights Aero Foundation to attract and retain more women in aviation and aerospace. The Northern Lights Mentorship Program is designed to connect aspiring and experienced aviation professionals. Participants will broaden their professional networks, receive practical advice and form a support network to help guide them through their career. Mentors, both male and female, will motivate and inspire women to pursue opportunities in aviation and aerospace while enhancing their leadership and communication skills.

42. Air cargo demand rises

Asian Airlines have enjoyed the highest level of cargo volumes in October 2018 as the peak season gets under way, according to *Shipping Gazette*. Cathay Pacific has posted a 5.4 per cent year-on-year increase in cargo traffic during the month to 1.1 billion revenue tonne kms. It was the busiest October on Air Cargo News' records (beginning 2011) and the busiest month of the year so far for the Hong Kong carrier. The increase comes as retailers looked to transport stock ahead of Black Friday, Cyber Monday and Christmas. There has been some suggestion that shippers are also looking to move stock ahead of the US/China tariff increases set for January 1, 2019.

WATER TRANSPORTATION

1. Proposed Oceans Protection Plan legislative changes

On October 30, 2018, the Government proposed legislative changes to the Oceans Protection Plan. These proposed changes, aimed at supporting safe and environmentally responsible shipping, are a key element of the Oceans Protection Plan. The Government has been clear that the environment and the economy go hand in hand, and this is further demonstration of that commitment. Two inter-related pieces of legislation would be amended: the *Canada Shipping Act, 2001*; and the *Marine Liability Act*. Part 1 amends the Canada Shipping Act, 2001 to strengthen marine environmental protection and response. Part 2 amends the Marine Liability Act to modernize Canada's Ship-Source Oil Pollution Fund.

2. Government of Canada introduces Oceans Protection Plan legislative changes

The Minister of Transport, the Honourable Marc Garneau, and the Minister of Fisheries, Oceans and the Canadian Coast Guard, the Honourable Jonathan Wilkinson, are pleased to support the introduction of proposed legislative changes under the Oceans Protection Plan. If passed, these amendments would improve marine safety and environmental protection by: 1) modernizing Canada's Ship-Source Oil Pollution Fund, including unlimited compensation for victims and responders in the event of an oil spill from a ship; 2) strengthening the legal authority to regulate marine vessels in order to protect the marine environment, including for example to protect endangered whale populations; 3) authorizing the Minister of Transport to issue interim orders to allow for immediate actions to be taken to address a pressing risk to marine safety or to the marine environment; 4) enabling more proactive, rapid, and effective response to oil spills in Canada's waters, while maintaining the polluter pays principle; and 5) supporting research and innovation to enhance marine safety and environmental protection. These proposed changes are a key element of the \$1.5 billion Oceans Protection Plan, the largest investment ever made to protect Canada's coasts and waterways.

3. Top Europe ports tracking growth despite slowing Asian trade

The volume increases at the ports of Rotterdam and Antwerp come despite a steady decline in container imports from Asia that can be seen in the latest data from Container Trades Statistics.

4. Cosco Shipping Ports profits soar 33.5pc

Cosco Shipping Ports, a front-running world port operator, posted a 33.5 per cent increase in the 2018 third quarter net profit of US\$75.8 million, drawn on revenues of \$253 million, which increased 62.6 per cent year on year, according to *Shipping Gazette*. In the first nine months, the company, formerly known as Cosco Pacific, posted a 46.6 per cent year-to-date a profit increase of \$244.1 million, drawn on revenues of \$748.4 million, a year-on-year increase of 73.5 per cent. "As the last quarter is a low season for port operators. Growth in throughput volume should see a slowdown," said the company outlook.

5. Seaspan Q3 profit up 66.6pc

Hong Kong based but Vancouver headquartered non-operating shipowners and charterer Seaspan has posted a 66.6 per cent third quarter net profit increase to US\$80 million, drawn on revenues of \$295 million, which increased 39.8 per cent year on year, according

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1. Proposed Oceans Protection Plan legislative changes, October 30, 2018, www.tc.gc.ca
2. Government of Canada introduces Oceans Protection Plan legislative changes, October 30, 2018, www.tc.gc.ca
3. Top Europe ports tracking growth despite slowing Asian trade, October 30, 2018, www.joc.com
4. Cosco Shipping Ports profits soar 33.5pc, October 31, 2018, www.transportweekly.com
5. Seaspan Q3 profit up 66.6pc, November 1, 2018, www.transportweekly.com
6. Port Everglades celebrates historic cargo record, November 1, 2018, www.ajot.com
7. The Impact of Alliances in Container Shipping, November 2, 2018, www.itf-oeecd.org
8. ITF: Eye ending liner shipping competition protection, November 2, 2018, www.americanshipper.com
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10. Government putting Ridley Terminals Inc. in Prince Rupert, B.C., up for sale, November 5, 2018, www.ctl.ca
11. New Brighton Park Shoreline Habitat Restoration Project receives highest achievement of environmental project leadership, November 6, 2018, www.portmetrovancover.com
12. The Government of Canada invests in transportation infrastructure improvements at the Port of Prince Rupert to help move Canadian goods to market, November 7, 2018, www.tc.gc.ca
13. Port of Prince Rupert Receives \$21.9 Million Federal Government Investment in Transportation Infrastructure to Support Gateway Growth, November 7, 2018, www.rupertport.com
14. Possibilities abound for container transshipment cooperation led by China, November 8, 2018, www.transportweekly.com
15. World Container Index - November 8, 2018, www.ajot.com
16. SC Ports achieves record container volume in October, November 9, 2018, www.ajot.com
17. Freight rates continue to rise, November 9, 2018, www.americanshipper.com
18. Rotterdam up 6pc to 10,780,204 TEU, imports up 10pc, exports off 8pc, November 12, 2018, www.transportweekly.com
19. \$18M for Port of Hamilton expansion, November 13, 2018, www.ctl.ca
20. Port authority supports federal government's additional measures to protect southern resident killer whales, November 13, 2018, www.portmetrovancover.com
21. October cargo strong in Long Beach, November 13, 2018, www.ajot.com
22. South Carolina Ports Authority posts biggest box volume ever in October, November 14, 2018, www.transportweekly.com
23. Trade policy could hurt some U.S. ports,

to the *Shipping Gazette*. Seaspan's first nine months profits increased 84 per cent to \$215.7 million, drawn on revenues of \$801 million which increased 29.9 per cent year on year. Seaspan president and CEO Bing Chen said "I am pleased with our record in the third quarter, and the strategic milestones we have achieved so far this year."

6. Port Everglades celebrates historic cargo record

Port Everglades reached a record high in containerized cargo this past fiscal year with 1,108,465 TEUs (20-foot equivalent units, the industry's standard container measurement) moving through the Port. Though the numbers are preliminary, this is a 3 percent year-over-year increase and the fifth year that Port Everglades exceeded one-million TEUs. (Note: fiscal years run from October 1 through September 30.) "We've enjoyed a robust growth period and are moving forward with significant investments to maximize the use of our land, cranes and berth space," said Port Everglades Chief Executive & Port Director Steve Cernak.

7. The Impact of Alliances in Container Shipping

On November 2, 2018, a report *The Impact of Alliances in Container Shipping* was released by the International Transport Forum. This report assesses the impact of alliances on the maritime transport chain and its main stakeholders. Alliances have become a dominant feature of container shipping, with around 95% of the major East-West container trades covered by carriers that form part of three global alliances. The report discusses the impacts on competition and asks whether alliances bring benefits, and for whom. Finally, it presents policy options for governments based on the findings. Overall, it suggests: 1) Adopting a presumption toward repeal of shipping-specific block exemptions from competition law; 2) Improving project appraisal for port and hinterland infrastructure and adopt common principles for port pricing; and 3) Establishing more coherent ports policies to clarify roles and reduce risk of creating over-capacity.

8. ITF: Eye ending liner shipping competition protection

The International Transport Forum (ITF), which is part of the Organization of for Economic Cooperation and Development (OECD), says the "European Commission should carefully consider allowing the EU Consortia Block Exemption Regulation to expire in April 2020, as currently scheduled, rather than extending it." In a 127-page report issued on November 2, 2018, ITF says, "Liner shipping does not have unique characteristics that justify exemptions from competition law, either for conferences or for alliances. In line with the global long-term trend to dismantle sector-specific exemptions from competition law and in line with OECD regulatory principles, generic antitrust rules should apply to all agreements between liner shipping companies, as for any other industry, with regard to the cooperation that is allowed. Countries where 'conferences' are still allowed should reconsider their position." The 2M, Ocean and THE alliances that the eight largest container carriers have grouped themselves into "have become a dominant feature of container shipping" and "represent around 80 percent of overall container trade and operate around 95 percent of the total ship capacity on east-west trade lanes, where the major containerized flows occur," ITF says.

9. Long Beach port invests in electric terminal tractor to reduce air pollution

November 12, 2018, www.americanshipper.com

24. Transport Canada lifts mandatory speed restriction in the Gulf of St. Lawrence, November 15, 2018, www.tc.gc.ca

25. Algoma Central buys product tanker for domestic fleet, November 15, 2018, www.ctl.ca

26. Vancouver Fraser Port Authority renders decision on Fraser Grain Terminal Grain Export Facility project application, November 15, 2018, www.portmetrovancover.com

27. Virginia box throughput reaches record, November 16, 2018, www.transportweekly.com

28. Hyundai posts Q3 loss despite increased volumes, November 15, 2018, www.americanshipper.com

29. Ocean carriers 'paving the way' for digital standards, November 15, 2018, www.americanshipper.com

30. Oakland reports busiest peak season ever for imports, November 16, 2018, www.americanshipper.com

31. Regulatory pressure on container lines builds, November 16, 2018, www.joc.com

32. October was second busiest month on St. Lawrence Seaway, November 19, 2018, www.ctl.ca

33. Evergreen has \$25 million profit in third quarter, November 19, 2018, www.americanshipper.com

34. ONE expanding Asia-South America service, November 19, 2018, www.americanshipper.com

35. Singapore box volumes surge 6.5pc to 3.2m TEU in October, November 20, 2018, www.transportweekly.com

36. Hapag-Lloyd's merger with UASC sees surge in profits and box volumes, November 20, 2018, November 20, 2018, www.transportweekly.com

37. NIT League supports World Shipping Council petition, November 21, 2018, www.americanshipper.com

38. Larger containerships create domino effect on trades, November 21, 2018, www.americanshipper.com

39. European ports welcome EP Transport Committee vote result on CEF II, November 23, 2018, www.transportweekly.com

40. ALMC: Hong Kong a key trading and logistics hub, November 24, 2018, www.ctl.ca

41. Port of Corpus Christi secures another \$59 million, November 26, 2018, www.americanshipper.com

42. Vancouver port approves new Fraser Grain Terminal, November 26, 2018, www.ctl.ca

43. Hamburg container volumes down 1.3pc in first 9 months to 4.1 million TEU, November 27, 2018, www.transportweekly.com

44. U.S. Ports, Seaway Report Positive October on Great Lakes, November 26, 2018, www.inboundlogistics.com

45. 2018 trade grows, but slows, November 27, 2018, www.transportweekly.com

46. Hong Kong and S'pore port operators sign on to blockchain systems, November 28, 2018,

Kalmar, part of Cargotec, has signed a contract to supply a fully electric Ottawa T2e electric terminal tractors to Long Beach Container Terminal (LBCT) for a six-month demonstration period, with delivery slated for the first quarter of 2019, according to *Shipping Gazette*. The Long Beach terminal already relies on a wide variety of this supplier's equipment to handle container traffic, including rubber-tyre gantry (RTG) cranes and other conventional terminal tractors.

www.transportweekly.com

47. Ship costs up 1.1pc in '18, November 28, 2018, www.transportweekly.com

48. Record iron ore shipments from Canadian Arctic to Europe-Asia, November 28, 2018, www.ajot.com

49. End-to-end logistics pursuit holds risks for major container lines, November 28, 2018, www.joc.com

10. Government putting Ridley Terminals Inc. in Prince Rupert, B.C., up for sale

The Canadian government is looking to sell a 90 per cent stake in Ridley Terminals Inc., a federal Crown corporation. The remaining 10 per cent stake will be transferred to the Lax Kw'alaams Band and the Metlakatla First Nation at the close of the sale. Ridley Terminals operates on Ridley Island in Prince Rupert, B.C. It transfers bulk commodities such as coal and petroleum coke from rail cars to ocean-going vessels. Canada Development Investment Corp. says the sale will be conducted in an open and competitive basis.

11. New Brighton Park Shoreline Habitat Restoration Project receives highest achievement of environmental project leadership

The Vancouver Fraser Port Authority announced on November 6, 2018 that the New Brighton Park Shoreline Habitat Restoration Project has received a gold rating under the Stewardship Centre for B.C.'s Green Shores® for Coastal Development program. The New Brighton Park Shoreline Habitat Restoration Project is a collaboration between the Vancouver Fraser Port Authority, the Vancouver Board of Parks and Recreation, and Musqueam, Squamish and Tsleil-Waututh Nations. The project enhances fish and wildlife habitat in Burrard Inlet and increases public access to nature. Since project construction was completed in September 2017, juvenile salmon have been observed using the tidal wetland as a stopover on their way through Burrard Inlet.

12. The Government of Canada invests in transportation infrastructure improvements at the Port of Prince Rupert to help move Canadian goods to market

On November 7, 2018, Terry Beech, Parliamentary Secretary to the Minister of Transport and Member of Parliament for Burnaby North—Seymour, on behalf of the Honourable Marc Garneau, Minister of Transport, announced a major investment of \$21.9 million for three projects at the Port of Prince Rupert that will help local businesses compete by strengthening the Prince Rupert gateway and by making investments in port infrastructure that will support future increases in Canadian trade through the Port.

13. Port of Prince Rupert Receives \$21.9 Million Federal Government Investment in Transportation Infrastructure to Support Gateway Growth

The Port of Prince Rupert announced on November 7, 2018 that it is the recipient of \$21.9 million in funding from the Government of Canada to support three separate projects that will enable transportation infrastructure and gateway growth. The first investment of \$15 million for an Asia-Pacific Gateway Initiative towards the \$100 million project will see the construction of the Fairview-Ridley Connector. The second investment of \$3.7 million is dedicated to the engineering and design for future expansion of the Port's Road Rail Utility Corridor (RRUC). The third investment of \$3.2 million supports the engineering and design of CN's mainline entry and exit to and from the Gateway, focusing particularly on the Zanardi Bridge and related bridge accesses.

14. Possibilities abound for container transshipment cooperation led by China

China and India could benefit greatly through port cooperation and allowing more of a free market to prevail in international shipping, according to a commentary by Harry Valentine published by Fort Lauderdale's Maritime Executive. There is potential for future international cooperation in container transshipment between the transshipment ports of Vizhinjam in India and Colombo in Sri Lanka that combined offer the region space to berth fleets of ships at quayside with combined container storage capacity to undertake major transfers of containers. Mega-ships would likely call at both ports on the same outbound and inbound overseas voyages. The main benefit of cooperation is to lower per container transportation costs, said Mr Valentine.

15. World Container Index - November 8

The World Container Index assessed by Drewry, a composite of container freight rates on 8 major routes to/from the US, Europe and Asia is up by 6.2% to \$1,798.71 per 40ft container (updated Thursday, 08 November 2018).

16. SC Ports achieves record container volume in October

South Carolina Ports Authority (SCPA) announced the highest monthly container volume in its history, with 217,035 twenty-foot equivalent container units (TEUs) handled in October 2018. Last month's record-breaking volumes marked an 18.7 percent year-over-year increase in container volume growth.

17. Freight rates continue to rise

The latest [Freightos Baltic Index](#) (FBX) pegged the average spot rate globally of moving a 40-foot dry container at the beginning of this week at \$1,657, up 3 percent from the prior week and up 33 percent from the same time period last year. Freightos says the prices it uses in the index are "rolling, short term freight all kind spot tariffs and related surcharges between carriers, freight forwarders and high volume shippers." Both ocean and air freight rates continue to rise.

18. Rotterdam up 6pc to 10,780,204 TEU, imports up 10pc, exports off 8pc

The Port of Rotterdam increased year-to-date container throughput 5.7 per cent year on year to 10,780,204 TEU for the first nine months of 2018, with the biggest and record-setting increase posted in the first seven months of the year, according to *Shipping Gazette*. "I am happy to see that the healthy growth in the container segment - one of the port authority's spearheads - shows no signs of slowing down," said Port of Rotterdam CEO Allard Castelein. Along the Asia-Europe trade lane, the volume of incoming laden containers rose 10 per cent, while outbound volumes decreased 7.6 per cent, said the port authority. North American volumes increased almost 10 per cent, and handling for the South American lane even rose by more than 20 per cent.

19. \$18M for Port of Hamilton expansion

The Government of Canada announced an investment of \$17.7 million to expand and diversify the Port of Hamilton's capacity, and to increase its multi-modal transportation options. A new dock wall will be built at the Port's busiest pier, and rail infrastructure will be upgraded to increase capacity and allow more rail providers access to the port. Roadways will be improved so trucks can access a new container positioning depot. Storage capacity will be increased with a new warehouse for multi-user bulk storage, and cargo laydown areas will be graded and paved.

20. Port authority supports federal government's additional measures to protect southern resident killer whales

The Vancouver Fraser Port Authority welcomes additional measures recently announced by government to broaden and strengthen the protection of the southern resident killer whale population. The announcement was made by Minister of Fisheries, Oceans and the Canadian Coast Guard, Jonathan Wilkinson, Parliamentary Secretary to the Minister of Environment and Climate Change, Sean Fraser, Minister of Transport, Marc Garneau. The continued focus by the Government of Canada is an important step towards the protection and recovery of this endangered species, and supports the collaborative research and management initiatives of the port authority-led Enhancing Cetacean Habitat and Observation (ECHO) Program.

21. October cargo strong in Long Beach

For the second consecutive year, the Port of Long Beach has broken its October record for cargo, as volumes rose 5.4 percent compared to the same month in 2017. October 2018 was also the third-busiest month in the Port's 107-year history. Marine terminals handled 705,408 twenty-foot equivalent units (TEUs) of container cargo in October 2018. Inbound containers increased 7.4 percent, to 364,084 TEUs. Export TEUs totaled 119,837 TEUs, a 5 percent decline. Empty containers shipped overseas grew 8.5 percent, to 221,487 TEUs. Port of Long Beach Executive Director Mario Cordero said the results illustrate the evolving effects of the U.S.-China trade war.

22. South Carolina Ports Authority posts biggest box volume ever in October

The South Carolina Ports Authority (SCPA) has announced the highest monthly container volume in its history, with 217,035 TEU handled in October 2018. Last month's record-breaking volumes marked an 18.7 per cent year-on-year increase in container volume growth. October 2018 container traffic surpassed the port's previous record of 206,541 TEU handled in August 2018. SCPA's fiscal year container volumes are up 10.3 per cent compared to the same period last year, with 797,396 TEU moved since July 1, 2018.

23. Trade policy could hurt some U.S. ports

The bond rating firm Fitch says, "International tariffs and changes to trade policy may have an adverse effect on some U.S. ports. Facilities with exposure to steel and aluminum trade will likely see the earliest impact." In a report issued this week, Fitch says, "Demand for infrastructure investment remains strong. Infrastructure as an asset class remains resilient, but is not free from risk. In the transportation space, Fitch Ratings' median rating between 2007 and 2017, which included the effects of the global financial crisis and

the subsequent recovery, remained largely stable, with airports and seaports remaining at ‘A’ and toll road projects moving up a notch to ‘BBB+.’” The report did not discuss specific ports in depth. While it says, “Port cargo traffic growth is expected to keep pace with a growing U.S. economy,” Fitch also points to a number of longer-term trends that could affect ports in the future.

24. Transport Canada lifts mandatory speed restriction in the Gulf of St. Lawrence

On April 28, 2018, Transport Canada implemented a speed restriction for vessels 20 metres or more to a maximum of 10 knots in the western Gulf of St. Lawrence. Ships were allowed to travel at normal speeds in parts of two shipping lanes north and south of Anticosti Island if no whales were spotted in the area. On November 15, 2018, the Honourable Marc Garneau, Minister of Transport, announced the lifting of the mandatory speed restriction for vessels in the Gulf of St. Lawrence to ensure ships can operate safely in winter months. Transport Canada is not aware of any North Atlantic right whale deaths from vessel strikes this year and will ask vessels to voluntarily slow down should a whale be spotted in or near the shipping lanes. The Minister thanked the many vessel operators and captains who complied with the mandatory speed restriction this season.

25. Algoma Central buys product tanker for domestic fleet

Algoma Central Corporation announced the purchase of a 2008 built product tanker which will become the seventh tanker within the Algoma Tankers Limited fleet. The purchase demonstrates Algoma’s commitment to continuing to safely and efficiently ship petroleum products on the Great Lakes – St. Lawrence Seaway and East Coast. Ken Soerensen, President and CEO of Algoma said “We are extremely pleased to add a vessel to our Algoma Tankers Limited fleet as customer demand continues to strengthen in this segment.”

26. Vancouver Fraser Port Authority renders decision on Fraser Grain Terminal Grain Export Facility project application

The Vancouver Fraser Port Authority has approved a permit application from Fraser Grain Terminal to develop a grain export facility in Surrey on federal lands managed by the Vancouver Fraser Port Authority. The approval is subject to 64 permit conditions that must be met to ensure the project is constructed safely, protects the environment, and considers the impacts on local communities. The decision was made after a thorough, robust and transparent project and environmental review of the application. This included consultation with Aboriginal groups, the community and other stakeholders on the impacts of construction activities at the project site, such as noise, dust, and lighting, as well as proposed mitigations. All studies and materials related to the review are posted to our website.

27. Virginia box throughput reaches record

The US port of Virginia handled a record 270,538 TEU in October 2018, representing a year-on-year increase of 1.9 per cent. The total is 5,000 units above the port's previous record. Last month's growth was driven by a 2.1 per cent increase in loaded imports at 127,677 TEU and a 14.5 per cent increase in empty export containers. Loaded export containers declined by 4.8 per cent to 83,577 TEU.

28. Hyundai posts Q3 loss despite increased volumes

Hyundai Merchant Marine (HMM) said it had a net loss of 166.7 billion South Korean won (\$148 million) in the 2018 third quarter, larger than the 60.3 billion won loss the Korean carrier experienced in the same period last year but an improvement from the second quarter of this year when it lost 242.7 billion won. Third-quarter revenues this year were 1.426 trillion won, a 10 percent improvement over the same period in 2017 and a 15 percent improvement over the second quarter.

29. Ocean carriers ‘paving the way’ for digital standards

Five of the largest liner companies are establishing an association to set standards “with the purpose of paving the way for digitalization, standardization and interoperability in the container shipping industry.” Ocean Network Express, the liner company formed by Japan’s NYK, MOL and “K” Line, said it along with A.P. Møller – Maersk, CMA CGM, Hapag-Lloyd and MSC will participate in the group.

30. Oakland reports busiest peak season ever for imports

The Port of Oakland reported it had its busiest peak season ever for imports during the past three months. The Port said on November 16, 2018 that it handled the equivalent of 250,686 loaded 20-foot import containers from August 2018 through October 2018, the traditional high-water mark for container shipping. That broke the old peak season import record of 233,825 containers set in the summer and fall of 2017. The Port attributed the increase in cargo volume to strong U.S. consumer spending. It added that U.S. shippers accelerated cargo growth by rushing imports into the country ahead of a new round of tariffs to be imposed on Chinese goods. The twin influences supercharged peak season, which is the time of year when U.S. retailers build inventories for holiday merchandising, the Port said.

31. Regulatory pressure on container lines builds

Those who want to end the legal framework exempting liner shipping consortia from European Union antitrust rules say it would increase competition and therefore shipper choice. But this is an instance where the solution may ultimately lead to an outcome that's worse than the current condition, according to JOC writer Peter Tirschwell.

32. October was second busiest month on St. Lawrence Seaway

St. Lawrence Seaway shipping had its second busiest month of the season in October 2018, fueled by increases in shipments of grain, salt and construction materials. Overall cargo shipments via the St. Lawrence Seaway (from March 29 to October 31) totaled 30.5 million metric tons, up four per cent over the same period in 2017. The increase in construction materials, like cement and clinker shipments which are up 20 per cent, can partly be attributed to cement moving into terminals in Ste. Catherine, Quebec and the Port of Oshawa. Year-to-date, Canadian grain shipments reached 6.4 million metric tons, up 10 per cent compared to the same time period in 2017. An Australian drought is driving up global grain prices and leading to more demand for Canadian products. Terence Bowles, President and CEO of The St. Lawrence Seaway Management Corporation said "We're anticipating that grain shipments will continue to dominate in the final two months of the season."

33. Evergreen has \$25 million profit in third quarter

Evergreen Marine Corp. had profit of 771.2 million Taiwan New Dollars (TWD) or U.S. \$25 million in the third quarter of 2018 compared with 4 billion TWD in the third quarter of 2017. The Taiwanese carrier had revenue of 44.9 billion TWD in the third quarter of this year compared with 41.5 billion TWD in the same period last year.

34. ONE expanding Asia-South America service

Ocean Network Express (ONE) on November 19, 2018 announced the expansion of its Asia-South America service. ONE said it is cooperating with Hapag-Lloyd and Mediterranean Shipping Co. (MSC) in the Asia-South America trade lane. The new service will connect Asia with the east coast of South America and call on major ports in Korea, China, Singapore, Brazil, Uruguay, Argentina and South Africa.

35. Singapore box volumes surge 6.5pc to 3.2m TEU in October

The Port of Singapore has moved higher container throughput in October 2018 both on a year-on-year and month-on-month comparisons, according to data from the Maritime and Port Authority of Singapore (MPA). The Lion City port registered volumes of 3.15 million TEU in October 2018, an increase of 6.4 per cent compared to 2.96 million TEU seen in the same period of last year, MPA figures showed. Last month's throughput also rose by 5.3 per cent compared to 2.99 million TEU handled in September this year, according to *Seatrade Maritime News* of Colchester, UK. In the first 10 months of 2018, Singapore recorded a total throughput of 30.45 million TEU, up 9.8 per cent from 27.73 million TEU posted in the previous corresponding period. Singapore is the world's second largest container port, behind China's Shanghai port, which handled a total throughput of 31.4 million TEU in the first 10 months.

36. Hapag-Lloyd's merger with UASC sees surge in profits and box volumes

Hapag-Lloyd has posted a group-wide net result of US\$14.9 million for the first nine months of 2018, representing an increase of 69 per cent compared to the same period a year earlier, after the German shipping line's revenue swelled to \$10 billion up from \$8 billion for the first three quarters of 2017. The strong performance was mainly attributed to a 27 per cent increase in container shipping volume from seven million TEU in the first nine months of 2017 to 8.9 million TEU in the same period of 2018, UK's Container Management reported. According to the company, the increase in transport volume was mainly due to its merger with United Arab Shipping Company (UASC) in May 2017.

37. NIT League supports World Shipping Council petition

The National Industrial Transportation League, one of the nation's largest and oldest associations representing shippers, has sent a letter in support of a petition by the World Shipping Council (WSC) that seeks an exemption from the ocean carrier service contract filing and essential terms publication requirements set forth in the *US Shipping Act*. The NIT League said "Granting the requested exemption would benefit the ocean transportation industry by eliminating unnecessary and costly regulatory burdens on ocean carriers." The Shipper group says change would reduce costs, promote competition with NVOCCs (non vessel operating common carriers).

38. Larger containerships create domino effect on trades

Nearly all prominent trade lanes across the globe have seen average containership size increase over the years as carriers continue to deploy larger but fewer vessels. The Asia to North America East and Gulf Coast trade has seen average vessel size drastically increase in the wake of the Panama Canal expansion in

2016, with average vessel size on the trade now surpassing the Asia to North America West Coast trade. Throughout this report, North America refers to the U.S. and Canada only. When carriers initially take delivery of containerships of 18,000 TEUs or more, they are deployed on the Asia-North Europe trade. Once these behemoths get under way on the Asia-Europe trade, it causes the trade's previously biggest containerships to get pushed onto other routes, particularly the Asia to North America trades, which creates a domino effect onto other trades. Data from *BlueWater Reporting* shows there are currently 33 vessels of 20,000 TEUs or more and 46 vessels of 18,000 TEUs to 19,999 TEUs operating on the Asia to North Europe trade.

39. European ports welcome EP Transport Committee vote result on CEF II

On 22 November, the European Parliament's Committee on Transport and Tourism and the Industry Committee jointly adopted the Marinescu- Telička- Virkkunen report on the Connecting Europe Facility proposal 2021-2027. The European Sea Ports Organisation (ESPO) welcomes the demand for an increased budget for transport. Members of the committees voted to raise the general envelope of the CEF transport budget by €7bn to €33.51bn (in constant prices). The significant role of transport for the development of the Union had been equally recognised by the Parliament's request for a higher CEF transport budget during the vote on the next MFF.

40. ALMC: Hong Kong a key trading and logistics hub

The Asia-Pacific region is growing rapidly despite uncertainty related to the trade conflict between Mainland China and the United States. Hong Kong continues to be a key trading and logistics hub linking the mainland, Association of Southeast Asian Nations (ASEAN) members and global markets through its excellent regional and global sea and air links. This was pointed out at the eighth Asian Logistics and Maritime Conference (ALMC) now the sixth-largest economy in the world, with a combined GDP of US\$2.8 trillion.

41. Vancouver port approves new Fraser Grain Terminal

Parrish & Heimbecker, Limited (P&H) announced that it is moving forward to build and operate Fraser Grain Terminal, a new export facility in Surrey, B.C. The project received Vancouver Fraser Port Authority permit approval last week. Casey McCawley, Vice President of West Coast Operations for P&H said "P&H has grown substantially to support Canadian farmers and overseas customer demands. This project demonstrates our unwavering investment in the supply chain to build strong business relationships with customers around the world." Exports of Canadian grain and specialty crops to growing markets in China and South East Asia continue to increase. The new export facility will address two major constraints — limited western Canada rail capacity, and a shortage of port industrial land for grain handling. P&H has secured a long-term lease with the port authority for the site. Once complete, Fraser Grain Terminal (FGT) will provide 4 million tonnes of terminal capacity per year.

42. Port of Corpus Christi secures another \$59 million

The U.S. Army Corps of Engineers' Fiscal Year 2019 Work Plan includes an additional \$59 million in funding for the Corpus Christi Ship Channel Improvement Project (CIP), bringing the total federal appropriations for the project to \$95 million. The estimated CIP cost is \$360 million, of which the federal government is responsible for \$230 million. To date, the Port of Corpus Christi has transferred \$78 million of its own funds to the Army Corps of Engineers, bringing the total CIP funding level to \$173 million.

43. Hamburg container volumes down 1.3pc in first 9 months to 4.1 million TEU

The Port of Hamburg announced container volumes had fallen 1.3 per cent year on year in the first nine months of 2018 to 4.1 million TEU, according to *Shipping Gazette*. The downturn in container handling in the first nine months was primarily concentrated on services to Europe, down 4.4 per cent, and North America, down 26.2 per cent. General cargo throughput at 68.6 million tons - down 2.3 per cent and bulk cargo throughput at 32.2 million tons - down 5.6 per cent - contributed towards the overall result for Hamburg.

44. U.S. Ports, Seaway Report Positive October on Great Lakes

U.S. Great Lakes ports and the St. Lawrence Seaway had one of their busiest months of the season in October 2018, fueled by increases in shipments of grain, salt and construction materials. Overall cargo shipments via the St. Lawrence Seaway (from March 29 to October 31) totaled 30.5 million metric tons, up four percent over the same period in 2017. U.S. grain shipments are still going strong with year-to-date volumes hitting 1.9 million metric tons, up 44 percent over the same period last year. Cement and clinker volumes through the Seaway are up 20 percent for the season.

45. 2018 trade grows, but slows

Despite a year-on-year four per cent increase in the global shipment of containers both for September (13.7 million TEU), and for the full year (125.2 million TEU), growth has slowed over the last six months, notes BIMCO. By examining fleet growth, 2019 looks like a year in which the fundamental balance can only improve. But the trade war remains the wild card," said Peter Sand, chief analyst, of the Baltic and International Maritime Council that represents shipowners and managers. As for 2018, he said: "On average, a TEU was being transported halfway across the globe on an ultra large containership for just US\$825; at the same time last year, it was \$898 per TEU. A loss-making and worse level year to date in 2018."

46. Hong Kong and S'pore port operators sign on to blockchain systems

Hong Kong's Modern Terminals Limited (MTL) and Singapore's PSA International have signed on to blockchain cargo documentation systems to speed delivery and reduce fraud, according to *Shipping Gazette*. MTL has become a participant of TradeLens, a blockchain platform developed by Maersk and computer giant IBM, now expected to become operational in a month's time, reports the South China Morning Post.

47. Ship costs up 1.1pc in '18

Vessel operating costs increased 1.1 per cent in 2018, and 0.7 per cent in 2017, after two years of declines, said London's Drewry Maritime Research. According to its Ship Operating Costs Annual Review and Forecast 2018/19 report, such increases will be augmented by cost inflation that is to accelerate on higher insurance premiums.

48. Record iron ore shipments from Canadian Arctic to Europe-Asia

Iron ore shipping to world markets from the Canadian Arctic region has recently spiked significantly, responding to demands from steel producers. Noteworthy, too, has been the recent voyages by bulk carriers taking a shortcut via the Northern Sea Route to the Russian Far East from one of the world's most northerly mines. Located on Baffin Island, the fifth largest island in the world with an area of some 200,000 square miles, Baffinland Iron Mines Corporation announced a record 2018 shipping program. From July 24, 2018 to October 17, 2018 Baffinland shipped approximately 5.1 million metric tons of iron ore from its Milne Inlet port to markets in Europe, the United Kingdom, Taiwan, and Japan. That amounted to a 20% increase over the previous record of 4.1 million tons shipped in 2017. Seventy-one voyages were executed, carrying an average of 71,750 tonnes of iron ore each over an 86-day period. It was the largest shipping program by volume ever executed in the Canadian High Arctic, Baffinland said.

49. End-to-end logistics pursuit holds risks for major container lines

This article asks a number of questions for container lines in an attempt to pursue end-to-end logistics. How prudent is the move by selected container lines to redefine and reposition themselves as end-to-end logistics providers? Does it represent a necessary competitive adjustment, in order to be compensated in kind and defend against disruption by new industry actors? Or does it risk losing sight of the underlying container shipping business?

RAIL TRANSPORTATION

1. CN announces US\$650-million debt offering

CN on October 31, 2018 announced a public debt offering of US\$650 million 4.450% Notes due 2049. CN expects to close the offering on November 7, 2018, subject to customary closing conditions. CN plans to use the net proceeds from the offering for general corporate purposes, including the redemption and refinancing of outstanding indebtedness, share repurchases, acquisitions and other business opportunities.

2. Canadian National buys TransX to speed growth

Canadian National buys TransX. The acquisition of Canada's largest privately-owned transport operator will help Canadian National "lay down track" into new markets as intermodal revenue increases.

3. CN acquires TransX

CN announced it has reached an agreement to acquire Winnipeg-based The TransX Group of Companies, one of Canada's largest and oldest transportation companies. "This strategic acquisition allows CN to deepen its supply chain focus, strengthening our exceptional

RAIL TRANSPORTATION

Canada

1. CN announces US\$650-million debt offering, October 31, 2018, www.cn.ca
2. Canadian National buys TransX to speed growth, October 31, 2018, www.joc.com
3. CN acquires TransX, October 30, 2018, www.ctl.ca
4. Rail Traffic for the Week Ending October 27, 2018, October 31, 2018, www.ajot.com
5. Churchill train service to be back to normal by end of November: Trudeau, November 31, 2018, www.ctl.ca
6. CP breaks record in October for shipping grain and biofuels, November 6, 2018, www.ctl.ca
7. Rail Traffic for October and the Week Ending November 3, 2018, November 7, 2018, www.ajot.com
8. Analysis: US rail efficiency push a

franchise, including our intermodal business, notably the specialized, fast-growing refrigerated segment,” said JJ Ruest, president and chief executive officer of CN. “TransX has a 55-year history of providing innovative customer solutions in an industry that continues to evolve. This alignment creates a solid framework to serve a growing consumer economy with transportation options that bring more supply chain flexibility to our customers,” Ruest concluded.

4. Rail Traffic for the Week Ending October 27, 2018

For the week ending October 27, 2018, total U.S. weekly rail traffic was 562,804 carloads and intermodal units, up 4.4 percent compared with the same week last year. Total carloads for the week ending October 27 were 268,535 carloads, up 2.6 percent compared with the same week in 2017, while U.S. weekly intermodal volume was 294,269 containers and trailers, up 6.1 percent compared to 2017. For the first 43 weeks of 2018, U.S. railroads reported cumulative volume of 11,316,291 carloads, up 1.9 percent from the same point last year; and 11,986,177 intermodal units, up 5.7 percent from last year. North American rail volume for the week ending October 27, 2018, on 12 reporting U.S., Canadian and Mexican railroads totaled 376,943 carloads, up 3 percent compared with the same week last year, and 389,322 intermodal units, up 5.4 percent compared with last year.

5. Churchill train service to be back to normal by end of November: Trudeau

Prime Minister Justin Trudeau says rail service to Churchill in northern Manitoba will be back to normal by the end of November 2018. Trudeau went to this community on the shore of Hudson Bay as residents celebrated the arrival of the first train to roll into town in more than a year. The train surprised everyone when it pulled on October 31, 2018 evening, a day ahead of schedule. Flooding in the spring of 2017 damaged the tracks and severed the only land link to the town of 900 people.

6. CP breaks record in October for shipping grain and biofuels

Canadian Pacific has broken all-time records for the shipment of grain, moving 2.64 million metric tonnes (MMT) of Canadian grain and grain products in October 2018. This makes October 2018 CP’s biggest month ever for moving Canadian grain, breaking the record from September 2017. During the month of October 2018 CP also set a new record for biofuels shipped. “This accomplishment is a testament to the hard work and dedication of our operating team and the power of our operating model,” said Joan Hardy, CP’s Vice-President Sales and Marketing – Grain and Fertilizer. “This requires laser-sharp focus on the supply chain details, and close collaboration with customers, elevators and ports. Together, through hard work and open communication, the system has been operating with maximum velocity and fluidity.”

7. Rail Traffic for October and the Week Ending November 3, 2018

U.S. railroads originated 1,338,037 carloads in October 2018, up 1 percent, or 12,598 carloads, from October 2017. U.S. railroads also originated 1,443,914 containers and trailers in October 2018, up 4.2 percent, or 58,546 units, from the same month last year. Combined U.S. carload and intermodal originations in October 2018 were 2,781,951, up 2.6 percent, or 71,144 carloads and intermodal units from October 2017. Total combined U.S. traffic for the first 44 weeks of 2018 was 23,862,514 carloads and intermodal units, an increase of 3.8 percent compared to last year. Canadian railroads reported 88,275 carloads for the week ending November 3, 2018, up 7.7 percent, and 72,338 intermodal units, up 1.9 percent compared with the same week in 2017. For the first 44 weeks of 2018, Canadian railroads reported cumulative rail traffic volume of 6,637,910 carloads, containers and trailers, up 3.7 percent.

mixed bag for intermodal shippers, November 12, 2018, www.joc.com

9. Rail Traffic for the Week Ending November 10, 2018, November 14, 2018, www.ajot.com

10. US Transportation Secretary Chao announces availability of \$272 million for ‘State of Good Repair’ rail projects, November 15, 2018, www.ajot.com

11. Passengers first – EU rules should help railways keep up the good work, November 15, 2018, www.transportweekly.com

12. CN and 4-H Canada Renew Partnership to Advance Youth Leadership and Safety, November 21, 2018, www.cn.ca

13. Rail Traffic for the Week Ending November 17, 2018, November 22, 2018, www.ajot.com

14. Railroads’ Quarter 3 PTC Status Reports Show Continued Progress, November 22, 2018, www.ajot.com

15. Maersk aims to double its Asia-Europe rail volume, November 21, 2018, www.joc.com

16. Long Beach rail project nets \$14 million grant, November 21, 2018, www.americanshipper.com

17. More funds proposed for greening and digitalising transport, November 23, 2018, www.transportweekly.com

18. CN’s Ruest Named Railroader of the Year, November 26, 2018, www.cn.ca

19. Embattled Europe rail focuses on boosting service, reliability, November 23, 2018, www.joc.com

20. Ontario’s Government for the People is Delivering on Public Transit, November 26, 2018, www.mto.gov.on.ca

21. TTC swaps Metropass for new fare system, November 27, 2018, www.railwayag.com

22. VIA rail service resumes in northern Manitoba, between Gillam and Churchill, November 27, 2018, www.viarail.com

23. Railway carloadings, September 2018, November 28, 2018, www.statcan.gc.ca

24. CN, online shipper plan grain loading, capacity upgrades, November 27, 2018, www.railwayage.com

25. Alberta urges Feds to increase crude-by-rail capacity, November 28, 2018, www.ctl.ca

26. Rail Intermodal was Top Growing Mode since Recession, November 28, 2018, www.bts.gov

8. Analysis: US rail efficiency push a mixed bag for intermodal shippers

As a shipper, whether you benefit from precision scheduled railroading (PSR) will likely hinge on how far you ship and where you ship from. In general, favourably situated shippers will probably experience superior service. But shippers in the wrong place could well find themselves back on the highway.

9. Rail Traffic for the Week Ending November 10, 2018

For this week, total U.S. weekly rail traffic was 547,236 carloads and intermodal units, up 1.4 percent compared with the same week last year. Total carloads for the week ending November 10, 2018 were 261,875 carloads, up 0.1 percent compared with the same week in 2017, while U.S. weekly intermodal volume was 285,361 containers and trailers, up 2.6 percent compared to 2017. Five of the 10 carload commodity groups posted an increase compared with the same week in 2017. They included petroleum and petroleum products, up 3,044 carloads, to 13,352; miscellaneous carloads, up 2,081 carloads, to 11,795; and chemicals, up 800 carloads, to 31,431. Commodity groups that posted decreases compared with the same week in 2017 included nonmetallic minerals, down 3,858 carloads, to 32,970; grain, down 1,471 carloads, to 21,389; and coal, down 628 carloads, to 84,532. North American rail volume for the week ending November 10, 2018, on 12 reporting U.S., Canadian and Mexican railroads totaled 369,262 carloads, up 0.9 percent compared with the same week last year, and 376,942 intermodal units, up 2.6 percent compared with last year.

10. US Transportation Secretary Chao announces availability of \$272 million for ‘State of Good Repair’ rail projects

The U.S. Department of Transportation’s Federal Railroad Administration (FRA) issued a Notice of Funding Opportunity (NOFO) on November 15, 2018 for the Federal-State Partnership for State of Good Repair Program (Partnership Program). The NOFO makes more than \$272 million in grant funding available.

11. Passengers first – EU rules should help railways keep up the good work

The passenger experience and the cost of tickets are decisive factors when customers pick their transport mode. This is why rail passenger rights not only have to be customer friendly, they must also enable rail to be affordable and remain competitive and attractive for passengers. Most regrettably, the European Parliament position adopted in plenary on November 15, 2018 does not take these facts into account. Railways are constantly striving to have all their trains and services meet the highest standards so as to further improve their competitiveness and attract customers, as proved by the growing passenger satisfaction reflected in the recently published Eurobarometer report (Flash Eurobarometer 463). Over the last ten years, railway operators have taken the implementation of Regulation 1371/2007 very seriously by investing significant resources into meeting its requirements and into further speeding up the complaint handling processes.

12. CN and 4-H Canada Renew Partnership to Advance Youth Leadership and Safety

CN and 4-H Canada, on November 21, 2018 announced the renewal of their partnership to advance youth leadership and safety in Canada. Made possible through a four year commitment, the renewed annual 4-H Canada Leadership Excellence Awards of Distinction (L.E.A.D.) recognize exceptional 4-H senior youth members and showcase their accomplishments in the area of leadership excellence and safety. “L.E.A.D. is 4-H Canada’s most prestigious scholarship that recognizes 4-H senior youth that are making lasting contributions to their communities and that seeks to help them as they move into their post-secondary careers,” said Shannon Benner, CEO of 4-H Canada. “This partnership renewal is a testament to CN’s commitment to fostering youth leadership and safety in Canada and our shared value in investing in youth in rural and agricultural communities.”

13. Railroads’ Quarter 3 PTC Status Reports Show Continued Progress

The Federal Railroad Administration (FRA) on November 22, 2018 released the 2018 Quarter 3 Positive Train Control (PTC) data, showing railroads’ continued progress toward meeting the year-end deadline for fully implementing PTC systems or qualifying for an alternative schedule. FRA Administrator Ronald L. Batory said “The progress made over the last year is a testament to what can be accomplished with proper focus and attention. We encourage any railroads seeking an alternative schedule to submit their formal requests in a timely fashion.”

14. Rail Traffic for the Week Ending November 17, 2018

For the third week of November 2018, total U.S. weekly rail traffic was 546,541 carloads and intermodal units, up 0.04 percent compared with the same week last year. Total carloads for the week ending November 17 were 262,514 carloads, down 1.1 percent compared with the same week in 2017, while U.S. weekly intermodal volume was 284,027 containers and trailers, up 1.1 percent compared to 2017. Three of

the 10 carload commodity groups posted an increase compared with the same week in 2017. They were petroleum and petroleum products, up 2,440 carloads, to 12,623; grain, up 1,668 carloads, to 23,601; and miscellaneous carloads, up 164 carloads, to 9,897.

15. Maersk aims to double its Asia-Europe rail volume

The network has evolved from a series of single shipper-driven services to more than 50, and a unique rail advantage, along with growing national economies, is at the core of the uptrend.

16. Long Beach rail project nets \$14 million grant

The Port of Long Beach has been awarded a \$14 million grant to help pay for construction of a rail project designed to increase efficiency while reducing traffic congestion on local streets and freeways. The grant is from the Trade Corridor Enhancement Program, which helps pay for improvements to freight corridors across California using designated transportation funds from Senate Bill 1 and the National Highway Freight Program. The port will contribute the remaining \$11 million for the \$25 million project, which aims to increase operational efficiency, reduce delays by providing greater reliability for on-dock rail and decrease roadway congestion by shifting more containers to rail.

17. More funds proposed for greening and digitalising transport

The Community of European Railway and Infrastructure Companies (CER) welcomes the joint vote of the Committees on Industry, Research and Energy and on Transport and Tourism on the Connecting Europe Facility (CEF) and the increased budget for greening and digitalising transport. The November 23, 2018 vote offers greater support for rail transport in Europe, with an increase of EUR 7.2 billion in current prices (EUR 6.4 billion in constant prices), resulting in an overall budget for transport of EUR 37.8 billion (33.6 billion in constant prices), including the amounts transferred from the Cohesion Fund and from the Defence budget. This increase in the transport budget is a reflection of the European Parliament's commitment to invest in greening and modernising transport.

18. CN's Ruest Named Railroader of the Year

On November 26, 2018, *Railway Age* announced that the 56th annual recipient of the Railroader of the Year Award is CN President and Chief Executive Officer Jean-Jacques "JJ" Ruest, leader of one of North America's best-performing Class I railroads.

19. Embattled Europe rail focuses on boosting service, reliability

With service and reliability levels below where they need to be, the European and UK rail sectors have embarked on separate strategies to improve operations and grow cargo volume on their networks.

20. Ontario's Government for the People is Delivering on Public Transit

On November 26, 2018, Jeff Yurek, Minister of Transportation, addressed the Economic Club of Canada to announce that Ontario's Government for the People will build better public transit, delivering more service faster, and saving taxpayer dollars by forging new partnerships. "Transit Oriented Development will let us partner with the private sector to build a new GO Transit station at Mimico, and get the work done at a lower cost to the taxpayer," said Yurek. "The developer will pay all construction costs for the main station building, new parking and a greenway, in exchange for the right to develop above the station."

21. TTC swaps Metropass for new fare system

The Metropass reaches this milestone as the TTC makes a transition to begin using the PRESTO fare payment system, officials said. The December Metropass, featuring the Cabbagetown Neighbours Heritage Mural on Parliament St. by Poonam Sharma and Michael Cavanaugh, will be the final installment of the pass. The final pass went on sale beginning Nov. 23, 2018 and will continue selling through Dec. 5, 2018. It is good for unlimited travel for the month of December. TTC said the first Metropass was a paper card that required a TTC photo ID to use. It went on sale in April of 1980 for the month of May at a cost of \$26. The pass immediately began selling with success, with 693,000 adult monthly passes sold from May to December 1980. Officials explained that 2.4 million adult passes were sold in 2017. Since its debut, more than 78 million Metropasses have been sold. December Metropasses are available for purchase at collector booths and participating TTC fare agents and are \$146.25 for adults and \$116.75 for seniors (age 65-plus), students (ages 13-19) and post-secondary students with valid ID. TTC is urging its customers to switch to the new PRESTO system before January 2019 begins.

22. VIA rail service resumes in northern Manitoba, between Gillam and Churchill

VIA Rail Canada (VIA Rail) is pleased to announce that passenger train service will resume in northern Manitoba, between Gillam and Churchill, on December 2, 2018. Trains will once again travel in both directions, according to the regular schedule that was in effect prior to the suspension of service in spring 2017. Upon completion of the repairs and inspections that were required, the infrastructure owner, Arctic Gateway, confirmed that the track is now safe for passenger operations. The Gillam – Churchill route has

been restored following the suspension of service in May 2017 after major flooding severely damaged the rails.

23. Railway carloadings, September 2018

The volume of rail freight carried in Canada totalled 32.9 million tonnes in September 2018, up 3.1% from the same month a year earlier. Freight originating in Canada rose 4.8% year over year to 29.9 million tonnes in September 2018. Non-intermodal freight increased by 7.0% to 325,000 carloads. The amount of freight loaded into these cars rose 5.8% from September 2017 to 26.9 million tonnes. Intermodal freight loadings fell 1.3% from September 2017 to 205,000 units. In terms of weight, intermodal traffic declined 4.0% to 3.0 million tonnes. Freight traffic received from the United States declined 10.7% to 3.0 million tonnes as a result of a 12.1% decrease in non-intermodal freight.

24. CN, online shipper plan grain loading, capacity upgrades

Parrish & Heimbecker, Limited announced plans to expand its Parrish Siding facility, including a new 6,000-metric tonne fertilizer warehouse as well as grain handling and storage upgrades, which will increase both capacity and efficiency. Plans are also underway with CN to increase the facility's rail capacity to 150 cars. The expansion in Watrous, Saskatoon includes doubling grain storage capacity, and tripling the speed of grain loading, too. The company will significantly increase graincleaning efficiency with the installation of high-speed cleaners.

25. Alberta urges Feds to increase crude-by-rail capacity

Big Canadian oil and gas companies face downgrades in their credit scores if current steep price discounts for their products continue, warns credit rating agency DBRS Ltd. in a report released November 28, 2018. Such rating cuts could affect the companies' ability to access credit to fund future growth and potentially increase what they pay to service their debt. Victor Vallance, senior vice-president of energy, global corporates, for DBRS said "Currently the differential is very high on heavy, it's very high on light, it's very high on synthetic, so that's putting a lot of pressure on cash flows and, obviously, credit metrics as a result. "It's very unusual. I've never seen ... this disconnect between Canada and the rest of the world, unfortunately, because of the increase in supply and not sufficient enough expansion of takeaway capacity." The province of Alberta has been urging the federal government to help it add 120,000 bpd of train capacity but Ottawa has been reluctant to get on board.

26. Rail Intermodal was Top Growing Mode since Recession

Rail intermodal grew the fastest since the end of the economic recession among the freight transportation modes included in the Bureau of Transportation Statistics' (BTS) Freight Transportation Services Index (TSI), according to Transportation Economic Trends 2018, a new BTS report. Rail intermodal rose 51.9 percent from June 2009 to August 2018. Competitive pricing, track upgrades, and investment in rail intermodal terminals and other infrastructure contributed to the rapid growth of rail intermodal traffic. Trucking grew the second fastest at 51.7 percent, followed by air freight, 43.6 percent; pipeline, 37.1 percent; waterborne, 29.0 percent; and rail carloads, 1.2 percent. Rail intermodal, trucking, and pipeline have grown steadily since June 2009, but waterborne has shown little growth after initial recovery. More recently, air freight grew the fastest, rising 31.9 percent from February 2014 to May 2018 to reach a seasonally-adjusted all-time high in May 2018.

HIGHWAY TRANSPORTATION

1. Monthly Passenger Bus and Urban Transit, August 2018

Total operating revenues (excluding subsidies) for urban transit companies were \$312.4 million for August 2018. Ridership was 136.7 million passenger trips over the same month.

2. Couriers and Messengers Services Price Index, September 2018

The Couriers and Messengers Services Price Index (CMSPI) decreased 0.2% in September 2018, after posting no change in August 2018. This was the first decrease since September 2017. The couriers component declined 0.3% while the local messengers and local delivery component was unchanged. Year-over-year the CMSPI rose 6.9% in September 2018 compared with the same month last year. Both the couriers (+7.1%) and the local delivery components (+6.0%) increased.

3. The Government of Canada addresses Greyhound Canada's discontinuation of bus routes

Government officials welcomed the interest voiced by private sector transportation providers in taking over many of the routes in Western Canada and Northern Ontario which Greyhound Canada will discontinue serving effective October 31, 2018. While this will provide continued bus service that will cover 90 per cent of the affected areas, some gaps remain where other transportation options do not exist. The Government of Canada recognizes the significance of Greyhound's sudden reduction in bus services for many Canadians, especially for seniors and those in Indigenous communities, rural and remote communities. The Government of Canada is prepared to assist affected provinces in determining the best path forward and is open to considering avenues towards finding effective solutions. Ministers have directed that work continue with provinces to assess coverage by new transportation providers. If provinces determine that there is a need to address gaps in Greyhound service caused by this week's discontinuation of bus service, the Government of Canada is open to consider providing provinces funding support on a cost-shared and transitional basis.

4. UPS Freight to 'empty network' ahead of potential strike

LTL shippers must scramble to find alternatives, and anticipate higher pricing, as UPS Freight stops taking freight ahead of a Teamster vote on its 'last, best, final' contract offer. Freight is unlikely to be stranded, but it will probably move at a premium, as LTL carriers prioritize freight from existing customers.

5. Canadian shipping costs continue to rise

The total cost of ground transportation for Canadian shippers rose 2% in August 2018, according to the latest Canadian General Freight Index. The base rate was up 2.3%, while average fuel surcharges assessed by carriers decreased to 17.8% of the base rate. "Total freight costs increased by 2% in August," said Doug Payne, president and chief operating officer of Nulogx. "Cross-border LTL led the increase. Since November 2017, total freight costs have been on a continual increase. Year-over-year, all segments were above last year's levels."

6. Towards Road Freight Decarbonisation

On November 2, 2018, a report *Towards Road Freight Decarbonisation* was released by the International Transport Forum. This report identifies proven measures that decrease road freight's CO2 emissions. Goods transport by road consumes around 50% of

HIGHWAY TRANSPORTATION Canada

1. Monthly Passenger Bus and Urban Transit, August 2018, October 31, 2018, www.statcan.gc.ca
2. Couriers and Messengers Services Price Index, September 2018, October 31, 2018, www.statcan.gc.ca
3. The Government of Canada addresses Greyhound Canada's discontinuation of bus routes, October 31, 2018, www.tc.gc.ca
4. UPS Freight to 'empty network' ahead of potential strike, November 1, 2018, www.joc.com
5. Canadian shipping costs continue to rise, November 2, 2018, www.todaystrucking.com
6. Towards Road Freight Decarbonisation, November 2, 2018, www.itf-oecd.org
7. Technology and automation will define the future of road transport, November 6, 2018, www.transportweekly.com
8. Safer City Streets: Global Benchmarking for Urban Road Safety, November 22, 2018, www.itf-oecd.org
9. Manitoulin buys Quebec trucking company, expands coverage, November 6, 2018, www.joc.com
10. Freight Forecast Stays Sunny, November 9, 2018, www.inboundlogistics.com
11. XPO Logistics announces four new technology initiatives for LTL, November 9, 2018, www.ctl.ca
12. Purolator launches Mobile Quick Stop service, November 12, 2018, www.ctl.ca
13. Have trucking conditions peaked?, November 12, 2018, www.todaystrucking.com
14. Leading indicator of cross-border traveller volume, October 2018, November 13, 2018, www.statcan.gc.ca
15. How the Increase in M&A will Affect Canada's Trucking Industry, November 13, 2018, www.todaystrucking.com
16. Strike averted, UPS Freight restarts LTL freight shipping, November 12, 2018, www.joc.com
17. UPS expands express services to new markets worldwide, November 14, 2018, www.ctl.ca
18. September 2018 Freight Transportation Services Index (TSI), November 15, 2018, www.bts.gov
19. Capacity increasing in Canadian spot market, November 16, 2018, www.todaystrucking.com
20. European Commission presents final road safety figures for 2017 on World Day of Remembrance for Road Traffic Victims, November 16, 2018, www.europa.eu
21. Travel between Canada and other countries, September 2018, November 20, 2018, www.statcan.gc.ca
22. UPS Canada building Canadian operations facility in Caledon, November 20, 2018, www.ctl.ca
23. September 2018 North American Transborder Freight Numbers, November 20, 2018, www.bts.gov
24. Kuehne + Nagel acquires the Quick

all diesel fuel and accounts for 80% of the global net increase in diesel use since 2000. Projections see road freight activity at least doubling to 2050, offsetting efficiency gains and increasing road freight CO2 emissions. The report highlights policy areas that need adjustment for effective decarbonisation of road freight and points to fields where more robust evidence through further research is needed. It collects insights held at a workshop organised by the International Transport Forum in June 2018 in Paris and features the results of a survey among experts.

7. Technology and automation will define the future of road transport

Technology and automation will define the future of road transport according to new IRU research, but significant obstacles stand in the way. The global snapshot survey is based on interview data from 450 transport companies across Europe, the Gulf Cooperation Council (GCC) and Asia, and reveals the following headline findings: Majority of transport companies in Europe, Asia and the GCC countries (57%) view geopolitical uncertainty as the biggest threat to their development. Technology and innovation key to overcoming challenges and securing the future of the industry – over three quarters (76%) of transport companies surveyed expect autonomous trucks to become a viable option on the roads within the next decade.

8. Safer City Streets: Global Benchmarking for Urban Road Safety

The International Transport Forum will release a document entitled *Safer City Streets: Global Benchmarking for Urban Road Safety* on November 22, 2018. This document aims to support cities in setting road safety targets and to monitor progress in improving urban road safety. Pedestrians, cyclists and motorcyclists account for nearly 80% of urban traffic fatalities. Cities should thus intensify efforts to improve the safety of vulnerable road users. This document presents traffic safety indicators for different road user groups collected in 31 cities to facilitate the evaluation, monitoring and benchmarking of road safety outcomes. It places a particular attention on measuring the risk of fatality per unit distance travelled.

9. Manitoulin buys Quebec trucking company, expands coverage

Manitoulin Transport has acquired Express Havre St-Pierre (EHSP) of Quebec, Canada. The addition of Express Havre St-Pierre helps 'build out' Manitoulin Transport's truckload and LTL service map in Quebec, especially in the province's rural areas, and complements its westward expansion.

10. Freight Forecast Stays Sunny

Freight volumes are projected to increase 4.2 percent in 2018 and increase 35.6 percent by 2029, according to the latest edition of the American Trucking Associations' Freight Forecast.

11. XPO Logistics announces four new technology initiatives for LTL

XPO Logistics announced four new technology initiatives at the core of its LTL 2.0 optimization plan. The company, which recently reported the best third quarter operating ratio in 30 years for its LTL unit, expects to generate approximately \$100 million in incremental operating profit over the next two years from proprietary technology underlying LTL 2.0, that is: 1) Linehaul bypass model; 2) Load-building through artificial intelligence; 3) Dynamic route optimization for pickup and delivery; and 4) Pricing algorithms.

12. Purolator launches Mobile Quick Stop service

Purolator introduced a new Mobile Quick Stop service — the first of its kind in Canada — to provide consumers, online retailers and businesses exceptional convenience and customer service when delivering to and picking up packages in city centres this holiday season. Ten Mobile Quick Stop trucks have taken up residence in four of Canada's busiest cities to serve as convenient package pickup spots for shipments that aren't left on doorsteps. The Mobile Quick Stops are located close to residents' homes and places of work and are open evenings, when consumers are more likely to have the time to pick up packages.

13. Have trucking conditions peaked?

Trucking conditions in the U.S. worsened in September 2018, to their lowest level in a year, according to the FTR Trucking Conditions Index. It's the first time the index, at 4.58, has fallen to single digits since December 2017. FTR attributes the decrease to stabilization in freight rates and demand, but notes holiday shipping should keep volumes, capacity, and rates healthy through the end of the year.

14. Leading indicator of cross-border traveller volume, October 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 from Statistics Canada. The data provide counts of US residents entering Canada through IPIL ports in automobiles licensed in the

Group, November 21, 2018, www.ctl.ca

25. FedEx acquires 1,000 Chanje electric vehicles, November 21, 2018, www.ctl.ca

27. Manitoulin Global Forwarding acquires N/J International Inc., November 24, 2018, www.ctl.ca

28. Ontario's Government for the People Making the Winter Commute Easier, November 23, 2018, www.mto.gov.on.ca

29. The new highway to the west, November 27, 2018, www.ctl.ca

30. Canada Cartage expands, opens new terminal in Mississauga, November 28, 2018, www.todaystrucking.ca

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.

15. How the Increase in M&A will Affect Canada's Trucking Industry

After a comparatively quiet stretch in the early part of the decade, mergers and acquisitions (M&A) in the Canadian trucking industry have picked up in recent years. In 2018 alone, the sector has absorbed more than a dozen significant deals. What's driving all the activity? And should it be a big concern for consumers and fleet technology vendors? In short, the deals are being driven by a host of factors — none of them foretelling any real doom and gloom for the industry. In fact, one could make the case that the consolidation trend could represent a positive move for the Canadian trucking sector.

16. Strike averted, UPS Freight restarts LTL freight shipping

UPS Freight resumed pickups and began accepting freight shortly after Teamsters employees approved a second and 'last, best, final' contract proposal on November 11, 2018.

17. UPS expands express services to new markets worldwide

UPS announced the addition of 14 new countries served by UPS Worldwide Express, part of UPS's international suite of shipping services that guarantees time- and day-definite delivery for urgent shippers. The sweeping expansion of global services also includes later pick-up times, improved time-in-transit and Saturday delivery in seven countries in India, South East Asia, Middle East, and Africa (ISMEA) all part of the company's desire to better connect businesses to its smart global logistics network, while demonstrating the company's strategic focus on international high-growth markets.

18. September 2018 Freight Transportation Services Index (TSI)

The US Freight Transportation Services Index (TSI), which is based on the amount of freight carried by the for-hire transportation industry, fell 0.3 percent in September 2018 from August 2018, falling after a one-month increase. The September 2018 index level (134.9) was 42.3 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 September 2018 measured by the Freight TSI was up 4.7 percent from September 2017 and was at its fifth highest all-time level. The index was 1.4 percent higher than the level of any month prior to 2018 and 7.8 percent higher than the level of any month prior to 2017. The Freight TSI September 2018 decrease of 0.3 percent was driven by declines in trucking, pipeline, rail carload and air freight while water and rail intermodal increased.

20. Capacity increasing in Canadian spot market

There were more trucks chasing every load in the Canadian spot market in October 2018 than in two years, according to TransCore Link Logistics. Truck capacity reached an all-time high in October 2018, with equipment postings up 22% compared to September 2018. Equipment postings were up 36% year-over-year and there were 3.22 trucks posted for each load, a 20% increase from 2.68 in September 2018. A year ago, there were only 1.82 trucks for every load. October 2018 load volumes were up 2% from September 2018, with volumes down 23% year-over-year. Intra-Canada loads accounted for 34% of total volumes and were up 3% year-over-year. Cross-border load postings were down 33% y-o-y (southbound) and 28% y-o-y (northbound).

21. European Commission presents final road safety figures for 2017 on World Day of Remembrance for Road Traffic Victims

The European Commission commemorated on Sunday 18 November 2018 the World Day of Remembrance for Road Traffic Victims, a day to remember those killed or injured on roads. On this occasion, the European Commission presented the final road safety figures for 2017. Data show that for the second year in a row a decrease by 2% of road fatalities in the EU compared to the previous year. While this trend is encouraging, 25,260 people still lost their lives on EU roads in 2017. That is why the Commission has taken major steps to reach close to zero fatalities and serious injuries by 2050.

22. Travel between Canada and other countries, September 2018

Overseas Travel: Travel to Canada by *residents of overseas countries* (countries other than the United States) rose 1.4% in September 2018 to 556,000 trips. This was the second consecutive monthly advance. The increase in September 2018 was led by travel from China (+9.5%), Mexico (+11.7%) and India (+13.2%). The gains were partly offset by declines in travel from Australia (-3.0%) and Japan (-2.5%). Trips by *Canadian residents* to overseas destinations (countries other than the United States) were down 0.5% in September 2018 to 986,000. This was the second consecutive monthly decline and followed two successive monthly increases. **US Travel:** *US residents* made 2.0 million trips to Canada in September

2018, down 1.3% from August 2018. The decline was mainly from fewer car trips by US residents, but was partially offset by an increase in arrivals by air. US travellers made 1.4 million car trips to Canada in September 2018, down 0.7% from August 2018. Although the numbers for September were lower than the previous month, they were 2.0% higher than September 2017. *Canadian residents* took 3.6 million trips to the United States in September 2018, up 0.7% from August 2018. The increase in September follows five consecutive monthly declines that began in April 2018. Car trips, which accounted for close to three-quarters of all trips by Canadian residents to the United States, were unchanged from August, but down 4.3% from September 2017.

23. UPS Canada building Canadian operations facility in Caledon

Construction of a new \$200 million, 850,000 sq. ft. UPS facility in Caledon, Ont. is underway. In order to meet growing business and residential customer demand, the small package operations hub will provide additional processing and service capacity to the GTA. Fully automated, the Caledon facility will sort up to 35,000 packages per hour and house a fleet of more than 200 package cars. The facility is anticipated to open in late 2020.

24. September 2018 North American Transborder Freight Numbers

On November 20, 2018, the *US Bureau of Statistics* released data on Transborder freight between the U.S. and other North American countries (Canada and Mexico) for September 2018. Total transborder freight for September 2018 amounted to \$101.6 billion by all modes of transportation, up 7.7 percent from September 2017. Truck moved \$63.3 billion of freight, up 4.2 percent compared to September 2017; and rail moved \$15.1 billion of freight, up 7.6 percent compared to September 2017. *U.S.-Canada* truck freight amounted to \$28.6 billion (56.1 percent of all northern border freight) up 0.6 percent from the previous year. *U.S.-Canada* rail freight amounted to \$8.3 billion (16.3 percent of all northern border freight) up 6.8 percent compared to the previous year. The *U.S.-Canada* traffic by other modes amounted to \$5.4 billion by pipeline; \$2.6 billion by vessel and \$2.8 billion by air.

25. Kuehne + Nagel acquires the Quick Group

The Quick Group has entered into an agreement to be acquired by Kuehne + Nagel, one of the world's leading logistics companies in the airfreight, seafreight, contract logistics, and overland businesses.

26. FedEx acquires 1,000 Chanje electric vehicles

FedEx Corp. announced it is expanding its fleet to add 1,000 Chanje V8100 electric delivery vehicles. FedEx is purchasing 100 of the vehicles from Chanje Energy Inc and leasing 900 from Ryder System, Inc. The purpose-built electric vehicles will be operated by FedEx Express for commercial and residential pick-up and delivery services in the United States.

27. Manitoulin Global Forwarding acquires N/J International Inc.

Manitoulin Global Forwarding has acquired N/J International Inc. of Houston, Texas. N/J International is a global supply chain provider of fully integrated transportation and logistics solutions covering air and sea freight, warehousing, crating, distribution and supply chain management. This is the first acquisition Manitoulin Global Forwarding has made on U.S. soil.

28. Ontario's Government for the People Making the Winter Commute Easier

On November 23, 2018 Jeff Yurek, Minister of Transportation, visited a maintenance facility to announce that Ontario's Government for the People is making the winter commute easier by allowing drivers to track their plow and plan their route all at one stop — the Ontario 511 website.

29. The new highway to the west

After more than six months preparation, CEVA Logistics Greater China has sent the first ever TIR (Transports Internationaux Routiers) truck from Khorgos, China via Kazakhstan to Europe. The trial run was on 13 November, 2018 and was successfully operated as a joint initiative between CEVA Logistics, the IRU (International Road Transportation Union) and CEVA's partners Alblas and Jet-rail. The truck arrived in Poland on 24 November, with no disruption or Customs issues after 11 days on the road. The closing TIR at its final destination was after 13 days on 26 November, 2018. The new road service will deliver a cost saving of about 50% compared to air options. With a lead time door-to-door of between 10 to 15 days, it will be 30-50% faster than rail.

30. Canada Cartage expands, opens new terminal in Mississauga

Canada Cartage has opened a new terminal at 6767 Davand Drive in Mississauga, Ontario. The new facility will provide additional office space for staff and a more productive and efficient truck yard and cross dock to better serve their customers, the company said. "Despite challenging times in the industry, Canada Cartage continues to expand which is a true testament to our staff and the transportation services we offer," said Jeff Lindsay, president and CEO, Canada Cartage.

GENERAL TRANSPORTATION

Canada

1. Pacific Rim trade pact goes ahead after Australia ratifies

The Pacific Rim trade pact abandoned by President Donald Trump will take effect at the year's end after Australia became the sixth nation to ratify it. Australia announced on October 31, 2018 that it had completed procedures needed for the trade arrangement, the Comprehensive and Progressive Trans-Pacific Partnership, to progress. It will take effect Dec. 30, 2018. The deal is aimed at streamlining trade and slashing tariffs to facilitate more business activities between member nations with a combined population of nearly 500 million people and GDP of \$13.5 trillion.

2. Feds launch Infrastructure Statistics Hub program

The federal government has announced the launch of the Infrastructure Statistics Hub, described as an interactive tool that allows users to view data on the investment, stock and contribution of infrastructure to the Canadian economy from the recently launched Infrastructure Economic Account. It was developed by Statistics Canada with the support of Infrastructure Canada and launched in September 2018 as part of a commitment made in Budget 2017 to support a more evidence- and results-based approach to public infrastructure policies, programs and investment decisions, said an Oct. 29 statement.

3. USMCA lost opportunity to actually implement freer trade between Canada and U.S.

The new United States-Mexico-Canada Agreement (USMCA)—NAFTA's recently-negotiated replacement—represents a missed opportunity to create freer trade across North America, according to a new study released by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank. "We had a chance with these negotiations to truly liberalize trade between Canada and the U.S., but that opportunity was squandered because both sides came to the table with a list of protected industries that were off-limits from the start," said Gary Hufbauer, a senior fellow with the Peterson Institute for International Economics and co-author of The U.S.-Mexico-Canada-Agreement: Overview and Outlook. The study identifies how USMCA differs from NAFTA, and what elements of the two agreements are the same.

4. Global economy at stage where stimulus can be 'steadily withdrawn': Poloz

The governor of the Bank of Canada says after a decade of low-interest rates around the world the global economy has reached stronger footing where stimulus can be "steadily withdrawn." Stephen Poloz's remarks on November 5, 2018 came as the Bank of Canada signals it will gradually raise its benchmark interest rate from its current level of 1.75 per cent to a so-called neutral stance of somewhere between 2.5 per cent and 3.5 per cent. The big question is how quickly the rate will rise.

5. Traveller Accommodation Services Price Index, third quarter 201

The Traveller Accommodation Services Price Index (TASPI) rose 9.5% in the 2018 third quarter compared to the previous quarter. The index has increased in the third quarter of every year since its inception, as accommodation prices generally rise in the spring and

GENERAL TRANSPORTATION

Canada

1. Pacific Rim trade pact goes ahead after Australia ratifies, October 31, 2018, www.ctl.ca

2. Feds launch Infrastructure Statistics Hub program, November 2, 2018, www.dcnnews.com

3. USMCA lost opportunity to actually implement freer trade between Canada and U.S., November 2, 2018, www.ctl.ca

4. Global economy at stage where stimulus can be 'steadily withdrawn': Poloz, November 5, 2018, www.ctl.ca

5. Traveller Accommodation Services Price Index, third quarter 2018, November 10, 2018, www.statcan.gc.ca

6. Increasing consumer expectations push shippers to deliver faster, November 9, 2018, www.joc.com

7. The Billion Dollar Question, November 9, 2018, www.itf-oecd.org

8. Trade war initial tariffs see US imports of Chinese goods slashed by 30pc, November 13, 2018, www.transportweekly.com

9. Canada's Airports Welcome Engagement with New Federal Advisory Council on Jobs and the Visitor Economy, November 12, 2018, www.cacairports.ca

10. Canada eyes sweeping free trade deal with China but remains open to sector deals, November 13, 2018, www.ctl.ca

11. Survey finds shipping industry concerned about impact of trade protectionism and cyber threats, November 13, 2018, www.ctl.ca

12. Investing in transportation infrastructure in the territorial North under the National Trade Corridors Fund, November 19, 2018, www.tc.gc.ca

13. New report paves way to net-zero carbon emissions, November 19, 2018, www.ctl.ca

14. Liberals give notice for law to end Canada Post strike as sides dispute backlog, November 21, 2018, www.ctl.ca

15. Canada Post back to work bill passed during late night Commons sitting, November 24, 2018, www.ctl.ca

16. European study finds US-China trade war hits China harder, November 26, 2018, www.transportweekly.com

17. European Commission reconfirms efforts for equal opportunities in the transport sector, November 27, 2018, www.europa.eu

18. NAFTA partners expected to sign USMCA on Friday, November 26, 2018, www.americanshipper.com

19. Senate passes back to work bill, putting end to rotating postal strikes, November 27, 2018, www.ctl.ca

20. Visitor Travel Survey, second quarter 2018, November 27, 2018, www.statcan.gc.ca

21. Regulating App-Based Mobility Services, November, 27, 2018, www.itf-oecd.org

22. China growth expected to slow to 6.3pc, November 29, 2018, www.transportweekly.com

summer months due to higher seasonal demand. Higher prices for both leisure (+10.3%) and business (+8.7%) clients were responsible for the increase. Prices for traveller accommodation services were up in eight provinces and all three territories. Higher prices in British Columbia (+14.8%), Ontario (+7.1%) and Quebec (+14.8%) contributed the most to the increase. Falling accommodation prices in Manitoba (-2.6%) and Saskatchewan (-2.9%) somewhat moderated the rise. The TASPI decreased 2.3% in the 2018 third quarter compared with the same quarter in 2017. Prices declined in 2018 after record prices in 2017 coinciding with Canada's 150th celebrations. Decreasing prices for both leisure (-2.7%) and business (-1.8%) clients contributed to the fall.

6. Increasing consumer expectations push shippers to deliver faster

Every year, the expectation regarding “free” is that “free” gets faster and faster, and e-commerce players are a major factor. Thus, two-to-three-day click-to-delivery expectations are now the norm. And that’s upping delivery pressure on shippers.

7. The Billion Dollar Question

How Much Will it Cost to Decarbonise Cities’ Transport Systems? This paper puts numbers on the investment needs for urban transport infrastructure under different policy scenarios. The cities of the future will be shaped by today’s decisions about physical transport assets, and the urgent need to halt climate change makes it more important than ever to get it right. The analysis shows that a low-carbon transport system is not necessarily more expensive than today’s mobility system, and can even be more cost-efficient.

8. Trade war initial tariffs see US imports of Chinese goods slashed by 30pc

Statistics from Swiss multinational investment bank UBS show US imports of Chinese goods listed in the initial US\$34 billion of tariffs have fallen by 30 per cent, adding that it's too early to calculate the effect on an additional \$200 billion of tariffs implemented on September 24, 2018. Although the research shows that President Trump's tariffs on Chinese goods are having a material effect on US-China trade, UBS says the decline has been "sharp and unambiguous". "The modest uptick in September data, however, gives us hope that the adjustment period for these imports has now drawn to an end," UBS said.

9. Canada’s Airports Welcome Engagement with New Federal Advisory Council on Jobs and the Visitor Economy

The Canadian Airports Council on November 12, 2018 welcomed the announcement of an Advisory Council on Jobs and the Visitor Economy to assist the Minister of Tourism and Official Languages Melanie Joly in the development of a tourism strategy by next summer. As a major air transport stakeholder, Canada’s airports look forward to meeting with the council to bring high-level awareness to the challenges and opportunities facing Canada’s airports and industry partners. CAC President Daniel-Robert Gooch said “Tourism is a major economic driver for Canada, a \$97.4 billion industry that employs some 1.8 million Canadians, with about 194,000 direct jobs at Canada’s airports. These are not only in Canada’s biggest cities but also in regional economic centres and small communities throughout the country. Tourism does help every part of the country, urban and rural, and it does support middle class jobs that cannot be easily replaced. Many of these are in air transport and given the important role of air transport to the success of our tourism sector, an effective tourism strategy must consider the government role in addressing issues and opportunities identified by Canada’s airports and our partners in the air travel supply chain.”

10. Canada eyes sweeping free trade deal with China but remains open to sector deals

A full-scale trade deal between Canada and China is possible even as Canada remains open to striking smaller sector-by-sector agreements, says International Trade Minister Jim Carr. Speaking in Beijing on November 12, 2018 after bilateral economic meetings, Carr said China is interested in a wide range of Canadian products across many different sectors. But while Canada is in talks with China on a number of fronts, he insisted those efforts don’t preclude a wide-ranging trade agreement between the two countries. “It’s not one or the other,” he said. “These are trade conversations over a period of time. Trade is not an event and we’re having a continuous dialogue with our Chinese counterparts about a whole variety of products.”

11. Survey finds shipping industry concerned about impact of trade protectionism and cyber threats

The global maritime industry is cautiously optimistic about the global business environment for world trade, but also concerned about the potential impact of trade tensions, cyber security, fuel costs and other headwinds to industry recovery, according to a new benchmark survey and study developed by the Business Performance Innovation (BPI Network) in partnership with Navis. Some 82 percent of survey participants anticipate either improved profitability over the next 12 months or continued stabilization and reduced losses, according to the Navis Business Bellwether report.

12. Investing in transportation infrastructure in the territorial North under the National Trade Corridors Fund

On November 19, 2018, the Honourable Marc Garneau, Minister of Transport, announced the call for proposals for funding to address transportation challenges in the territorial North. The National Trade Corridors Fund is a core element of the Trade and Transportation Corridors Initiative. The fund is dedicating \$2 billion over 11 years to strengthen Canada's trade infrastructure, including up to \$400 million for transportation infrastructure in Yukon, Northwest Territories and Nunavut. It also supports Canada's trade diversification strategy which is all about securing better trade deals and providing support to innovative, ambitious and hard-working Canadian entrepreneurs so they can achieve success here and in all corners of the world. Eligible projects will support northern transportation infrastructure (ports, airports, all-season roads and bridges), and will enhance safety, security, and economic and/or social development in Canada's three territories. The projects should also address the unique and urgent transportation needs in Canada's territorial North, such as access to markets, difficult terrain and climate conditions, and the high cost of construction along Canada's northern trade corridors. In addition, consideration will be given to a project's ability to support trade to and from Canada's North.

13. New report paves way to net-zero carbon emissions

A new report (*Mission Possible: Reaching net-zero carbon emissions from harder-to-abate sectors by mid-century*) from the Energy Transitions Commission (ETC) has suggested the heavy-duty transport industry can achieve net-zero carbon emissions at minimal costs to the global economy, through ambitious policy, accelerated innovation and investment. The report says it's technically and financially feasible to reach net-zero carbon emissions by 2060 – earlier in developed countries – at a cost of less than 0.5% of global GDP.

14. Liberals give notice for law to end Canada Post strike as sides dispute backlog

The federal government has given notice that they're prepared to legislate Canada Post employees back to work as the postal service and union spar over the scale of the backlog the rotating strikes have created. Labour Minister Patty Hajdu said that 48 hours notice is required before introducing back-to-work legislation, but insisted that having done so doesn't mean the government will make the move to end rotating strikes by the Canadian Union of Postal Workers. "We have complete flexibility about when we'll introduce that legislation," Hajdu told reporters before the Liberal caucus meeting on November 21, 2018.

15. Canada Post back to work bill passed during late night Commons sitting

Legislation ordering postal workers back to work was passed in the House of Commons during a special session that dragged on into the early hours of November 24, 2018 morning. Bill C-89 passed third reading by a vote of 166 to 43. The Senate is now set to sit on November 24, 2018 and, if necessary, the 25th, to deal with the bill, which would go into effect at noon eastern time on the day following royal assent.

16. European study finds US-China trade war hits China harder

The United States' 25 per cent rise in tariffs depresses Chinese producer prices by 20.5 per cent and increases US consumer prices by 4.5 per cent, according to a study published by the *European Network for Economic and Fiscal Policy Research*. The Trump administration has imposed 25 per cent tariffs across US\$50 billion worth of Chinese goods in 2017 import value and is set to raise tariffs from across another \$200 billion worth of Chinese goods from 10 per cent to 25 per cent on January 1, 2019. "The US government has strategically levied import duties on goods with high import elasticities, which transfers a great share of the tariff burden on to Chinese exporters," highlighted the study's authors Benedikt Zoller-Rydzek and Gabriel Felbermayr, reported American Shipper.

17. European Commission reconfirms efforts for equal opportunities in the transport sector

One year ago, Transport Commissioner Violeta Bulc launched together with the European Economic and Social Committee (EESC) the EU Platform for Change to create equal opportunities in the transport sector. On November 27, 2018, the conference on 'How to attract women to the transport sector' takes stock of what has been achieved in the meantime: So far, 22 members have joined the Women in Transport EU Platform for Change. Numerous EU employers' and workers' associations from across all modes of transport as well as four EU Member States, Austria, Croatia, Spain and Sweden, and agencies such as the Spanish Aviation Safety Agency, and the EU Agency for Railways ERA, support now actively the Platform to increase female employment in the sector. The Platform enables stakeholders to highlight their specific initiatives in favour of gender equality in the transport sector and to exchange good practices.

18. NAFTA partners expected to sign USMCA on Friday

The U.S., Mexico and Canada are expected to formally sign the U.S.-Mexico-Canada Agreement (USMCA) during the G20 summit in Buenos Aires on November 23, 2018, according to a readout of a

phone call between outgoing Mexican President Enrique Peña Nieto and Canadian Prime Minister Justin Trudeau. During the call, Peña said USMCA modernizes the North American strategic commercial alliance, strengthens the competitiveness of the region and offers certainty to investments, according to the readout, published by the Mexican government on November 23, 2018.

19. Senate passes back to work bill, putting end to rotating postal strikes

Mail service will resume all across the country at noon November 27, 2018 after the Senate passed legislation ordering an end to five weeks of rotating strikes by postal workers. Royal assent was granted on November 26 shortly after senators approved Bill C-89 by a vote of 53-25. Four senators abstained. The government had deemed passage of the bill to be urgent due to the economic impact of continued mail disruptions during the busy holiday season. It rushed the bill through the House of Commons last week.

20. Visitor Travel Survey, second quarter 2018

Travellers from abroad made 8.2 million trips to Canada in the 2018 second quarter, down 1.8% from the second quarter of 2017. The second quarter of 2017 featured festivities marking both Canada's 150th birthday and the 375th anniversary of Montréal. Despite the decline in the number of travellers from abroad, tourism spending in Canada rose 1.0% to \$5.8 billion in the second quarter compared with the same quarter of 2017. *US residents* made 6.4 million trips to Canada in the second quarter, down 1.8% from the second quarter of 2017. Despite this year-over-year decline, travel spending by US residents rose 3.3% to \$2.9 billion. In the second quarter, *travellers from overseas countries* (countries other than the United States) made 1.8 million trips to Canada, a year-over-year decline of 1.7%. Travel expenditures in Canada also declined during the quarter, down 1.1% to \$2.9 billion.

21. Regulating App-Based Mobility Services

The International Transport Forum of the OECD Roundtable aims to identify appropriate regulatory frameworks for app-based mobility services. It examines the rationale for economic regulation for these services in light of market imperfections in their delivery and in public transport markets more generally. It considers how transport externalities, including congestion on the roads and at the curb, can be managed and looks at competition issues. The Roundtable also reviews existing regulatory barriers to the deployment of shared ride services where they might be advantageous for complementing conventional public transport services.

22. China growth expected to slow to 6.3pc

China's economic growth is expected to hit 6.6 per cent this year and slow to 6.3 per cent in 2019 as the country struggles with challenges relating to trade and structural reform, economists from Beijing's Renmin University said in a report. The predictions, published by the news service of the China Academy of Social Sciences late on Saturday, are in line with the median forecast in a poll of 73 economists by Reuters last month, with China under increasing pressure from a trade war with the United States.