

# Transportation Information Update\*

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## AIR TRANSPORTATION

### 1. Air fares, third quarter 2018

Base air fares in Canada, domestic and international combined, averaged \$244.50 in the 2018 third quarter, down 0.2% from the same quarter in 2017. The average domestic fare was down 2.3% from the third quarter of 2017 to \$167.50, while the average international fare decreased 0.4% to \$325.00. This marked the second consecutive decline in international air fares.

### 2. The Government of Canada announces the transfer of the entire management of the Maison Jean-Paul Raymond to the Union des producteurs agricoles du Québec

On March 27, 2019, the Honorable Mélanie Joly, Minister of Tourism, Official Languages and La Francophonie, announced on behalf of Marc Garneau, Minister of Transport, the transfer of the entire management of the Maison Jean-Paul Raymond, located in Ste-Scholastique-Mirabel, to the Union des producteurs agricoles du Québec. Minister Joly also stated on behalf of Minister Garneau, that he is pondering the future of 748 acres of surplus lands at the former Mirabel airport. The identified lands were originally part of the sales program for the 11,000 acres of Mirabel land, which ended in 2013 after two extensions. The Government of Canada is currently holding consultations on this matter and working with interested stakeholders. Additional information will be provided when these consultations are completed.

### 3. Monthly civil aviation statistics, January 2019

The six Canadian Level I air carriers flew 6.9 million passengers on scheduled and charter services in January 2019, up 4.4% from January 2018 and continuing the upward year-over-year monthly trend that began in April 2014. Traffic increased 5.5% year over year to 18.3 billion passenger-kilometres in January 2019. Capacity rose 6.0% to 22.4 billion available seat-kilometres. This resulted in a slightly lower passenger load factor in January 2019 (81.6%) compared with the same month a year earlier (82.0%). Total operating revenue was up 10.7% from the same month a year earlier to \$2.0 billion in January 2019.

### 4. Government of Canada investing in safety at the Moosonee and Timmins Airports

A government official visited the Moosonee Airport and the Timmins Victor M. Power Airport to highlight the recent completion of safety improvement projects that were funded through Transport Canada's Airports Capital Assistance Program. At the Moosonee Airport, \$7,633,423 was provided to rehabilitate and update Runway 06-24 and Taxiway A. The Timmins Victor M. Power Airport received \$63,840 to replace a material spreader, which will assist with the essential clearing of ice and snow from runways, taxiways and the apron.

### 5. Aircraft movement statistics: Major airports, January 2019

Aircraft take-offs and landings at Canadian airports with NAV CANADA air traffic control towers and flight service stations increased 5.6% in January

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1. Air fares, third quarter 2018, March 27, 2019, [www.statcan.gc.ca](http://www.statcan.gc.ca)
2. The Government of Canada announces the transfer of the entire management of the Maison Jean-Paul Raymond to the Union des producteurs agricoles du Québec, March 27, 2019, [www.tc.gc.ca](http://www.tc.gc.ca)
3. Monthly civil aviation statistics, January 2019, March 28, 2019, [www.statcan.gc.ca](http://www.statcan.gc.ca)
4. Government of Canada investing in safety at the Moosonee and Timmins Airports, March 28, 2019, [www.tc.gc.ca](http://www.tc.gc.ca)
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6. Air Travel Consumer Report: January 2019 Numbers, March 29, 2019, [www.dot.gov](http://www.dot.gov)
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11. Budget carrier Flair Airlines sells 25% stake to U.S. investor as it vies to disrupt Canadian market Budget carrier Flair Airlines sells 25% stake to U.S. investor as it vies to disrupt Canadian market, April 2, 2019, [www.flinancialpost.ca](http://www.flinancialpost.ca)
12. Arriving at destination: Regulatory modernization comes to Canada's aviation sector, April 2, 2019, [www.cta-otc.gc.ca](http://www.cta-otc.gc.ca)
13. Passenger Demand Moderates in February, April 4, 2019, [www.iata.org](http://www.iata.org)
14. Air Freight Demand Continues Downward Trajectory in February 2019, April 3, 2019, [www.iata.org](http://www.iata.org)
15. New process for review and authorization of air carrier joint ventures now in place, April 4, 2019, [www.tc.gc.ca](http://www.tc.gc.ca)
16. Air Canada Tops North American Carriers for Food Service and Business Class Amenity Kits in PAX International Awards, April 4, 2019, [www.aircanada.ca](http://www.aircanada.ca)
17. WestJet ratifies five-year agreement with AMEs, April 5, 2019, [www.westjet.ca](http://www.westjet.ca)
18. Canadian Transportation Agency issues determination in Sunwing inquiry – Sunwing

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

2019. Overall, 90 airports combined reported 375,992 movements, compared with 91 airports totalling 356,097 movements in January 2018.

#### **6. Air Travel Consumer Report: January 2019 Numbers**

The U.S. Department of Transportation (DOT) on March 29, 2019 released its March 2019 Air Travel Consumer Report (ATCR) on marketing and reporting air carrier data compiled for the month of January 2019. In January 2019, DOT received 878 *complaints about airline service* from consumers, down 39.5 percent from the total of 1,452 filed in January 2018 and down 12.3 percent from the 1,001 received in December 2018. In January 2019, marketing carriers posted an *on-time arrival performance rate* of 78.4 percent, down from both the 80.0 percent on-time rate in December 2018 and from 79.4 percent in January 2018. In January 2019, airlines reported 10 *tarmac delays* of more than three hours on domestic flights, a decrease from the 19 such tarmac delays reported in December 2018, and the 12 tarmac delays reported in January 2018. In January 2019, the Department received a total of 48 *disability-related complaints*, down from both the 66 complaints received in January 2018 and the 67 complaints received in December 2018. In January 2019, the Department received seven *complaints alleging discrimination*. The full consumer report and other aviation consumer matters of interest to the public can be found at <http://www.transportation.gov/airconsumer>.

#### **7. WestJet triples its win as Best Airline in Canada**

WestJet on April 2, 2019 announced that it has again been recognized as the Best Airline in Canada and a winner among travellers' favorite Mid-Size Airlines in North America in the 2019 TripAdvisor Travellers' Choice awards for Airlines. WestJet remains the only airline in Canada to win TripAdvisor's Best Airline in Canada recognition. TripAdvisor awarded the world's top carriers rankings based on the quantity and quality of reviews and ratings for airlines by TripAdvisor flyers, gathered over a 12-month period.

#### **8. WestJet ratifies five-year agreement with AMEs**

WestJet on April 2, 2019 announced that 93 per cent of the Aircraft Maintenance Engineers Association (AMEA) members voted in favour of a five-year agreement. The vote represents 90 per cent of the AMEA's 688 members. The agreement starts May 1, 2019 and recognizes the value of WestJet AMEs and technicians and their dedication to safety. The AMEA is a member of the WestJet Employee Association. Jeff Martin, WestJet Chief Operating Officer said "WestJet is pleased at the vote outcome and believes this agreement is beneficial to our hard-working AMEs, while providing long-term sustainability for WestJet and all employees. With the agreement in place until 2024, we will be able to continue attracting and retaining the most qualified aircraft maintenance engineers in the industry. I sincerely thank the AMEA for the transparent, fair and open process and for representing WestJet's AMEs with professionalism."

#### **9. Air Canada Updates Schedule for May in Response to Ongoing Grounding of the Boeing 737 MAX Aircraft**

Air Canada said on April 2, 2019 that due to Transport Canada's continued closure of Canadian airspace to the Boeing 737 MAX aircraft, it has further adjusted its schedule through to May 31, 2019. The carrier anticipates it will cover 98 per cent of previously planned flying for the month through a series of mitigation measures, schedule changes and temporary route suspensions.

#### **10. Air Canada's Business Class named top in North America by TripAdvisor's Travellers' Choice Awards**

Air Canada on April 2, 2019 was named the North American airline with the best Business Class by TripAdvisor's Travellers' Choice Airlines awards for 2019.

to pay \$694,500 penalty, April 8, 2019, [www.cta-otc.gc.ca](http://www.cta-otc.gc.ca)

19. WestJet reports record March load factor of 87.0 per cent, April 8, 2019, [www.westjet.ca](http://www.westjet.ca)

20. Air Canada's Award-Winning North America Business Class Featured in New Multi-Media Advertising Campaign, April 8, 2019, [www.aircanada.ca](http://www.aircanada.ca)

21. Government of Canada investing in safety at the West Kootenay Regional Airport, April 9, 2019, [www.tc.gc.ca](http://www.tc.gc.ca)

22. Government of Canada investing in safety at the Lloydminster Municipal Airport, April 9, 2019, [www.tc.gc.ca](http://www.tc.gc.ca)

23. Government of Canada investing in safety at the Gillam Airport, April 9, 2019, [www.tc.gc.ca](http://www.tc.gc.ca)

24. Supporting Canada's Flight Schools, April 9, 2019, [www.atav.ca](http://www.atav.ca)

25. Aircraft movement statistics: Small airports, December 2018, April 11, 2019, [www.statcan.gc.ca](http://www.statcan.gc.ca)

26. Estimated March 2019 U.S. Airline Traffic Data, April 11, 2019, [www.bts.gov](http://www.bts.gov)

27. February 2019 U.S. Passenger Airline Employment Data, April 15, 2019, [www.bts.gov](http://www.bts.gov)

28. Emirates announces an interline agreement with Africa World Airlines, April 16, 2019, [www.transportweekly.com](http://www.transportweekly.com)

29. Government of Canada investing in safety at Charlo Regional Airport, April 16, 2019, [www.tc.gc.ca](http://www.tc.gc.ca)

30. Annual and Fourth-Quarter 2018 Air Fare Data, April 16, 2019, [www.bs.gov](http://www.bs.gov)

31. Hong Kong, Memphis, Shanghai still the top three of world cargo airports, April 17, 2019, [www.transportweekly.com](http://www.transportweekly.com)

32. Government of Canada investing in safety at the Sault Ste. Marie Airport, April 18, 2019, [www.tc.gc.ca](http://www.tc.gc.ca)

33. Air Canada Marks Earthday2019 Via New Partnership With Ocean Clean-up Organization 4ocean, April 22, 2019, [www.aircanada.ca](http://www.aircanada.ca)

34. Lufthansa reports first quarter weak profit growth to US\$32 million, April 23, 2019, [www.transportweekly.com](http://www.transportweekly.com)

35. Government of Canada investing in safety at the J.A. Douglas McCurdy Sydney Airport, April 24, 2019, [www.tc.gc.ca](http://www.tc.gc.ca)

36. Monthly civil aviation statistics, February 2019, April 25, 2019, [www.statcan.gc.ca](http://www.statcan.gc.ca)

37. Air Canada Updates Schedule Through July in Response to Ongoing Grounding of Boeing 737 MAX Aircraft, April 25, 2019, [www.aircanada.ca](http://www.aircanada.ca)

38. Enjoy summer in Mont Tremblant with Porter Airlines, April 25, 2019, [www.flyporter.com](http://www.flyporter.com)

39. Winnipeg airport expanding cargo campus, April 26, 2019, [www.ctl.ca](http://www.ctl.ca)

40. WestJet's Dreamliner takes first transatlantic flight, April 27, 2019, [www.westjet.ca](http://www.westjet.ca)

### **11. Budget carrier Flair Airlines sells 25% stake to U.S. investor as it vies to disrupt Canadian market**

Ultra low-cost carrier Flair Airlines has sold a stake of its company to a U.S. private investment firm as it vies to beef up its fleet to compete against Swoop, the rival budget airline owned by WestJet Airlines Ltd. that Flair has accused of predatory pricing. The Edmonton-based airline announced on April 2, 2019 that Miami-based 777 Partners acquired a 25 per cent equity stake — the maximum amount a foreign entity can own under federal regulations — in the company for an undisclosed sum. It intends to use the investment to upgrade its fleet to larger planes.

### **12. Arriving at destination: Regulatory modernization comes to Canada's aviation sector**

Important changes are coming to the economic and accessibility-related regulatory framework in which airlines in Canada operate, as three sets of regulations made by the Canadian Transportation Agency (CTA) near finalization. The most talked about are the new Air Passenger Protection Regulations (APPR). In addition, a package released alongside the APPR – the updated *Air Transportation Regulations* – will encourage innovation and reduce administrative burdens for airlines by simplifying and streamlining the oversight of practices such as code sharing and aircraft leasing. Finally, new Accessible Transportation for Persons with Disabilities Regulations (ATPDR), which were pre-published in *Canada Gazette I* in March 2019, will help ensure that Canadians with disabilities have equal access to air (as well as federally regulated rail, ferry, and intercity bus) travel.

### **13. Passenger Demand Moderates in February**

The International Air Transport Association (IATA) announced global passenger traffic results for February 2019 showing total revenue passenger kilometers (RPKs) rose 5.3%, compared to February 2018. This was the slowest rate of growth in more than a year but still in line with long-term demand trends. Monthly capacity (available seat kilometers or ASKs) increased by 5.4%, and load factor slipped 0.1 percentage point to 80.6%, which is still high by historic standards. Alexandre de Juniac, IATA's Director General and CEO said "After January's strong performance, we settled down a bit in February, in line with concerns about the broader economic outlook. Continuing trade tensions between the US and China, and unresolved uncertainty over Brexit are also weighing on the outlook for travel."

### **14. Air Freight Demand Continues Downward Trajectory in February 2019**

The International Air Transport Association (IATA) released data for global air freight markets showing that demand, measured in freight tonne kilometers (FTKs), decreased 4.7% in February 2019, compared to the same period in 2018. This was the fourth consecutive month of negative year-on-year growth and the worst performance in the last three years. Freight capacity, measured in available freight tonne kilometers (AFTKs), rose by 2.7% year-on-year in February 2019. This was the twelfth month in a row that capacity growth outstripped demand growth.

### **15. New process for review and authorization of air carrier joint ventures now in place**

The Honourable Marc Garneau, Minister of Transport, announced that effective April 4, 2019, the Minister of Transport has the authority to review and authorize joint ventures between airlines. Previously, only the Competition Bureau reviewed air carrier joint ventures to determine whether a joint venture would substantially lessen or prevent competition. It did not consider factors beyond those related to competition, such as impact on employment. This new process allows the Minister of Transport to authorize a proposed joint venture that would be in the public interest by balancing those interests with impacts on competition. This process was a key priority from the Minister's *Transportation 2030* strategy to promote greater choice and connectivity in the air sector, which may lead to lower ticket prices.

### **16. Air Canada Tops North American Carriers for Food Service and Business Class Amenity Kits in PAX International Awards**

Air Canada's industry-leading position among North American carriers has been reaffirmed at the PAX International Readership Awards, where the airline won for 'Outstanding Food Service' by a Carrier in North America and 'Best Business Class Amenity Kit' in the Americas.

### **17. WestJet ratifies five-year agreement with AMEs**

WestJet on April 5, 2019 announced that 93 per cent of the Aircraft Maintenance Engineers Association (AMEA) members voted in favour of a five-year agreement. The vote represents 90 per cent of the AMEA's 688 members. The agreement starts May 1, 2019 and recognizes the value of WestJet AMEs and technicians and their dedication to safety. The AMEA is a member of the WestJet Employee Association. Jeff Martin, WestJet Chief Operating Officer said "WestJet is pleased at the vote outcome and believes this agreement is beneficial to our hard-working AMEs, while providing long-term sustainability for WestJet and all employees,". "With the agreement in place until 2024, we will be able to continue attracting and retaining the most qualified aircraft maintenance engineers in the industry. I sincerely thank the AMEA for the transparent, fair and open process and for representing WestJet's AMEs with professionalism."

### **18. Canadian Transportation Agency issues determination in Sunwing inquiry – Sunwing to pay \$694,500 penalty**

The Canadian Transportation Agency (CTA) on April 8, 2019 issued its determination, in the matter of widespread service issues experienced by passengers on Sunwing flights to or from Toronto Pearson International Airport or Montréal Pierre Elliott Trudeau International Airport, between April 14 and 18, 2018. A CTA designated enforcement officer subsequently issued a Notice of Violation against the airline. The CTA found that Sunwing did not properly apply its scheduled international tariff rules in respect of: 1) flight delays, including the provision of hotel and meal vouchers to passengers; 2) communication, including communication on flight status and information about delayed or lost baggage; and 3) tarmac delays. It therefore issued the payment of compensation to passengers. In addition to compensation owed to passengers, a CTA Designated Enforcement Officer has issued a penalty of \$694,500 against the airline. Sunwing has until May 10, 2019 to pay the penalty.

#### **19. WestJet reports record March load factor of 87.0 per cent**

On April 8, 2019, WestJet announced the March 2019 traffic results with a record load factor of 87.0 per cent, an increase of 1.4 percentage points year over year. Revenue passenger miles (RPMs), or traffic, increased 7.3 per cent year over year, while capacity, measured in available seat miles (ASMs), grew 5.5 per cent over the same period. WestJet welcomed an additional 104,000 guests in March, a year-over-year increase of 4.8 per cent.

#### **20. Air Canada's Award-Winning North America Business Class Featured in New Multi-Media Advertising Campaign**

Air Canada on April 8, 2019 launched an expansive multi-media advertising campaign to showcase for customers the industry leading attributes and benefits of its award-winning, North America Business Class service and its commitment to customer service excellence. The campaign is set to run until June 2, including a three-week television component starting today to coincide with the beginning of the NHL playoffs.

#### **21. Government of Canada investing in safety at the West Kootenay Regional Airport**

The Honourable Marc Garneau, Minister of Transport, on April 9, 2019 announced a Government of Canada investment to rehabilitate the airside lighting and electrical systems at the West Kootenay Regional Airport in Castlegar, British Columbia. The investment of \$1,296,811 includes installing runway indication lights and an omni-directional approach lighting system; replacing constant current regulators and a standby diesel generator with fuel tank; and installing a runway precision approach path indicator system.

#### **22. Government of Canada investing in safety at the Lloydminster Municipal Airport**

The Honourable Marc Garneau, Minister of Transport, on April 9, 2019 announced a Government of Canada investment to rehabilitate airside pavement at the Lloydminster Municipal Airport. The investment of \$5,263,885 includes the rehabilitation of pavement on the runway, taxiway, and apron, as well as the removal of a holding bay near Taxiway A.

#### **23. Government of Canada investing in safety at the Gillam Airport**

The Honourable Marc Garneau, Minister of Transport, on April 9, 2019 announced a Government of Canada investment for the purchase of aggregate and granular base material for the Gillam Airport. The investment of \$3,686,200 includes supplying 15,000 cubic metres of aggregate material sufficient to place a 150-mm compact lift on Runway 05-23, Taxiway A and the main apron, and a 17,000 cubic metre stockpile of granular base material to be used for yearly resurfacing over a 10-year period.

#### **24. Supporting Canada's Flight Schools**

ATAC welcomes the report released on April 9, 2019 by the TRAN committee "Supporting Canada's Flight Schools" and offers its full cooperation on the implementation of the report's recommendations. ATAC also wishes to applaud Kelowna-Lake Country MP Stephen Fuh for introducing the private members' motion M-177 (pilot shortage in Canada) which lead to this study by the TRAN Committee.

#### **25. Aircraft movement statistics: Small airports, December 2018**

Take-offs and landings at 130 Canadian airports without air traffic control towers totalled 36,784 movements in December 2018. Ten airports accounted for 39.0% of the month's activity: Moosonee, Ontario (2,143 movements), Goose Bay, Newfoundland and Labrador (1,897), Trois-Rivières, Quebec (1,820), Red Lake, Ontario (1,608), Peterborough, Ontario (1,587), Island Lake, Manitoba (1,134), St. Theresa Point, Manitoba (1,098), Pickle Lake, Ontario (1,087), Barrie–Orillia–Lake Simcoe Regional, Ontario (1,024) and Comox, British Columbia (943).

#### **26. Estimated March 2019 U.S. Airline Traffic Data**

U.S. airlines carried an estimated 74.9 million systemwide (domestic and international) scheduled service passengers in March 2019, seasonally-adjusted, according to the Bureau of Transportation Statistics' (BTS) first estimate, up 0.1% from the February 2019 second estimate and 2.2% year-over-year.

#### **27. February 2019 U.S. Passenger Airline Employment Data**

The 21 U.S. scheduled passenger airlines employed 2.5% more workers in February 2019 than in February 2018 and 13.9% compared to 2015. February's 443,058 full-time equivalents (FTE) was the highest February 2019 employment total since February 2003 (460,852 FTEs).

### **28. Emirates announces an interline agreement with Africa World Airlines**

Emirates, the world's largest international airline, and Africa World Airlines (AWA), the Ghanaian airline headquartered in Accra, have announced a one-way interline agreement whereby Emirates customers can connect onto selected routes of Africa World Airlines' network, opening up new African destinations for Emirates customers from May 2019.

### **29. Government of Canada investing in safety at Charlo Regional Airport**

The Honourable Marc Garneau, Minister of Transport, on April 16, 2019 visited the Charlo Regional Airport to highlight the recent completion of three safety improvement projects: the purchase of a loader with attachments, a runway snow blower and a friction tester. Funding of \$706,750 came from Transport Canada's Airports Capital Assistance Program for these three projects. Minister Garneau was also updated on the pending delivery of a \$246,000 plow truck with dry material spreader. This equipment is also being funded through the Airports Capital Assistance Program.

### **30. Annual and Fourth-Quarter 2018 Air Fare Data**

The 2018 average domestic itinerary air fare of \$350 was the lowest inflation-adjusted annual fare since the Bureau of Transportation Statistics began collecting such records in 1995, down 1.8 percent from the previous low of \$356 in 2017. In the fourth quarter of the year, fares turned up to \$359, reaching the highest quarterly level since the second quarter of 2017 (\$367). The fourth-quarter 2018 average domestic itinerary air fare was up 4.7% from in the third quarter of 2018 (\$343), which was the lowest quarter on record, adjusted for inflation, and up 1.2% from the fourth quarter of 2017.

### **31. Hong Kong, Memphis, Shanghai still the top three of world cargo airports**

Hong Kong and Memphis airports are still No 1 and No 2 in air cargo volume respectively with Shanghai Pudong speeding along in No 3 spot, according to the latest tally by California's *Global Trade Magazine*. The US air cargo market has been increasing at a steady pace. The economy has officially rebounded and in 2017 alone roughly 61.5 million tons of freight moved via airlines worldwide. Cargo airlines enjoyed healthy revenues of US\$95.9 billion, and there are a handful of American cargo airports that surged into 2019 as a result.

### **32. Government of Canada investing in safety at the Sault Ste. Marie Airport**

The Honourable Chrystia Freeland, Minister of Foreign Affairs and Member of Parliament for University—Rosedale, on behalf of the Honourable Marc Garneau, Minister of Transport, on April 18, 2019 announced a Government of Canada investment to install an integrated radio alarm system, known as IRAS, at the Sault Ste. Marie Airport. The investment of \$16,250 for the IRAS will improve emergency response by allowing radio communication between the control tower and the fire hall, security station and individual wireless radios. Minister Freeland also toured the recently completed projects to rehabilitate airside essential power systems and the purchase of an aircraft rescue and firefighting vehicle and associated equipment. The value of these two projects is more than \$1.1 million.

### **33. Air Canada Marks Earthday2019 Via New Partnership With Ocean Clean-up Organization 4ocean**

To mark Earth Day 2019, Air Canada announced a partnership with environmental organization 4ocean, a company dedicated to actively removing waste plastics and trash from the ocean and coastlines while inspiring individuals to work together for cleaner oceans. As the exclusive Canadian airline to sponsor 4ocean, this partnership marks an important milestone in Air Canada's plastic reduction strategy and creates opportunities for Air Canada employees.

### **34. Lufthansa reports first quarter weak profit growth to US\$32 million**

German flag carrier Lufthansa said costs to expand its Eurowings budget carrier held back profit growth in the first quarter of 2019, and it lowered its forecast for 2018 capacity growth. Lufthansa reported slight rise in adjusted earnings before interest and tax (EBIT) to EUR26 million (US\$32 million), far short of the EUR81.3 million forecast by analysts in a Reuters poll

participate in coastal North America clean-ups in 2019.

### **35. Government of Canada investing in safety at the J.A. Douglas McCurdy Sydney Airport**

On April 24, 2019, the Government of Canada made an investment to replace a towed sweeper at the J.A. Douglas McCurdy Sydney Airport. The investment of \$226,100 for the sweeper allows for the essential clearing of ice and snow from runways, taxiways and the apron. Mr. Cuzner who made the announcement also viewed two recently completed projects to rehabilitate Taxiway J2 and its drainage, and to replace a snowblower. The value of these two projects is \$970,081.

### **36. Monthly civil aviation statistics, February 2019**

The six Canadian Level I air carriers flew 6.7 million passengers on scheduled and charter services in February 2019, up 5.3% from February 2018 and continuing the upward year-over-year monthly trend that began in April 2014. Traffic increased 6.7% year over year to 17.2 billion passenger-kilometres in February 2019. Capacity rose 5.8% to 20.5 billion available seat-kilometres. This resulted in a slightly higher passenger load factor in February 2019 (84.0%) compared with the same month a year earlier (83.3%), as the increase in demand for travel was stronger than the rise in

capacity. On average, each passenger travelled 2,580 kilometres, up 1.3% compared with February 2018. Total operating revenue was up 9.0% from the same month a year earlier to \$1.8 billion in February 2019.

### **37. Air Canada Updates Schedule Through July in Response to Ongoing Grounding of Boeing 737 MAX Aircraft**

Air Canada said on April 25, 2019 that to provide customers greater certainty for their summer travel plans it has further adjusted its schedule through to August 1, 2019 and taken other measures, including obtaining additional capacity, so that customers can book with full confidence. Mitigation plans include aircraft substitutions, consolidating schedule frequencies, finalizing arrangements for additional capacity through new and extended aircraft leases, accelerating intake of aircraft. The changes are in response to the continued grounding by Transport Canada of the Boeing 737 MAX aircraft, which has now been removed from Air Canada's schedule until August 1, 2019.

### **38. Enjoy summer in Mont Tremblant with Porter Airlines**

Porter Airlines flights to Mont Tremblant, Que., are back in time for summer fun. Seasonal service begins June 21, 2019 and runs until September 22, 2019. Flights operate up to four times weekly starting July 28 through Labour Day, and two times weekly for the remainder of the season. Passengers fly non-stop from Billy Bishop Toronto City Airport to Mont Tremblant International Airport in just 70 minutes. For complete schedule and booking details, visit [www.flyporter.com](http://www.flyporter.com) or contact your travel agent.

### **39. Winnipeg airport expanding cargo campus**

Winnipeg Airports Authority (WAA) reiterated its plans to construct a new \$27 million Ground Services Equipment (GSE) Building at its Annual Public Meeting in the final week of April 2019. The expansion plans at Winnipeg's James Armstrong International Airport (YWG), feature the 96,000 square-foot facility, which broke ground last summer and is scheduled to be completed by the end of this year.

### **40. WestJet's Dreamliner takes first transatlantic flight**

On April 29, 2019, WestJet officially launched its new Dreamliner featuring its new long-haul Business cabin seats between Calgary and London, Gatwick with the departure of WS1. The sold-out flight, expected to land in Gatwick at 11:00 a.m. local time, was a first for WestJet's new 787-9 Dreamliner. The return flight, WS2 departs London at 1 p.m. local time on the same day. The inaugural flight between Calgary and London marks new chapter in WestJet's global strategy.

## **WATER TRANSPORTATION**

### **1. Record year for Antwerp, box volume up 6.2pc**

Antwerp enjoyed a 6.2 per cent year-on-year increase in container traffic in 2018 to 11.1 million TEU, amounting to 130.9 million tonnes, up 6.4 per cent, according to figures released by the port authority. The total transshipment in 2018 was 235.2 million tonnes, a new record, with unprecedented growth in all cargo types, it said. All trades recorded growth, both in supply and export, with the exception of supplies from the Middle East and Latin America, which showed a slight decrease. The total transshipment in 2018 was 235.2 million tonnes, a new record, with unprecedented growth in all cargotypes, it said.

### **2. 2019 expected to bring a record-number of cruise passengers to Canada Place**

The 2019 cruise season in Vancouver officially starts on March 29, 2019 with the arrival of the Emerald Princess to the Canada Place cruise terminal at the Port of Vancouver. More than one million cruise passengers on 290 ship visits are expected in Vancouver in 2019, which is a 21 per cent increase in passenger numbers compared to 2018 and will mark an all-time record for cruise passengers through Canada Place at the Port of Vancouver. Carmen Ortega, manager, trade development of the Vancouver Fraser Port Authority said "We always look forward to the start of cruise season, but this year is especially exciting as we expect to welcome a record-number of passengers through the Canada Place cruise terminal at the Port of Vancouver."

### **3. ZIM adds Port of Prince Rupert as new destination**

CN, the Port of Prince Rupert, and DP World Prince Rupert announced a new

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### **Canada**

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2. 2019 expected to bring a record-number of cruise passengers to Canada Place, March 28, 2019, [www.portmetrovancover.com](http://www.portmetrovancover.com)
3. ZIM adds Port of Prince Rupert as new destination, March 28, 2019, [www.ctl.ca](http://www.ctl.ca)
4. Moderate growth for 2019 container volumes forecast, March 28, 2019, [www.americanshipper.com](http://www.americanshipper.com)
5. European Shippers Council demands changes to liner shipping regulation, March 29, 2019, [www.americanshipper.com](http://www.americanshipper.com)
6. European shippers call for repeal of liner shipper regulation, April 1, 2019, [www.ctl.ca](http://www.ctl.ca)
7. Port authority-led ECHO Program wins award for leadership in ocean conservation, April 3, 2019, [www.portmetrovancover.com](http://www.portmetrovancover.com)
8. Port of Seattle Terminal 5 improvement project approved, April 3, 2019, [www.americanshipper.com](http://www.americanshipper.com)
9. New Pelee Island Ferry Now in Service, April 5, 2019, [www.mto.gov.on.ca](http://www.mto.gov.on.ca)
10. Box shipping demand on Asia-Europe trade to remain 'muted' over summer, April 8, 2019, [www.transportweekly.com](http://www.transportweekly.com)
11. Major shipowner trade associations agree to enhance cooperation, April 8, 2019,

weekly marine carrier service at the Fairview Container Terminal. ZIM Integrated Shipping Services (ZIM) partnered with the 2M Alliance and has added Prince Rupert as one of their port destinations. With a global reach to over 100 countries, the new ZIM service has made its inaugural call at the Port of Prince Rupert on March 27, 2019 with the arrival of ZIM containers on the Maersk Altair vessel.

#### **4. Moderate growth for 2019 container volumes forecast**

The surge of cargo that moved through U.S. ports in December 2018 increased both wholesale and retail inventories and “until that backlog is taken care of, it will likely depress container imports for the next couple of months,” says Melissa Peralta, senior economist at TTX, the railcar pool that provides equipment for U.S. railroads. She noted that for the first time in 15 years, imports from China were highest in the fourth quarter of a year, with most of the surge in 2018 coming in December, when volumes were up 27 percent after average growth of 6 percent in the first 11 months of 2018.

#### **5. European Shippers Council demands changes to liner shipping regulation**

The European Shippers Council (ESC), which says it represents the interests of more than 75,000 cargo owners in the European Union, both large multinational as well as small and medium companies, is calling for the repeal of the law that allows container shipping companies to share space on vessels unless the current law is revised. The European Commission is currently reviewing whether to renew the current law, called the consortia block exemption regulation (BER) when it expires in April 2020.

#### **6. European shippers call for repeal of liner shipper regulation**

The European Shippers’ Council (ESC) stated that the Consortia Block Exemption Regulation (BER) that is currently being revised by the European Commission has not contributed to better services in maritime transport for shippers as it aimed to. The objective of the Consortia BER, since its first adoption in 1995, has been, while allowing shipping lines to form consortia, to bring shared benefits to consortia’s clients — shippers, the owners of cargo — in terms of better services and higher productivity. “However,” stated the ESC, “with the schedule unreliability, blank sailings, and a lack of transparency, shippers have not been experiencing any improvement in the service quality. No consortium is fully compliant with the BER criteria, exceeding the allowed market threshold, creating high concentration on main trade lanes, and bringing service uniformity.

#### **7. Port authority-led ECHO Program wins award for leadership in ocean conservation**

The Vancouver Fraser Port Authority-led Enhancing Cetacean Habitat and Observation (ECHO) Program received the Award for Conservation Leadership in Support of Corporate Responsibility at this week’s Ocean Awards gala held at the Vancouver Aquarium. The award recognized the progressive efforts of the ECHO Program and its ability to collaboratively advance meaningful ocean conservation work. The ECHO Program is a collaborative initiative that brings together government agencies, the marine industry, conservation and environmental groups, First Nations individuals and scientists to better understand and reduce the cumulative effects of commercial vessel-related activities on at-risk whales in this region.

#### **8. Port of Seattle Terminal 5 improvement project approved**

The Northwest Seaport Alliance (NWSA) authorized on April 3, 2019 by an 8-2 vote a more than \$300 million infrastructure improvement project at the Port of Seattle’s Terminal 5 to facilitate growth in international marine cargo in the Seattle Harbor. NWSA also approved a 32-year lease agreement with SSA Terminals LLC (SSAT) — a joint venture owned by SSA Terminals and Total Investment Limited Sàrl (TIL) — which will begin operating at the

[www.transportweekly.com](http://www.transportweekly.com)

12. New funding opportunities support innovation and clean technologies for ships, trains and planes, April 8, 2019, [www.tc.gc.ca](http://www.tc.gc.ca)

13. Shipper satisfaction with shipping lines falling: Drewry, April 8, 2019, [www.ctl.ca](http://www.ctl.ca)

14. Confidence rising in shipping industry: survey, April 9, 2019, [www.transportweekly.com](http://www.transportweekly.com)

15. ‘Threat of escalating tariffs’ slows Long Beach activity, April 9, 2019, [www.americanshipper.com](http://www.americanshipper.com)

16. Singapore needs to rethink its shipping strategy, April 10, 2019, [www.transportweekly.com](http://www.transportweekly.com)

17. World shipping bodies agree to team up to better lobby for member interests, April 11, 2019, [www.transportweekly.com](http://www.transportweekly.com)

18. Proposed US auto tariffs would have a significant negative impact on key East-West trade routes, April 10, 2019, [www.ajot.com](http://www.ajot.com)

19. Record March box throughput at Savannah port, April 12, 2019, [www.transportweekly.com](http://www.transportweekly.com)

20. Long Beach port cargo movements dip in latter stages of Q1, April 15, 2019, [www.transportweekly.com](http://www.transportweekly.com)

21. Oakland reports first-quarter container volume growth, April 12, 2019, [www.americanshipper.com](http://www.americanshipper.com)

22. S Carolina ports box throughput surges to record high in March, April 15, 2019, [www.transportweekly.com](http://www.transportweekly.com)

23. Leading maritime capitals of the world report 2019: Singapore still on top, April 15, 2019, [www.ctl.ca](http://www.ctl.ca)

24. LA volume up 12.7pc in March while Long Beach falls 3.9pc, April 16, 2019, [www.transportweekly.com](http://www.transportweekly.com)

25. Government of Canada announces a new maritime information system pilot project in partnership with the Maritime Aboriginal Peoples Council, April 17, 2019, [www.tc.gc.ca](http://www.tc.gc.ca)

26. Virginia port’s March down 5.4pc, April 18, 2019, [www.transportweekly.com](http://www.transportweekly.com)

27. Port of Halifax: Container Traffic Statistics (First quarter of 2019), April 18, 2019, [www.portofhalifax.ca](http://www.portofhalifax.ca)

28. Port of Metro Vancouver: Container Traffic Statistics (First quarter of 2019), April 18, 2019, [www.metrovancouver.ca](http://www.metrovancouver.ca)

29. Port of Prince Rupert: Container Traffic Statistics (First quarter of 2019), April 18, 2019, [www.rupertport.ca](http://www.rupertport.ca)

30. Halifax Port Authority Launches Public Consultation on Infrastructure Plans, April 21, 2019, [www.portofhalifax.ca](http://www.portofhalifax.ca)

31. Shanghai quarterly container volume up 7pc, April 23, 2019, [www.transportweekly.com](http://www.transportweekly.com)

32. Government of Canada invests in marine training for women, Northerners, Inuit and Indigenous peoples through the Oceans Protection Plan, April 23, 2019, [www.tc.gc.ca](http://www.tc.gc.ca)

33. Port of Montreal: Container Traffic Statistics (First quarter of 2019), April 23, 2019, [www.portofmontreal.ca](http://www.portofmontreal.ca)

34. Rotterdam volumes rise 7.3pc in first quarter, April 24, 2019, [www.transportweekly.com](http://www.transportweekly.com)

terminal once the first phase of construction is complete in 2021. The ports will spend about \$340 million for the first phase of the redevelopment and SSAT is expected to add \$140 million, King 5 News reported.

#### **9. New Pelee Island Ferry Now in Service**

Ontario's government is putting people first by launching the new Pelee Islander II ferry to make it easier to get people moving and make sure that Essex County is open for business, open for jobs. On April 5, 2019, the Honourable Jeff Yurek, Minister of Transportation, and Rick Nicholls, MPP for Chatham-Kent-Leamington, were at the docks in Leamington to announce that the Pelee Islander II will officially go into service on April 6, 2019.

#### **10. Box shipping demand on Asia-Europe trade to remain 'muted' over summer**

Shipping analyst Maritime Strategies International (MSI) warns that demand will "remain muted" on both the Asia-Europe and transpacific head-haul container shipping trades in the coming months, with capacity injections likely to outstrip demand. "Over the next six months we expect growth of around 2.5 per cent on the Asia-Europe head-haul," MSI was cited as saying in a Lloyd's Loading List report.

#### **11. Major shipowner trade associations agree to enhance cooperation**

On April 5, 2019 in Singapore, the International Chamber of Shipping (ICS), the Asian Shipowners' Association (ASA) and the European Community Shipowners' Associations (ECSA) signed a joint memorandum of understanding. This new MOU codifies the extensive level of co-operation that already exists between these important international trade associations and provides a framework for their closer co-operation. The three associations collectively represent over 90 percent of the world merchant fleet. The agreement recognises their respective memberships of national shipowners' associations and the unique and special relationship which their members enjoy with their national governments.

#### **12. New funding opportunities support innovation and clean technologies for ships, trains and planes**

Recognizing that innovation and research contribute to reducing emissions, the Honourable Marc Garneau, Minister of Transport, launched on April 8, 2019 the second call for proposals under the [Clean Transportation System – Research and Development program](#). Over the next three years, \$1.5 million will go to developing innovative clean technologies to improve the environmental performance of Canada's transportation system specifically in the marine, rail and aviation sectors. Recipients have until May 8, 2019 to submit their application.

#### **13. Shipper satisfaction with shipping lines falling: Drewry**

The level of satisfaction concerning container carriers among exporters, importers, and freight forwarders falls marginally, according to the third annual shipper satisfaction survey of Drewry and the European Shippers' Council (ESC). The joint ESC and Drewry survey reveals that the 249 shippers and forwarders who took part in the survey rated the service of container shipping lines with a score of 3.1 on average (which is 0.1 lower than last year) on a scale of 1 (very dissatisfied) to 5 (very satisfied). Customer satisfaction was reported least favourable for clarity of prices and surcharges, transit times, and reliability of booking/cargo shipped as booked scoring between 2.8 and 3.

#### **14. Confidence rising in shipping industry: survey**

Confidence in the shipping industry has improved over the past three months, the latest Shipping Confidence Survey from BDO/Moore Stephens shows. The average confidence level rose to 6.2 out of maximum score of 10 in the first quarter of this year, compared to a score of six in the fourth quarter of 2018. Brokers were behind much of this increase. Their score was up from 5.2 to 5.9. The rating for owners and managers was down slightly from 6.4 to 6.3 and from six to 5.8 respectively. Charterers' confidence also fell, from 6.8 to six, reported London's Tanker Operator.

#### **15. 'Threat of escalating tariffs' slows Long Beach activity**

The Port of Long Beach reported that, despite lingering trade uncertainty, it had its second-busiest 2019 first quarter in port history, moving more than 1.8 million TEUs January through March 2019.

#### **16. Singapore needs to rethink its shipping strategy**

Singapore's Minister for Trade and Industry Chan Chun Sing has said that the Lion City's success as a maritime hub must come on a broad view of trade, according to *Shipping Gazette*. Addressing 400 shipping industry professionals at the recent 13th Singapore Maritime Lecture, Mr. Chan pointed out that besides existing activities such as building vessels and improving port infrastructure, Singapore has to boost its maritime service offerings by strengthening complementary sectors such as finance and logistics. The minister said at the annual event "To truly succeed as a maritime hub, we must see physical trade not in isolation, but as part of a multi-faceted connectivity that includes data, talent, technology and finance flows. Our selling point has to go beyond our geographical location and our reputation as a 'catch-up port'."

35. Government of Canada invests in marine training for women, Northerners, Inuit and Indigenous peoples through the Oceans Protection Plan, April 24, 2019, [www.tc.gc.ca](http://www.tc.gc.ca)

36. HK falls 2.8pc in March as S'pore, Shanghai rise, April 25, 2019, [www.transportweekly.com](http://www.transportweekly.com)

37. Kuehne + Nagel Q1 profit off 1.6pc, sales rise 7.7pc, April 26, 2019, [www.transportweekly.com](http://www.transportweekly.com)

38. Global container growth forecast to rebound, April 25, 2019, [www.ioc.com](http://www.ioc.com)

39. Government of Canada supports a new maritime information system pilot project in partnership with the Innu Essipit First Nation Council, April 26, 2019, [www.tc.gc.ca](http://www.tc.gc.ca)

40. Statement by Minister of Transport on navigational restrictions and flood-related measures, April 27, 2019, [www.tc.gc.ca](http://www.tc.gc.ca)

41. ICS says shipping will enjoy improvement if overcapacity ends, April 29, 2019, [www.transportweekly.com](http://www.transportweekly.com)



### **17. World shipping bodies agree to team up to better lobby for member interests**

The International Chamber of Shipping (ICS), the Asian Shipowners' Association (ASA) and the European Community Shipowners' Associations (ECSA) have signed a joint memorandum of understanding in Singapore that paves the way for them to enhance their existing level of co-operation. These three associations collectively represent 90 per cent of the world merchant vessel fleet. The agreement recognises their respective memberships of national shipowners' associations and the special relationships their members enjoy with their national governments.

### **18. Proposed US auto tariffs would have a significant negative impact on key East-West trade routes**

Key US ports, leading global container lines and specialist car carriers will all be adversely impacted should the proposed US auto tariffs be implemented in the second quarter of 2019, according to an impact analysis published by global shipping consultancy Drewry. Neil Davidson, Drewry's senior analyst for ports and terminals said "In our analysis we assume tariffs will be imposed in 2Q19 (mid-May) and that US importers will start passing extra costs to consumers and supply chain stakeholders by 4Q19. We also assume some US importers will absorb all or part of the extra cost, while others will delay their decision and that some foreign finished vehicle producers may lower their prices to protect sales." The study explored the impact of three different tariff scenarios; a low-intensity scenario with 5% tariffs imposed on all US imports of finished vehicles and auto parts, a medium-intensity scenario at 15% and a high-intensity scenario with 25% tariffs imposed.

### **19. Record March box throughput at Savannah port**

THE US port of Savannah experienced a record March 2019 after seeing 410,000 TEU pass through its gates, an increase of 15.5 per cent year on year, data from Georgia Ports Authority shows. Rail volumes in March 2019 surged by 26 per cent to total 82,135 TEU. In addition, GPA achieved a record low dwell-time for intermodal boxes last month, with containers averaging 27 hours from vessel to outbound rail.

### **20. Long Beach port cargo movements dip in latter stages of Q1**

The US port of Long Beach moved 1.8 million TEU in the first quarter of 2019, down 4.7 per cent year on year. Long Beach executive director Mario Cordero said "With warehouses full from shippers rushing to beat the looming threat of escalating tariffs, shipments slowed somewhat. It's going to take some time for inventory to cycle to markets and for typical growth to resume."

### **21. Oakland reports first-quarter container volume growth**

The Port of Oakland on April 12, 2019 reported it handled 612,151 TEUs in the first quarter of 2019, which was a 4.2 percent growth in container volume compared to the first three months of 2018. The port's March throughput increased by 10.7 percent year-over-year to 213,972 TEUs, including a 7.6 percent year-over-year boost of loaded exports to 88,202. The month was the port's busiest of the first quarter, beating out January's total of 212,494 TEUs.

### **22. S Carolina ports box throughput surges to record high in March**

South Carolina Ports Authority (SCPA) achieved a 11 per cent fiscal year-on-year growth after handling 214,123 TEU in March 2019. SCPA president Jim Newsome said "SCPA also saw the highest month of export loads since the fiscal year began in July 2018, with 42,524 export loads handled. The port is well-positioned as it heads into the fourth quarter."

### **23. Leading maritime capitals of the world report 2019: Singapore still on top**

The Leading Maritime Capitals report for 2019 is out, with fresh insight on which maritime metropolises provide the best support for companies in shipping and related services. *Singapore* maintained its top position at the head of the 15 leading maritime capitals. Despite a somewhat weak trade cycle in traditional shipping and offshore oil and gas markets yet to recover, Singapore was able to retain its lead in three of the five pillars of the ranking: Shipping; Ports and Logistics; as well as Attractiveness and Competitiveness. In the two remaining pillars, London is number one in Maritime Finance & Law, while Oslo is number one in Maritime Technology. On the overall ranking, *Hamburg* remains in the number two spot, while Oslo drops from third to seventh. *Rotterdam* and *Hong Kong* show the biggest improvement, climbing to third and fourth respectively, with London rounding out the top five, and Shanghai at number six.

### **24. LA volume up 12.7pc in March while Long Beach falls 3.9pc**

The Port of Los Angeles posted a stronger overall performance than the Port of Long Beach after LA handled 650,977 TEU in March 2019, representing a year-on-year increase of 12.7 per cent, helping total first quarter volumes rise 4.6 per cent to 2,208,733 TEU, according to *Shipping Gazette*. Within the March total, imports were up 12.4 per cent to 297,187 TEU but exports were down 2.9 per cent to 158,924 TEU. Empty containers grew by 30.2 per cent to 194,866 TEU. Port of Los Angeles executive director Gene Seroka said "Despite global trade uncertainties, we experienced strong first quarter growth."

### **25. Government of Canada announces a new maritime information system pilot project in partnership with the Maritime Aboriginal Peoples Council**

On April 17, 2019, the government announced \$877,838 for the Maritime Aboriginal Peoples Council to participate in a pilot project to develop, test, and evaluate a new maritime awareness information system. This national system is a key component of the Oceans Protection Plan's Enhanced Maritime Situational Awareness (EMSA) Initiative. The web-based system will display a range of valuable near real-time maritime information, including data on vessel traffic, weather, and marine protected areas. As one of 10 Indigenous organizations across Canada participating in the pilot project, the Maritime Aboriginal Peoples Council will test, provide feedback, and apply their local, traditional knowledge to improve and develop the system.

#### **26. Virginia port's March down 5.4pc**

The Port of Virginia container volume in March 2019 declined 5.4 per cent year on year to 240,035 TEU, making it the second busiest March in the port's history. The volume dip came as the result of five blank sailings that were a result of the Chinese New Year and four vessels that arrived late, said Virginia Port Authority CEO John Reinhart.

#### **27. Port of Halifax: Container Traffic Statistics (First quarter of 2019)**

The Port of Halifax released its container traffic statistics in TEUs for the first quarter of 2019. Total traffic was down 3.1% compared to the first quarter of 2018, i.e. down to 130,551 TEUs from 134,672. Total exports were down 2.5%, i.e. down to 62,147 TEUs from 63,712. Total imports were down 3.6%, i.e. down to 68,404 TEUs from 70,960.

#### **28. Port of Metro Vancouver: Container Traffic Statistics (First quarter of 2019)**

The Port of Metro Vancouver released its container traffic statistics in TEUs for the first quarter of 2019. Total traffic was up 5.2% compared to the first quarter of 2018, i.e. up to 843,039 TEUs from 801,217. Total exports were up 7.6%, i.e. up to 404,113 TEUs from 375,405. Total imports were up 3.1%, i.e. up to 438,926 TEUs from 425,813.

#### **29. Port of Prince Rupert: Container Traffic Statistics (First quarter of 2019)**

The Port of Prince Rupert released its container traffic statistics in TEUs for the first quarter of 2019. Total traffic was up 3.66% compared to the first quarter of 2018, i.e. up to 248,253 TEUs from 239,487. Total exports were up 3.56%, i.e. up to 115,886 TEUs from 111,898.75. Total imports were up 3.75%, i.e. up to 132,368 TEUs from 127,589.

#### **30. Halifax Port Authority Launches Public Consultation on Infrastructure Plans**

The Halifax Port Authority (HPA) is undertaking an important online consultation to determine the future of the Port of Halifax as Canada's Ultra Atlantic Gateway. The HPA undertook a comprehensive infrastructure planning process starting in 2016 to determine the best way for the Port of Halifax to capitalize on the significant transformation underway in the containerized cargo business. Every level of government, members of the public, customers, stakeholders, and port planning experts have all been involved in assessing the available options to take the Port of Halifax to the next level. Through this interactive online engagement tool, everyone will have the opportunity to learn about the ongoing infrastructure planning process and share views on the Port's future, expansion options, decision-making priorities, and initiatives that contribute to a more vibrant, livable city.

#### **31. Shanghai quarterly container volume up 7pc**

Shanghai, the world's biggest container port, posted a 12.4 per cent year-on-year increase in container volume in March 2019 to 3.81 million TEU, according to the Shanghai International Port Group (SIPG). March volumes also jumped 33.2 per cent compared to 2.86 million TEU lifted in February. From January to March of 2019, Shanghai port moved 10.42 million TEU, up seven per cent year on year.

#### **32. Government of Canada invests in marine training for women, Northerners, Inuit and Indigenous peoples through the Oceans Protection Plan**

On April 23, 2019, the Honourable Marc Garneau, Minister of Transport announced that the Government of Canada is providing funding over three years to the British Columbia Institute of Technology (BCIT) to deliver a program to increase access to marine training courses for Indigenous communities. This \$6.2 million in funding under the Oceans Protection Plan to BCIT will deliver a joint project with Camosun College to engage and consult with Indigenous communities to establish the full scope of training to be delivered and provide options to deliver training in Indigenous communities.

#### **33. Port of Montreal: Container Traffic Statistics (First quarter of 2019)**

The Port of Montreal released its container traffic statistics in TEUs for the first quarter of 2019. Total traffic was up 6.6% compared to the first quarter of 2018, i.e. up to 409,310 TEUs from 384,056. Total exports were up 10.6%, i.e. up to 206,109 TEUs from 186,368. Total imports were up 2.8%, i.e. up to 203,201 TEUs from 197,688.

#### **34. Rotterdam volumes rise 7.3pc in first quarter**

The Port of Rotterdam increased 2019 first quarter container volume 7.3 per cent year on year to 3.7 million TEU, mainly a "consequence of a sharp rise in transshipment volumes originating in Asia" said the port authority. Shipping companies, in three large alliances, have made Rotterdam a hub, resulting in feeder tonnage continuing to increase significantly by 15.1 per cent to 7.3 million tonnes

#### **35. Government of Canada invests in marine training for women, Northerners, Inuit and Indigenous peoples through the Oceans Protection Plan**

On April 24, 2019, Member of Parliament Rodger Cuzner, on behalf of the Honourable Marc Garneau, Minister of Transport, announced that the Government of Canada is providing funding over three years to Nova Scotia Community College (NSCC) to deliver a program to increase access to marine training courses for women and Indigenous communities. This \$5.9 million in funding under the Oceans Protection Plan to NSCC will expand accessibility and flexibility to suit unique learner needs, create a safe learning environment and equitable work culture for its students. It will also increase public awareness of marine career opportunities by working with community partners to provide recruitment sessions. The Marine Training Program is part of the \$1.5 billion Oceans Protection Plan.

#### **36. HK falls 2.8pc in March as S'pore, Shanghai rise**

Hong Kong's Kwai Tsing terminals' volume fell 1.6 per cent year on year in March 2019 to 1.23 million TEU while midstream operators handled 350,000 TEU, down seven per cent. The cumulative total of containers handled at Hong Kong during the first quarter of 2019 was 4.41 million TEU, down 9.7 per cent year on year. Meanwhile, Singapore and Shanghai enjoyed growth in March 2019 with Singapore posting 3.16 million TEU, up 3.6 per cent with quarterly volumes rising to 8.9 million TEU while Shanghai increased March 2019 throughput 12.4 per cent to 3.81 million TEU and sent 2019 first quarterly volume up seven per cent to 10.42 million TEU.

#### **37. Kuehne + Nagel Q1 profit off 1.6pc, sales rise 7.7pc**

The world's biggest sea freight forwarder Kuehne + Nagel's net 2019 first quarter profit slipped 1.6 per cent year on year to CHF181 million (US\$177 million), drawn on revenues of CHF5.23 billion, which increased 7.7 per cent, according to *Shipping Gazette*. CEO Detlef Trefzger said "Kuehne + Nagel got off to a good start in 2019. We increased our net turnover, gross profit and EBIT. However, we find ourselves in an environment in which global economic growth is noticeably slowing." Kuehne + Nagel also strengthened its position as the global market leader in sea freight with 6.2 per cent growth in volume in the first quarter, moving 1.14 million TEU - 70,000 units more year-on-year.

#### **38. Global container growth forecast to rebound**

Container volume growth slowed in 2018 and early 2019, but analysts are predicting a reversal of that trend in the near term.

#### **39. Government of Canada supports a new maritime information system pilot project in partnership with the Innu Essipit First Nation Council**

On April 26, 2019, the Honourable Diane Lebouthillier, Minister of National Revenue and Member of Parliament for Gaspésie-Les Îles-de-la-Madeleine, on behalf of the Honourable Marc Garneau, Minister of Transport, announced \$285,308 for the Innu Essipit First Nation Council to participate in a pilot project to develop, test, and evaluate a new maritime awareness information system. This national system is a key component of the Oceans Protection Plan's Enhanced Maritime Situational Awareness Initiative.

#### **40. Statement by Minister of Transport on navigational restrictions and flood-related measures**

The Honourable Marc Garneau, Minister of Transport, on April 27, 2019 released the following statement concerning navigational restrictions in areas affected by spring flooding: "The safety and security of Canada's transportation system are my priorities. The Government of Canada and my departmental officials are closely monitoring the flooding situation in affected provinces around the clock. "This year's spring flooding conditions are impacting thousands of Canadians in New Brunswick, Quebec, Ontario and Manitoba. ... "To address an urgent situation, today I issued an Order to prohibit navigation in specific areas of flooding in order to protect the safety of residents and help first responders to do their jobs. "The Order prohibits navigation by non-emergency vessels in the Ottawa River between Ottawa-Gatineau and the Carillon generating station, as well as on Lac des Deux-Montagnes, Rivière des Mille-Îles, and Rivière-des-Prairies. "The Order gives the authority to enforcement officers, including members of the RCMP and all provincial and municipal police, to direct any vessel to stop or move out of the affected area. In case of non-compliance a fine up to a maximum of \$5,000 could be issued.

#### **41. ICS says shipping will enjoy improvement if overcapacity ends**

Keeping a lid on container shipping capacity and preventing freight rates from slipping to unsustainably low levels remain major challenges for the container shipping industry, warns the International Chamber of Shipping (ICS). Speaking in Istanbul at the Global Maritime Summit 2019, ICS deputy secretary general Simon Bennett said a decade ago, "shipping companies needed to show restraint when ordering new ships to prevent stifling recovery. Yet the dark clouds of protectionism and slowing growth in key economies mean that the avoidance of over-ordering is now more important than ever. Opinion is still divided on whether the rapid globalisation that has been experienced in the last 30 years may have run its course and whether the slower rate of trade growth seen since the 2008 crisis represents some kind of permanent structural change. Certainly in 2019, the outlook for the global economy and thus demand for maritime transport appears to be worsening." His sentiments were echoed by maritime consultants Drewry, who believe the degree of uncertainty surrounding the shipping industry is the "highest it has been in a decade", reported *American Shipper*.

## RAIL TRANSPORTATION

### 1. Canadian National acquires TransX

Canadian National Railway Company has closed on its acquisition of the Manitoba-based transportation service provider TransX Group of Companies. Terms were not disclosed for the transaction, which was announced in October 2018. TransX, founded in 1963, will continue to be based in Winnipeg and operate independently. TransX's services include truckload, LTL, intermodal, warehousing and freight forwarding. It employs 3,000 people and has 1,500 trucks, 4,000 trailers, 1,000 intermodal containers and 12 North American terminals.

### 2. Railway carloadings, January 2019

The volume of rail freight carried in Canada totalled 32.2 million tonnes in January 2019, up 7.8% from the same month a year earlier. Freight originating in Canada rose 11.0% from the same month in 2018 to 29.4 million tonnes in January 2019. Non-intermodal freight increased 10.1% to 321,000 carloads. The amount of freight loaded into these cars rose 11.5% from January 2018 to 26.4 million tonnes. Intermodal freight loadings rose 8.2% from January 2018 to 203,000 units. In terms of weight, intermodal traffic rose 6.6% to 3.0 million tonnes. Freight traffic received from the United States fell 16.8% to 2.8 million tonnes as a result of a 17.2% decrease in non-intermodal freight.

### 3. Ontario Announces GO Train Service Expansion

The Ontario government is putting people first by expanding GO Train service to better serve transit users and commuters in Toronto and the GTHA. Jeff Yurek, Minister of Transportation announced an expansion of GO Train service that will offer more choices to transit users and commuters as well as Markham, Brampton and Etobicoke residents, effective April 8, 2019.

### 4. Carloads plummet, but intermodal registers increase

A gain in intermodal partly offset what was otherwise a dismal week for freight rail traffic, according to figures for the week ending March 23, 2019 released by the Association of American Railroads (AAR) on March 27, 2019. U.S. weekly rail traffic was 503,017 carloads and intermodal units, down 4.5% compared to 2018. Total carloads for the week ending March 23, 2019 were 236,817 carloads, down 10.9% compared with the same week in 2018, but U.S. weekly intermodal volume was 266,200 containers and trailers, up 2.1% compared to 2018. For the first 12 weeks of 2019, U.S. railroads reported cumulative volume of 2,953,703 carloads, down 2.5% from the same point last year; and 3,208,405 intermodal units, down 0.6% from last year. Total combined U.S. traffic for the first 12 weeks of 2019 was 6,162,108 carloads and intermodal units, a decrease of 1.5% compared to last year. Canadian railroads reported 82,708 carloads for the week, essentially unchanged from 2018, and 71,236 intermodal units, up 0.5% compared with the same week in 2018. For the first 12 weeks of 2019, Canadian railroads reported cumulative rail traffic volume of 1,731,946 carloads, containers and trailers, up 1.2%.

### 5. CN investing more than \$5 million in Nova Scotia's rail infrastructure in 2019

CN said on March 29, 2019 that it plans to invest more than \$5 million in Nova Scotia in 2019 to strengthen the company's rail network across the province, improving safety and supporting efficient service.

### 6. CN and Unifor reach tentative agreements

CN announced on March 29, 2019 that new tentative collective agreements have been reached between Unifor Council 4000 and CN. Three collective agreements cover over 2,150 CN employees in Canada including all clerks and intermodal workers, excavator-operators, as well as conductors and

## RAIL TRANSPORTATION

### Canada

1. Canadian National acquires TransX, March 27, 2019, [www.americanshipper.com](http://www.americanshipper.com)
2. Railway carloadings, January 2019, March 27, 2019, [www.statcan.gc.ca](http://www.statcan.gc.ca)
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25. CN launches new pilot project using electric trucks, April 18, 2019, [www.cn.ca](http://www.cn.ca)
26. CN investing approximately US\$45 million

locomotive engineers working on the SAR internal shortline in northern Alberta. A fourth agreement covers approximately 1,000 owner-operator truck drivers of Canadian National Transportation Limited (CNTL). These tentative agreements were reached prior to their expiration.

#### **7. Proposed Rail Transportation Regulations published in Part I of the Canada Gazette**

The Canadian Transportation Agency (CTA) on April 1, 2019 announced that the proposed Regulations Amending Certain Regulations made under the *Canada Transportation Act* were published in Part I of the *Canada Gazette* on March 30, 2019, for public review and comment. The proposed regulations are being made by the CTA under the *Canada Transportation Act* (Act), as amended by the *Transportation Modernization Act* on May 23, 2018. The proposed regulations represent Phase 4 of the CTA's Regulatory Modernization Initiative (rail), and follow consultations held in the summer and fall of 2018.

#### **8. CN investing approximately \$320 million to expand and strengthen Ontario's rail infrastructure in 2019**

CN said on April 1, 2019 that it plans to invest approximately \$320 million in Ontario in 2019 to expand and strengthen the company's rail network across the province. "Following a record capital program in 2018, CN has been able to take on more traffic from different commodity sectors based on contracts with our customers," said Doug MacDonald, Vice-President of CN's Eastern Region. "This year, we are continuing to invest to boost capacity and network resiliency and to meet growing traffic on our corridors across Ontario."

#### **9. North American rail traffic falls 7.9pc, but boxes up 1.3pc**

North American rail volume for the week ending March 23, 2019 on 12 reporting US, Canadian and Mexican railways totalled 340,310 carloads, down 7.9 per cent compared with the same week last year, but up 1.3 per cent in terms of intermodal traffic which came to 352,422 units. For the week, total US weekly rail traffic was 503,017 carloads and intermodal units, down 4.5 per cent compared with the same week last year, according to the Association of American Railroads (AAR).

#### **10. Rail transportation, 2017**

Canadian railways generated operating revenues of almost \$14.9 billion in 2017, up 7.6% from 2016. This growth was driven by increases in both freight and passenger revenues. Moving freight accounted for 91.0% of railway operating revenues. On the other side of the ledger, railways reported operating expenses of \$9.4 billion, up 6.1% from 2016—despite a 24.0% increase in the total cost of diesel fuel purchased in 2017. As a result, the railway industry operating ratio—the industry's operating expenses expressed as a proportion of operating revenues—was 0.63 in 2017, a slight improvement from 0.64 the previous year. In other words, during 2017 the industry incurred expenses of roughly 63 cents to generate one dollar in revenue. Following two years of declines, the volume of goods transported by Canadian rail carriers reached over 311.7 million tonnes in 2017, up 6.4% from 2016.

#### **11. CN investing US\$190 million to expand and strengthen Illinois's rail infrastructure in 2019**

CN said on April 8, 2019, that it plans to invest US\$190 million in Illinois in 2019 to strengthen the company's rail network across the state.

#### **12. CN investing more than US\$95 million to expand and strengthen Louisiana's rail infrastructure in 2019**

CN said on April 8, 2019, that it plans to invest more than US\$95 million in Louisiana in 2019 to strengthen the company's rail network across the state. "Following a record capital program in 2018, CN has been able to take on more traffic from different commodity sectors based on contracts with our customers," said Derek Taylor, Vice-President of CN's Southern Region. "This year, we are continuing to invest to boost capacity and network resiliency and to meet growing traffic on our corridors across Louisiana."

#### **13. CN to invest \$505 million in projects across four states**

Canadian National Railway announced on April 8, 2019 that it will invest \$505 million in capital projects this year across Illinois, Louisiana, Tennessee and Wisconsin. Illinois' projects are budgeted to receive the most money among the four states — \$190 million — which includes investments to add capacity to the Joliet Intermodal Terminal. CN also will replace more than 11 miles of the 1,254 miles of railroad it operates in the state, install about 88,000 new railroad ties and rebuild 53 road crossing surfaces. The Class I railroad also plans to invest \$120 million in Wisconsin, including the construction of eight miles of double track near Hawthorne, the replacement of more than 35 miles of the 1,429 miles of railroad route miles operated, the rebuild of 80 road crossing surfaces and the installation of about 90,000 new railroad ties.

to expand and strengthen Mississippi's rail infrastructure in 2019, April 18, 2019, [www.cn.ca](http://www.cn.ca)

27. CN investing more than US\$16 million to expand and strengthen Kentucky's rail infrastructure in 2019, April 18, 2019, [www.cn.ca](http://www.cn.ca)

28. CN to invest \$111 million across three states, April 22, 2019, [www.americanshipper.com](http://www.americanshipper.com)

29. CP reports first-quarter revenues of \$1.77 billion; strong momentum heading into second quarter, April 23, 2019, [www.cpr.ca](http://www.cpr.ca)

30. Union Pacific Q1 profit up 6pc, but sales slip 2pc, April 24, 2019, [www.transportweekly.com](http://www.transportweekly.com)

31. CP Rail first quarter profits jump 25 per cent despite winter weather woes, April 24, 2019, [www.ctf.ca](http://www.ctf.ca)

32. Norfolk Southern reports first-quarter 2019 results, April 24, 2019, [www.nssorporation.com](http://www.nssorporation.com)

33. Railway carloadings, February 2019, February 2019, April 25, 2019, [www.statcan.gc.ca](http://www.statcan.gc.ca)

34. Close to 85,000 travellers choose VIA rail during Easter long weekend, April 25, 2019, [www.viarail.ca](http://www.viarail.ca)

#### **14. Freight traffic: Batting only .300**

Three of the 10 carload commodity groups posted a year-over-year increase, but, as has been the case for some time now, all other rail traffic has declined, according to figures released on April 10 by the Association of American Railroads (AAR) for the week ended April 6, 2019. For the first 14 weeks of 2019, U.S. railroads reported cumulative volume of 3,447,026 carloads, down 3.1% from the same point last year; and 3,735,232 intermodal units, down 0.6% from last year. Total combined U.S. traffic for the first 14 weeks of 2019 was 7,182,258 carloads and intermodal units, a decrease of 1.8% compared to last year. North American rail volume on 12 reporting U.S., Canadian and Mexican railroads totaled 360,674 carloads, down 1.3% compared with the same week last year, and 349,699 intermodal units, up 0.2% compared with last year. Total combined weekly rail traffic in North America was 710,373 carloads and intermodal units, down 0.6%. North American rail volume for the first 14 weeks of 2019 was 9,740,079 carloads and intermodal units, down 1.3% compared with 2018. Canadian railroads reported 88,569 carloads for the week, up 6.4%, and 72,970 intermodal units, up 5.5% compared with the same week in 2018. For the first 14 weeks of 2019, Canadian railroads reported cumulative rail traffic volume of 2,050,613 carloads, containers and trailers, up 1.8%.

#### **15. Minister Garneau responds to the 2018 Railway Safety Act Review Report**

The Honourable Marc Garneau, Minister of Transport, tabled the final report of the *Railway Safety Act Review* in Parliament on May 31, 2018. He "...accepted the report's 16 recommendations, which will help address persistent rail safety issues and position Canada's rail transportation system to meet the challenges of the next decade. "Supported by feedback from stakeholders, Transport Canada agrees that the report identifies the right rail safety priorities..." He said that "A number of long-standing rail safety issues cannot be resolved by Transport Canada alone, ... This is why Transport Canada has engaged with a number of stakeholders by holding focused roundtables across the country to discuss priorities and issues to consider in implementing the report's recommendations."

#### **16. CTA issues determination on freight rail service issues in the Vancouver area: CN breached its service obligations**

The CTA found that Canadian National Railway Company (CN) breached its level of service obligations by announcing its intention to impose embargoes on wood pulp shipments in September 2018, several months before rail congestion and other challenges emerged in the Vancouver area, and imposing those embargoes in December 2018, rather than making every reasonable effort to deal with those challenges before unilaterally restricting the transportation of the shippers' traffic. The CTA found that Canadian Pacific Railway Company (CP) and BNSF Railway Company (BNSF), the two other railway companies investigated, had not breached their service obligations. The CTA ordered CN to develop and submit a plan to respond to future traffic surges in the Vancouver area and to avoid, or minimize, the use of embargoes. The determination also sets out criteria for the lawful use of embargoes, including that they be imposed only on an exceptional basis, be targeted to address specific challenges, and be lifted as soon as possible.

#### **17. CN to Appeal CTA Decision on Service Obligations**

CN disagrees with the CTA's conclusions which were based on the evidence submitted at hearings in Vancouver in January 2019 and intends to appeal the decision to the Federal Court of Appeal. The sole breach identified by the Agency related to CN's September 2018 announcement of its intention to regulate the flow of traffic of wood pulp shipments in Vancouver during December 2018 for the purposes of avoiding congestion. CN maintains that this was an appropriate and necessary measure in the circumstances.

#### **18. Ontario thaws Hamilton LRT real estate dollars**

Canada's Province of Ontario government on March 28, 2019 agreed to release funding to complete property acquisitions for Hamilton's planned light rail transit system, following a freeze implemented in 2018. The halt to property acquisitions had been made, allegedly, as part of Ontario's efforts to reduce a multi-billion-dollar budget deficit. The announcement was made following a meeting at Hamilton City Hall between Mayor Fred Eisenberger and Ontario Transportation Minister Jeff Yurek. The Mayor had been attempting to arrange the meeting for months, but had been continually been put off by the government of Ontario Premier Doug Ford. The resumption of property purchases sends a clear signal that the LRT project is proceeding ahead.

#### **19. CN to invest nearly \$600M in U.S. rail infrastructure**

CN said it plans to invest US\$585 million in five states in 2019 to strengthen the company's rail network across U.S. Derek Taylor, Vice-President of CN's Southern Region said "Following a record capital program in 2018, CN has been able to take on more traffic from different commodity sectors based on contracts with our customers. This year, we are continuing to invest to boost capacity and network resiliency and to meet growing traffic on our corridors across the U.S." The investments are part of CN's 2019 record US\$2.9-billion capital investment focused on enabling growth from all commodity segments, including consumer goods, grain, agricultural, forest, and energy products from all of our customers, safely and efficiently. Over two years, CN will have made a US\$5.7-billion capital investment.

#### **20. Ontario adds New Express GO Trains on the Lakeshore East Line**

Transportation Minister Jeff Yurek announced new express GO Train service on the Lakeshore East line that will offer more choice for transit users and commuters travelling from Oshawa, Whitby, Ajax and Pickering starting on April 17, 2019. The new express train service is in addition to improvements the Ontario government introduced including: 1) 15-minute midday service between Oshawa GO Station and Union Station from Monday to Friday, representing a total of 27 new train trips and a doubling of midday, weekday service; 2) The opening of new Park and Ride lots in Durham Region make it easier for commuters and transit users in Oshawa and Courtice to connect with the GO Train at Oshawa GO; and 3) Allowing kids 12 and under to ride free on GO Transit.

#### **21. Ottawa says it will close some dangerous rail crossings, upgrade others**

Ottawa says it will close particularly dangerous rail crossings and upgrade many others as it moves to improve rail safety. Federal Transport Minister Marc Garneau announced on April 17, 2019 that Transport Canada will provide \$16.5 million for 136 new projects. That will include improvements to 104 grade crossings and other rail infrastructure across the country. A news release says the changes will include the closures of grade crossings that present safety concerns. Transport Canada says grade crossing and trespassing accidents still cause the most rail-related deaths and serious injuries.

#### **22. CSX, Kansas City Southern report Q1 growth**

Class I railroads CSX and Kansas City Southern both reported the 2019 first-quarter growth in revenue and profit. CSX reported its first-quarter net earnings increased 20 percent year-over-year to \$834 million. Its earnings per share grew 31 percent to \$1.02, which was above analysts' expectations, according to *The Wall Street Journal*. It said it achieved a first-quarter record 59.5 percent operating ratio, down from 63.7 percent in 2018. Kansas City Southern (KCS) also reported a record 2019 first-quarter revenue of \$675 million, which was a 6 percent increase over 2018, despite a 1 percent volume decline. The company attributed the volume decline, due to drops of 9 percent in intermodal, 8 percent in automotive volumes and 3 percent in industrial and consumer products and to service interruptions due to teacher protests in Lázaro Cárdenas, Mexico. A 21 percent revenue increase in chemicals and petroleum to \$168.6 million led the company's revenue.

#### **23. Petroleum fuels gains**

For the week ending April 13, 2019, total U.S. weekly rail traffic was 528,167 carloads and intermodal units, down 1.2% compared with the same week last year. Any gains in traffic were fuelled by an increase in petroleum traffic. For the first 15 weeks of 2019, U.S. railroads reported cumulative volume of 3,707,826 carloads, down 2.8% from the same point last year; and 4,002,599 intermodal units, down 0.8% from last year. Total combined U.S. traffic for the first 15 weeks of 2019 was 7,710,425 carloads and intermodal units, a decrease of 1.8% compared to last year. North American rail volume for the week ending April 13, 2019, on 12 reporting U.S., Canadian and Mexican railroads totaled 364,377 carloads, up 0.1% compared with the same week last year, and 356,390 intermodal units, down 1.3% compared with last year. Total combined weekly rail traffic in North America was 720,767 carloads and intermodal units, down 0.6%. North American rail volume for the first 15 weeks of 2019 was 10,460,846 carloads and intermodal units, down 1.2% compared with 2018. Canadian railroads reported 84,785 carloads for the week, essentially unchanged from 2018, and 74,039 intermodal units, up 10.2% compared with the same week in 2018. For the first 15 weeks of 2019, Canadian railroads reported cumulative rail traffic volume of 2,209,437 carloads, containers and trailers, up 2%.

#### **24. Statement by Minister of Transport on New Brunswick Southern Railway's guilty plea to violations of the Transportation of Dangerous Goods Act**

The Honourable Marc Garneau, Minister of Transport, issued the following statement on April 18, 2019: "As Minister of Transport, my thoughts continue to go out to the community of Lac-Mégantic and all those affected by this tragedy. Today, we close another chapter in this tragic event through a settlement that we have reached with New Brunswick Southern Railway. Transport Canada charged New Brunswick Southern Railway with 24 counts of violating the *Transportation of Dangerous Goods Act*, including 12 counts for failing to create proper shipping documents for the purpose of transporting petroleum crude oil; and, 12 counts for having unqualified personnel offering dangerous goods (crude oil) for transport. New Brunswick Southern Railway pled guilty to two of the 24 charges. Through a settlement, New Brunswick Southern Railway agreed to pay \$10,000.00 in fines and \$40,000 to be invested in improving the safety of the transportation of dangerous goods in Canada. New Brunswick Southern Railway previously put into place corrective measures at the onset of the investigation in 2014, and dangerous goods training has been provided to employees. In addition, Transport Canada charged Irving Oil with 34 counts of violation of the *Transportation of Dangerous Goods Act*. Through a settlement, Irving Oil has agreed to plead guilty to all counts. Under the court-ordered settlement, financial penalties assessed to Irving will include \$400,320 in fines, as well as \$3,599,680 to be invested in improving the safety of the transportation of dangerous goods in Canada."

#### **25. CN launches new pilot project using electric trucks**

CN announced that it has signed a Memorandum of Understanding (MOU) with The Lion Electric Co. for the conception, design and manufacturing of eight tandem axle, Class 8, zero-emission, electric trucks as part of its larger sustainable strategy to reduce emissions through innovation.

**26. CN investing approximately US\$45 million to expand and strengthen Mississippi's rail infrastructure in 2019**

CN said on April 18, 2019 that it plans to invest approximately US\$45 million in Mississippi in 2019 to strengthen the company's rail network across the state.

**27. CN investing more than US\$16 million to expand and strengthen Kentucky's rail infrastructure in 2019**

CN said on April 18, 2019 that it plans to invest more than US\$16 million in Kentucky in 2019 to strengthen the Company's rail network across the state.

**28. CN to invest \$111 million across three states**

Canadian National Railway announced last week it will invest about \$111 million across three states in 2019 as part of its \$2.9 billion capital investment plan. The Class I railroad plans to invest about \$50 million in Michigan, \$45 million in Mississippi and more than \$16 million in Kentucky. The investments in all three states include maintenance work on bridges, culverts, signal systems and other track infrastructure.

**29. CP reports first-quarter revenues of \$1.77 billion; strong momentum heading into second quarter**

CP reported its 2019 first quarterly results on April 23, 2019. The first quarter highlights were: revenues increased by 6 percent to \$1.77 billion from \$1.66 billion last year; diluted EPS was \$3.09, a 28 percent increase from \$2.41 last year, and adjusted diluted EPS was \$2.79, a 3 percent increase from \$2.70 last year, and; operating ratio was 69.3 percent, an increase of 180 basis points compared to last year's operating ratio of 67.5 percent. Creel said "I thank our customers and stakeholders for working with and supporting CP over the past few months, and our 13,000-strong CP family for their tireless dedication. As we look forward, we remain confident in our ability to deliver record financial and operating results in 2019."

**30. Union Pacific Q1 profit up 6pc, but sales slip 2pc**

The Union Pacific (UP), the biggest US railway, 2019 first quarter profit increased six per cent year on year to US\$1.4 billion, drawn on revenues of \$5.4 billion, which fell two per cent, according to *Shipping Gazette*. The Omaha-based railway said quarterly freight revenue declined two per cent to \$5.01 billion as "increased fuel surcharge revenue and core pricing gains were offset by lower volumes and negative mix", the company said.

**31. CP Rail first quarter profits jump 25 per cent despite winter weather woes**

Canadian Pacific Railway Ltd. missed profit expectations even though its profits surged 25 per cent during the 2018-9 winter quarter despite lower volumes caused by frigid temperatures and heavy snowfall. Chief executive Keith Creel told investors on a conference call that "What happened to us in February, especially in the first two weeks of March, was extraordinary. One of the toughest months and quarters in my railroading experience," highlighting its lowest gross ton mileage — an industry metric measuring weight moved per mile — in eight years.

**32. Norfolk Southern reports first-quarter 2019 results**

Norfolk Southern reported its first-quarter results for 2019 on April 24, 2019. First-quarter net income was \$677 million, up 23 percent year-over-year, a result of a 16 percent increase in income from railway operations and an increase in other income. Diluted earnings per share were \$2.51, up 30 percent year-over-year and a first-quarter record. James A. Squires, Norfolk Southern chairman, president and CEO said "Our first-quarter results reflect the initial steps in the implementation of our new strategic plan that are transforming our company. We set company records for many financial measures in the first quarter, while improving our service product for our customers. We are intensely focused on the execution of the initiatives in our strategic plan that will drive shareholder value." Some of the other results were: railway operating revenues of \$2.8 billion, a first-quarter record, increased 5 percent compared with prior year, due to an increase in revenue per unit, resulting from increased rates as well as higher fuel surcharge revenue; railway operating expenses were \$1.9 billion, a decrease of \$8 million, compared with the same period last year as fuel price declines and lower compensation and benefits expenses were offset by increased purchased services and rents and; income from railway operations was \$966 million, an increase of 16 percent year-over-year, and a first-quarter record. The railway operating ratio, or operating expenses as a percentage of revenues, was 66.0 percent, also a first-quarter record.

**33. Railway carloadings, February 2019**

The volume of rail freight carried in Canada totalled 25.7 million tonnes in February 2019, down 5.5% from the same month a year earlier. Freight originating in Canada fell 3.4% from the same month in 2018 to 23.3 million tonnes in February 2019. Non-intermodal freight decreased 2.3% to 257,000 carloads. The amount of freight loaded into these cars fell 3.0% from February 2018 to 20.8 million tonnes. Intermodal freight loadings decreased 5.8% from February 2018 to 176,000 units. In terms of weight, intermodal traffic decreased 6.7% to 2.6 million tonnes. Freight traffic received from the United States fell 21.9% to 2.4 million tonnes, as a result of a 23.3% decrease in non-intermodal freight.



### 34. Close to 85,000 travellers choose VIA rail during Easter long weekend

VIA Rail Canada (VIA Rail) continued its long multiple-quarter streak of increased revenue with a solid performance over Easter weekend. Passenger revenue was up 8.8% from 2018's Easter break, giving the Corporation its best performance in 10 years. Approximately 85,000 travellers chose VIA Rail to get around. The highlights are: 1) Most popular route was: Ottawa – Toronto; 2) Most notable ridership increases were on the Québec City – Windsor corridor, Montréal – Québec City (up 15%), Ottawa – Québec City (up 11.6%) and Kitchener – Toronto (up 9.8%); 3) Both revenue (24.7%) and ridership (8.9%) increased on non-Corridor routes (Toronto – Vancouver and Montréal – Halifax long-distance trains, and regional routes), and: 4) the Busiest day was: Thursday, April 18, 2019

## HIGHWAY TRANSPORTATION

### 1. Ontario Invests \$1.3 Billion in Highway Infrastructure

The Ontario government is putting people first by investing \$1.3 billion to rebuild and restore highways across the province. Jeff Yurek, Minister of Transportation announced funding for projects that will help create jobs for Ontario's construction industry and keep our highways safe and reliable so that Ontario has a transportation network that encourages job creation, investment and trade in every region across the province.

### 2. Alberta NDP's Notley promises \$1.4B to expand network of roads for heavy loads

NDP Leader Rachel Notley is promising to spend \$1.4 billion to expand Alberta's network of roads that handle large and oversized loads. Notley says the current 6,500-kilometre network is recognized as one of the best in North America, but more needs to be done. She says a re-elected NDP government would work to increase the network to cover 10,000 kilometres over the next six years. Notley says loads such as oil and gas equipment and prefabricated houses would move much faster, saving time and money.

### 3. Andy Transport acquires new Montreal terminal

Andy Transport announced the acquisition of a new terminal located at 12321-12329 Métropolitain East boulevard in Pointe-aux-Trembles, QC. The facility is Andy's largest acquisition so far, consisting of over 1,000,000 sq. ft. of land, 10,000 sq. ft of office space, 25,000 sq. ft of cross-dock and 10,000 sq. ft. of garage. In addition to the current occupants, the terminal will become home to Andy Transport and Tristan Cartage.

### 4. CTA Reaffirms Plan to Improve Truck Safety Oversight and Hours of Service Compliance

"There's clearly an issue about monitoring," said Provincial Judge Sean Dunnigan after Crown prosecutor Deanna Smyth detailed the multiple violations under federal and provincial transportation regulations which were not complied with by Adesh Deol Trucking, leading up to the tragic Humboldt bus collision. The Canadian Trucking Alliance strongly agrees with Judge Dunnigan and has been calling for improved entry standards and oversight in the trucking industry.

### 5. For-hire Motor Carrier Freight Services Price Index, fourth quarter 2018

The For-hire Motor Carrier Freight Services Price Index increased for the 10th consecutive quarter, rising 1.0% in the 2018 fourth quarter following a 1.6% gain in the third quarter. The general freight trucking component rose 1.4%, while the specialized freight component showed no change. Year-over-year change, the index rose 9.4% in the 2018 fourth quarter compared with the same quarter of 2017. Both the general freight (+10.2%) and the specialized freight (+7.5%) trucking components increased.

### 6. Couriers and Messengers Services Price Index, February 2019

The Couriers and Messengers Services Price Index (CMSPI) was

## HIGHWAY TRANSPORTATION Canada

1. Ontario Invests \$1.3 Billion in Highway Infrastructure, March 27, 2019, [www.mto.gov.on.ca](http://www.mto.gov.on.ca)
2. Alberta NDP's Notley promises \$1.4B to expand network of roads for heavy loads, March 27, 2019, [www.ctl.ca](http://www.ctl.ca)
3. Andy Transport acquires new Montreal terminal, March 28, 2019, [www.ctl.ca](http://www.ctl.ca)
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8. Bison Transport expands U.S. presence with acquisition, April 1, 2019, [www.ctl.ca](http://www.ctl.ca)
9. Oil storage firm Gibson Energy sells trucking assets to Trimac Transportation, April 2, 2019, [www.ctl.ca](http://www.ctl.ca)
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17. Uber reveals \$8bn loss since it was founded as it files for blockbuster tech float, April 11, 2019, [www.cargonews.com](http://www.cargonews.com)
18. US, Canada and EU to offer rival alternative to China's Belt and Road, April 16, 2019, [www.transportweekly.com](http://www.transportweekly.com)
19. Government of Canada invests in zero-

unchanged in February 2019, following a 1.3% increase in January 2019. The couriers component was up 0.1%, while the local messengers and local delivery component decreased 0.4%. While base prices rose in February 2019, fuel surcharges fell overall which left the total index unchanged. Year-over-year change the CMSPI rose 2.9% in February 2019 compared with the same month last year. Both the couriers (+2.9%) and the local messengers and local delivery components (+2.4%) increased.

### **7. Ontario Partners with Nipissing First Nation to Fix Vital Highway Link**

Ontario's government is putting people first by partnering with Nipissing First Nation and investing \$12 million to replace the Duchesnay Creek Bridge on Highway 17B in North Bay.

### **8. Bison Transport expands U.S. presence with acquisition**

Bison Transport Inc. announced the acquisition of Amherst, Wis.-based H.O. Wolding, Inc (HOW), a 320-truck, dry van fleet with truckload operations in the U.S. Midwest, northeast and southeast regions.

### **9. Oil storage firm Gibson Energy sells trucking assets to Trimac Transportation**

Gibson says Trimac Transportation has agreed to pay about \$70 million for its trucking assets and a Trimac affiliate is to pay \$30 million for property in Edmonton containing a field office and shop, with the deals expected to close later this year.

### **10. Intermodal's High Five**

Full-year results for intermodal freight are the strongest in five years, finds the Intermodal Association of North America's (IANA) Q4 and year-end Intermodal Market Trends & Statistics report. Intermodal freight volumes posted a fourth-quarter growth rate of 4.2 percent year-over-year, while quarterly international intermodal volume increased by 5.5 percent and domestic containers grew by 3.4 percent. Trailer loads fell 0.1 percent, the

first time since 2016. Joni Casey, president and CEO of IANA says "intermodal markets recorded an increase of at least 4.9 percent, and all regions saw traffic climb during 2018. While we did see some year-end tapering, total volumes increased 5.6 percent for the year."

### **11. Uber Freight sidesteps Canada in international expansion**

Since launching in the U.S. two years ago, the digital freight matching service has secured more than 30,000 trucking companies and owner-operators as users. And trucking has quickly become a darling of the tech industry as a whole. Millions are being invested by those looking to digitize trucking-related transactions from payment processes to load tracking. When those factors combined with a recent hiring binge in Uber Freight's executive suite, many people began to predict the load-matching service had international aspirations. The predictions were right. It just turns out that the aspirations involved borders outside North America.

### **12. Climate change leads to new approaches for ice roads**

Canada's environmental path looks bleak against the backdrop of global warming. A new report released by Environment and Climate Change Canada says the country is warming twice as fast as the global average, while northern reaches of Canada are warming at three times the global rate. It projects threats including more flooding, intense heat waves, thawing permafrost, and the increasing risk of drought and wildfires. "Everything is going to get a lot warmer, especially the winters, but also the summers will be a lot warmer," said Danny Blair, a University of Manitoba geography professor, during a recent conference focusing on northern transportation. "This changes everything. The higher we go up that curve, it changes everything — including transportation." "We need to get on with trying to prevent this as much as we can," he said. Those who build and maintain the ice roads used to truck loads into the far north are already feeling the effects.

### **13. Walmart Rolls Back Driver Shortage Concern**

Even the mighty Walmart is not immune from the challenges of recruiting and retaining qualified drivers. To combat the driver shortage, Walmart is giving its drivers a \$0.01 per-mile increase and a 50-cent increase in activity pay for arrive and arrive/drop occurrences. That means Walmart drivers will now be paid up to one dollar every time they arrive at their destination and drop a trailer. With this increase, Walmart drivers can earn an average of \$87,500 in their first year of employment with an all-in rate of nearly 89 cents per mile. Furthermore, in the Northeast region, Walmart is offering a 5-percent premium on mileage and eight different activities.

emission vehicles, April 17, 2019, [www.tc.gc.ca](http://www.tc.gc.ca)

20. TFI continues U.S. growth through acquisitions, April 17, 2019, [www.todaystrucking.com](http://www.todaystrucking.com)

21. Stay up to Date on Coming Changes to the Canada Labour Code, April 18, 2019, [www.ontruck.org](http://www.ontruck.org)

22. B.C.'s container truckers welcome new pay increases, April 22, 2019, [www.ctl.ca](http://www.ctl.ca)

23. U.S. Transportation Secretary Elaine L. Chao Announces Availability of \$900 Million in Infrastructure Grant Funds, April 22, 2019, [www.dot.gov](http://www.dot.gov)

24. Ontario Invests in Highway Infrastructure: Ontario Protects and Creates Jobs with Repairs to Highway 7/115, April 23, 2019, [www.mto.gov.on.ca](http://www.mto.gov.on.ca)

25. Truck tonnage slipped in March, April 23, 2019, [www.todaystrucking.com](http://www.todaystrucking.com)

26. China downplays political impact of global development push, April 23, 2019, [www.ctl.ca](http://www.ctl.ca)

27. Travel between Canada and other countries, February 2019, April 24, 2019, [www.statcan.gc.ca](http://www.statcan.gc.ca)

28. TFI International posts record Q1 results, April 24, 2019, [www.ctl.ca](http://www.ctl.ca)

29. Ontario is Improving Highway 401 in Scarborough and Pickering, April 25, 2019, [www.mto.gov.on.ca](http://www.mto.gov.on.ca)

30. UPS falls short of forecasts on bad weather, costs, April 25, 2019, [www.ctl.ca](http://www.ctl.ca)

31. Bison Transport acquires intermodal assets, customers from Celadon Group, April 26, 2019, [www.ctl.ca](http://www.ctl.ca)

### **traveller volume, March 2019**

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 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. February 2019 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 0.5 percent in February 2019 from January 2019, falling after a one month increase. For the 12 months ending in February 2019, the index rose 3.2 percent compared to 6.7 percent for the previous 12-month period

### **16. Truck driver shortage may reach 900,000 by 2027**

The U.S. trucking industry continues to struggle to find young people interested in transporting the nation's commerce. "It's a hard job," noted Jarred Winkel, commercial general manager for Schneider Port Logistics, at the Coalition of New England Companies for Trade (CONNECT) conference in Newport, R.I., on April 10, 2019. The truck driver shortage has accelerated since 2010, with more than 217,000 new drivers currently being sought by the country's trucking companies. By 2027, as many as 900,000 new drivers will be needed as more aging truckers leave the industry. The average age of the current truck driver pool in the U.S. is 55 years old, with the average retirement age at 63 years old. The industry's recruitment and retention problems are compounded by increased federal and state regulations, a competitive job market and time away from home.

### **17. Uber reveals \$8bn loss since it was founded as it files for blockbuster tech float**

Uber continues to lose billions of dollars despite its significant growth to 91 million users and expansion into new businesses, the taxi app has revealed as it filed to go public in New York. Documents filed with US regulator the Securities and Exchange Commission show it made a small profit last year, but this was because of the sale of businesses in Asia. It made an operational loss of \$3bn. Since it was founded the company has lost \$7.9bn dollars in total, it said. Despite diversification it said its core business, providing car transportation to customers who can summon cabs using an app, still makes almost all of its money, with income of \$9.2bn last year, up from \$3.5bn in 2016. Its total revenue was \$11.3bn. Customers travelled 26bn miles using the app last year.

### **18. US, Canada and EU to offer rival alternative to China's Belt and Road**

A US federal agency that links American lenders with developing countries, has joined Canada and the European Union to create a rival to China's Belt and Road Initiative, reports Hong Kong's South China Morning Post. The US Overseas Private Investment Corporation (OPIC) and its Canadian and EU counterparts have announced the new alliance. The agreement is part of a US-led bid to offer emerging economies a development alternative to state-led models such as China's Belt and Road Initiative.

### **19. Government of Canada invests in zero-emission vehicles**

On April 17, 2019, the government in Montreal (Quebec), in Vancouver (British Columbia) and in Toronto (Ontario) highlighted the new zero-emission vehicle incentive program. Budget 2019 provides support to expand the network of zero-emission vehicle charging and refuelling stations, and is creating new incentives for people and businesses to purchase zero-emission vehicles. The government proposes to invest \$300 million over three years on a new federal purchase incentive for eligible zero-emission vehicles. The purchase incentive for zero-emission vehicles will apply to eligible new vehicles that are purchased or leased on or after May 1, 2019. This incentive program is a measure announced in Budget 2019 and is subject to Parliamentary approval.

### **20. TFI continues U.S. growth through acquisitions**

TFI International's U.S. last mile division, TForce Final Mile, has taken over select assets of BeavEx and its affiliates, Guardian Medical Logistics (GML), JNJW Enterprises, and USXP. The companies were obtained through a deal approved by the U.S. Bankruptcy Court for the District of Delaware. TFI International paid US\$7.2 million in cash, and took on working capital liabilities, but will see approximately US\$100 million in annual revenues. It will take on only seven of the 69 BeavEx/GML locations. The transaction is expected to close by the end of April, TFI announced.

### **21. Stay up to Date on Coming Changes to the Canada Labour Code**

If you're a federally regulated carrier or workplace, you should be aware that from now until 2021, the Labour Program is proposing a number of amendments to the Canada Labour Code. These include both occupational health and safety as well as labour standards changes (Parts II and III of the Code). To help stay up to date on what is happening, federally regulated carriers are encouraged to visit the ontruck website.

### **22. B.C.'s container truckers welcome new pay increases**

Unifor says efforts are paying off for container truck drivers in B.C.'s lower mainland as the provincial government introduced a suite of changes that will make work better for more than 1,700 truckers and help to stabilize the industry, according to the union. Jerry Dias, Unifor National President said "Few industries need regulation as badly as the container trucking industry. It's hard to overstate just how much wage theft our members have seen over the years from unethical employers. We welcome the Horgan government's continued leadership on protecting hard-working container truckers." The provincial government is implementing the vast majority of recommendations in the B.C. Container Trucking Commissioner's Rate and Remuneration report, including a 2 per cent wage rate hike and a commitment to mandate remuneration for all work-related driving by container truckers.

### **23. U.S. Transportation Secretary Elaine L. Chao Announces Availability of \$900 Million in Infrastructure Grant Funds**

The U.S. Department of Transportation (DOT) has formally announced a Notice of Funding Opportunity (NOFO) to apply for \$900 million in discretionary grant funding through the Better Utilizing Investments to Leverage Development (BUILD) Transportation Discretionary Grants program. U.S. Secretary of Transportation Elaine L. Chao said "These BUILD Transportation grants will provide needed infrastructure investment to better connect rural and urban communities around our nation."

### **24. Ontario Invests in Highway Infrastructure: Ontario Protects and Creates Jobs with Repairs to Highway 7/115**

Ontario's government for the people is putting people first by making investments to repair and rebuild several bridges along Highway 7/115 in Peterborough. Improving highways and bridges will keep Ontario highways reliable for workers, families and businesses across the province. A strong transportation network will attract investment, job creation and trade that will benefit all Ontarians. "Our government is making smart investments in highways, roads and bridges to better serve the people of Ontario as our economy grows," said Jeff Yurek, Minister of Transportation.

### **25. Truck tonnage slipped in March**

U.S. for-hire truck tonnage slipped 2.3% in March 2019, but was 1.6% stronger year-over-year, according to the American Trucking Associations (ATA). ATA Chief economist Bob Costello said "In March, and really the first quarter in total, tonnage was negatively impacted by bad winter storms throughout much of the U.S."

### **26. China downplays political impact of global development push**

China downplayed the political implications of its global Belt and Road infrastructure initiative, saying that it aimed to boost multilateralism amid protectionist trends in the U.S. and elsewhere. Foreign Minister Wang Yi said that a conference to promote the initiative to be held next week in Beijing would draw leaders from 37 countries, underscoring heavy demand for Chinese investment. "The Belt-and-Road Initiative follows the principle of co-operation and collaboration with shared benefits. It embodies the spirit of multilateralism," Wang said at a news conference.

### **27. Travel between Canada and other countries, February 2019**

Canadian residents made 3.6 million trips to the United States in February 2019, up 1.2% from January 2019. The increase was led by plane travel (+2.9%). Canadian residents made 843,000 *plane trips* to the United States in February 2019. Most provinces reported increased plane travel to the United States. Of all the trips made by Canadians to the United States, the majority (2.7 million) were *car travel*, which were up 0.9% from January. US residents made 2.0 million trips to Canada in February 2019, down 1.2% from January 2019. The decline was led by a 2.8% decrease in trips by car from January to 1.3 million. Canada received 600,000 travellers from overseas countries (countries other than the United States) in February 2019, down 2.6% from January 2019. Canadian residents took 1.03 million trips overseas in February 2019, up 1.5% from January 2019 and 4.6% higher compared with February 2018. The number of Canadian residents travelling to overseas countries in February 2019 was just short of the record high for the month (1.05 million) set in 2017.

### **28. TFI International posts record Q1 results**

It was a record first quarter for TFI International, which posted a profit of \$65.1 million, up sharply from a \$48.2 million profit during the same quarter last year. It achieved record operating income of \$106.3 million, a 41% spike year-over-year. Alain Bedard, chairman, president and CEO said "This year is off to a strong start at TFI International, continuing our momentum that grew throughout 2018. We produced record first quarter results due to our relentless focus on strong execution and profitable growth, regardless of the economic cycle." All segments performed strongly, Bedard added, but logistic and last mile saw a 5% decline in revenue y-o-y. Operating income was higher across all segments. Total revenue was \$1.23 billion, a 3% increase from Q1 2018. Net cash flow from operating activities was \$160.7 million, up 178% from Q1 2018.

### **29. Ontario is Improving Highway 401 in Scarborough and Pickering**

Ontario's Government for the People is putting people first by making investments to repair Highway 401 from Neilson Road to Whites Road (i.e., from Scarborough to Pickering). The Ministry of Transportation is also planning to proceed

with 123 rehabilitation projects across the province. Across central Ontario, 20 projects are going to tender representing a total investment of \$512 million.

### **30. UPS falls short of forecasts on bad weather, costs**

United Parcel Service Inc. reported on April 25, 2019 that first-quarter profit fell 17% as revenue was flat from a year ago and the package-delivery company ran into higher spending to cope with a series of winter storms. The results fell short of Wall Street expectations, and the shares tumbled in midday trading. UPS has been working to upgrade its network as the growth of online shopping puts more pressure on delivery speed. Both ground and air shipping volumes grew during the first quarter, partly on high demand for faster delivery options.

### **31. Bison Transport acquires intermodal assets, customers from Celadon Group**

Bison Transport announced that it has acquired all of the assets of the container on flat car (COFC) intermodal operations of Indianapolis, Ind.-based Celadon Group, Inc. The acquisition includes operating personnel, drivers, customers and supplier relationships. This represents the continued growth of Bison's intermodal service and enhances its ability to support cross-border shippers in Canada, United States and Mexico.

## **GENERAL TRANSPORTATION**

### **Canada**

#### **1. National tourism indicators, fourth quarter 2018**

Tourism spending in Canada rose 0.3% in the 2018 fourth quarter, following a 0.8% gain in the 2018 third quarter. Increased spending by international visitors to Canada was partially offset by lower spending by Canadians in Canada. Annually, tourism spending in Canada rose 2.8% in 2018, following a 4.3% gain in 2017. Tourism spending by Canadians in Canada edged down 0.1% in the 2018 fourth quarter following a 1.2% increase in the third quarter. Tourism spending by international visitors to Canada increased 2.0% in the 2018 fourth quarter, after two consecutive quarters of decline.

#### **2. U.K. legislators reject May's Brexit agreement**

Members of the United Kingdom's House of Parliament rejected an agreement negotiated by Prime Minister Theresa May for leaving the European Union for a third time on March 29, 2019 by a vote of 344 to 286. That means the U.K has missed an EU deadline to delay its exit to May 22 and leave with a deal. The BBC reported May now has until April 12 to seek a longer extension to the negotiation process to avoid having her country leave the E.U. without an agreement.

#### **3. Brexit problems fuel more direct cargo shipping from Ireland to Europe**

More businesses are opting to bypass British ports and directly ship goods between the Irish port of Dublin and continental Europe, a

development triggered by mounting fears over the fallout from a disorderly Brexit, according to a report by local media RTE. It quoted local port authorities as saying that currently two-and-a-half times more goods are transported to Europe via direct routes from Dublin, rather than across the UK landbridge, and that number is expected to rise, Xinhua reported. The UK landbridge refers to Britain as a "bridge" linking Ireland and the European mainland over the sea. An estimated 150,000 Irish trucks and three million tonnes of goods travel through Britain for export to the European Union each year, according to RTE.

#### **4. Freeland say lifting U.S. tariffs is part of ratification of the new NAFTA**

Foreign Affairs Minister Chrystia Freeland is linking the lifting of "absurd" U.S. tariffs on Canadian and Mexican steel to the ratification of the new North American free-trade deal. Dealing with the tariffs — imposed by President Donald Trump under a controversial national-security provision of U.S. law — is a key part of the ratification process, Freeland said on April 3, 2019. Freeland says she's heartened by the recent comments of American lawmakers who say the new trilateral trade agreement can't be ratified with the "Section 232" tariffs in place. "I am very glad to be hearing both in private meetings and in public statements from a number of U.S. senators, members of Congress, that they share Canada's view that the 232 tariffs should be lifted," the minister said in Ottawa before departing for a NATO summit in Washington where she was expected to press the issue further.

#### **5. USDOT Announces Solving for Safety Visualization Finalists**

## **GENERAL TRANSPORTATION**

### **Canada**

1. National tourism indicators, fourth quarter 2018, March 28, 2019, [www.statcan.gc.ca](http://www.statcan.gc.ca)
2. U.K. legislators reject May's Brexit agreement, March, 29, 2019, [www.americansipper.com](http://www.americansipper.com)
3. Brexit problems fuel more direct cargo shipping from Ireland to Europe, April 4, 2019, [www.transportweekly.com](http://www.transportweekly.com)
4. Freeland say lifting U.S. tariffs is part of ratification of the new NAFTA, April 4, 2019, [www.ctl.ca](http://www.ctl.ca)
5. USDOT Announces Solving for Safety Visualization Finalists, April 8, 2019, [www.bts.gov](http://www.bts.gov)
6. January 2019 North American Transborder Freight Numbers, April 9, 2019, [www.bts.gov](http://www.bts.gov)
7. Remarks from Chair and CEO, Scott Streiner, to the Senate Standing Committee on Social Affairs, Science and Technology, April 10, 2019, [www.cta-otc.gc.ca](http://www.cta-otc.gc.ca)
8. Farmers demand strong political response to expanding trade obstacles for Canada, April 11, 2019, [www.ctl.ca](http://www.ctl.ca)
9. Canadian Alliance Terminals to open new facility in Vancouver, April 16, 2019, [www.ctl.ca](http://www.ctl.ca)
10. US-China trade talks near final round, April 17, 2019, [www.transporweekly.com](http://www.transporweekly.com)
11. China's GDP grows at 6.4pc, April 24, 2019, [www.transportweekly.com](http://www.transportweekly.com)

The U.S. Department of Transportation (DOT) on March 8, 2019 announced two finalists, Ford Motor Co. and the University of Central Florida, for the third and final stage of the Solving for Safety Visualization Challenge. The challenge, a national, multistage competition with a total prize of \$350,000, was announced last year, seeking innovative analytical visualization tools that can improve safety on our nation's road and rail systems.

#### **6. January 2019 North American Transborder Freight Numbers**

Transborder freight between the U.S. and other North American countries (Canada and Mexico) in January 2019 was \$95.6 billion by all modes of transportation, down 1.1 percent from January 2018. Truck moved \$63.1 billion of this total freight, up 4.1 percent compared to January 2018 and rail moved \$12.99 billion of this total freight, down 3 percent compared to January 2018. *U.S.-Canada freight* (both directions) was: truck: \$27b; rail: \$7.5b; pipeline: \$4b; air: \$2.4b; and vessel: \$2b. Almost all (99.3 percent) of pipeline freight between the U.S. and Canada was mineral fuels, primarily oil and gas. Most of these freight flows were on pipelines linking Canada and the American Midwest.

#### **7. Remarks from Chair and CEO, Scott Streiner, to the Senate Standing Committee on Social Affairs, Science and Technology -**

Chair and CEO, Scott Streiner appeared before the Senate Standing Committee on Social Affairs, Science and Technology on April 10, 2019. He briefly explained the accessibility-related mandate and activities of the Canadian Transportation Agency, the CTA, and answered the Committee's questions. Further details of his speech appear on the Agency's website.

#### **8. Farmers demand strong political response to expanding trade obstacles for Canada**

Canola farmers whose livelihoods have been targeted by China in its feud with Canada say it's time for the federal government to be aggressive at the political level in its fight against a growing number of agricultural trade barriers around the world. Several producers told two parliamentary committees on April 9, 2019 that China's recent rejection of Canadian canola-seed shipments is only the latest trade disruption that's hurt the country's agriculture sector.

#### **9. Canadian Alliance Terminals to open new facility in Vancouver**

As rising land costs force third-party logistics firms to compete for space against the purchasing power of global Fortune 500 companies, Canadian Alliance has made a financial commitment in a new 250,000 square foot facility. This property is located adjacent to Delta Port in iPort Phase 2 and will provide Canadian Alliance's customers with a state-of-the-art building that has the capacity to service existing and new customers in the tightening Metro Vancouver industrial real estate space.

#### **10. US-China trade talks near final round**

US Treasury Secretary Steven Mnuchin said US-China trade agreement would go "way beyond" previous efforts to open China's markets to American companies and hoped that the two sides were now "close to the final round", reported Reuters. Mr. Mnuchin, speaking to reporters on the sidelines of the International Monetary Fund and World Bank spring meetings, said that he and US Trade Representative Robert Lighthizer would hold talks with Chinese Vice Premier Liu He. "I think we're hopeful that we're getting close to the final round of concluding issues," Mr Mnuchin said.

#### **11. China's GDP grows at 6.4pc**

China's economy grew 6.4 per cent in the first quarter of 2019, according to the National Bureau of Statistics' (NBS) Q1 report, Caixin reports. The expansion in the nation's GDP was unchanged from the rate posted in the fourth quarter of 2018. It also beat a median forecast of 6.3 per cent by economists polled by Bloomberg. All other major activity indicators gauging investment, industrial output and consumption hit multi-month highs, according to data shown.