

Transportation Information Update*

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AIR TRANSPORTATION

1. Singapore Airlines Pleads Guilty to Price-Fixing

Singapore Airlines Cargo will pay a US\$48 million fine after agreeing to plead guilty to charges that the carrier conspired to fix air freight prices for shipments going to and from the United States. This is the 20th airline to pay penalties in the US air cargo conspiracy.

2. Star Alliance Regains Best Alliance Title at Skytrax World Airline Awards™

Star Alliance, the way the Earth connects, has regained the Best Airline Alliance title at the prestigious Skytrax World Airline Awards™. Air Canada a member of Star Alliance won the award for the best airline in North America and 25 other airlines in the Alliance also won awards.

3. Air fare [third quarter 2010]

The average cost of air fares paid by passengers continued to increase across all fare type groups in the third quarter. The average domestic air fare (all types) paid by passengers was \$187.90, up 6.9% from \$175.70 during the third quarter of 2009. The average international air fare (all types) increased by 2.3% to \$364.70. Vancouver posted the highest domestic fare increase of 9.6%.

4. Canada's Airlines fight EU carbon Tax

Canadian airlines have joined the fight opposing the European Union's plan to include the aviation industry in its emissions trading plan at the start of next year. Under terms of the EU strategy, any airline flying in or out of Europe would be forced to buy carbon permits for 15% of their emissions based on 2010 levels. They would also be required to reduce their carbon dioxide emissions by 3% in 2012, and by 5% from 2013 onward, based on their average emissions between 2004 and 2006. Global airlines are opposing the plan and the industry argues that inclusion of airlines in the emissions system will cost global airlines about \$1.4-billion collectively in 2012 before "skyrocketing" to \$5.6 billion by 2020. They also argue it violates other international agreements and payment should be only for omissions in Europe.

5. WestJet reports June traffic results

On July 6, Westjet reported its results for June 2011, the second quarter and the first six months of 2011. For June 2011 compared to June 2010 load factor (75.7) was down by 2.1 points but available seat miles (1.710 b) and revenue passenger miles (1.215 b) were up 9.2% and 5.8%. For the second quarter of 2011 compared to the second quarter of 2010, load factor was down by 1.9 points but available seat miles and revenue passenger miles were up 9.5% and 7%. The second quarter showed declines in changes in all three indicators compared to the first quarter. For the first six months of 2011 compared to the first six months of 2010, load factor was (80.1) down by 0.7 points but available seat miles (10.648b) and revenue passenger miles (8.382b) were up 10.4% and 9.4%. WestJet President and CEO, Gregg Saretsky said "...we are comfortable with the balance achieved between yield, growth and our load factor."

6. Air Canada Reports June Traffic

On July 6, Air Canada reported its results for June 2011, the second quarter and the first six months of

Canada

1. Singapore Airlines Pleads Guilty to Price-Fixing, July 4, 2011, www.joc.com
2. Star Alliance Regains Best Alliance Title at Skytrax World Airline Awards™, July 5, 2011, www.aircanada.ca
3. Air fare, July 5, 2011, www.statcan.gc.ca
4. Canada's Airlines fight EU carbon Tax, July 5, 2011, www.nationalpost.ca
5. WestJet reports June traffic results, July 6, 2011, www.westjet.ca
6. Air Canada Reports June Traffic, July 6, 2011, www.aircanada.ca
7. Porter plans to expand routes in U.S, Ontario, July 6, 2011, www.globeandmail.ca
8. Taxation - Duty Bound, July 8, 2010, www.iata.org
9. BAA Faces Forced Sale of Stansted Airport, July 11, 2011, www.joc.com
10. CAW disputes Air Canada Express subcontract, July 12, 2011, www.nationalpost.ca
11. Canadian airfares expected to fall in second half, July 13, 2011, www.nationalpost.ca
12. Transport Canada releases findings of the 2010 Pickering Lands Needs Assessment Study, July 12, 2011, www.tc.gc.ca
13. Minister Fletcher announces investment in airport safety at Prince Albert Airport, July 11, 2011, www.tc.gc.ca
14. Air Canada, WestJet lowering fares, July 13, 2011, www.globeandmail.ca
15. City approves deal for tunnel to island airport, July 14, 2011, www.nationalpost.ca
16. Transport Canada Suspends Mississippi Airways' Air Operator Certificate, July 16, 2011, www.statcan.gc.ca
17. BAA Ordered to Sell Stansted, July 19, 2011, www.joc.com
18. Aircraft movement statistics: Major airports, July 20, 2011, www.statcan.gc.ca
19. WestJet forecasts more sun

2011. For June 2011 compared to June 2010 load factor (84.2.) was down by 0.5 points but available seat miles (5.830 b) and revenue passenger miles (4.911 b) were up 3% and 2.5%. For the second quarter of 2011 compared to the second quarter of 2010, load factor was down by 0.3 points but available seat miles and revenue passenger miles were up 6.4% and 6.1%. The second quarter showed declines in changes in all three indicators compared to the first quarter. For the first six months of 2011 compared to the first six months of 2010, load factor was (80.4) down by 0.9 points but available seat miles (32.371b) and revenue passenger miles (26.032b) were up 7% and 5.9%. Calin Rovinescu said "Following on the record load factor we reported for June 2010, these solid results highlight Air Canada's ongoing focus on operating the airline in a disciplined and efficient manner with respect to capacity and asset deployment."

7. Porter plans to expand routes in U.S, Ontario

Porter Airline's chief executive officer is aiming to expand domestically and also has plans to start service to Washington Dulles International Airport within 12 months. Another possible U.S. destination is Philadelphia International Airport, while options in Ontario include Timmins, North Bay and London. Porter's load factor – the portion of seats filled by paying customers – surged to a new high of 64.6 per cent in June 2011, up from 52.2 per cent in the same month in 2010. Porter flew 203,000 passengers in June, up from 136,000 travellers in the same month of 2010. For 2011, it is expected to carry nearly two million customers across its regional network of 12 Canadian cities and four U.S. destinations. The airline flew 1.56 million passengers last year, including 1.26 million people through Billy Bishop.

8. Taxation - Duty Bound

Income, property, fuel, even equipment: aviation taxes know no bounds in the eyes of government. More recently, taxes for social and economic purposes such as development aid, climate change, and tourism expansion have made the headlines. Charles Tyler of IATA says governments must realize that aviation taxes cause long-term damage to national economies.

9. BAA Faces Forced Sale of Stansted Airport

U.K. competition regulators are expected to order airport operator BAA to sell within 18 months London Stansted Airport in the third week of July 2011, the country's second largest cargo hub.

10. CAW disputes Air Canada Express subcontract

The Canadian Auto Workers urged Ottawa (Canadian Industrial Relations Board) on July 11, 2011 to put a halt to Air Canada outsourcing work for its new regional service from Toronto Island, saying it violates the union's labour pact with the airline.

11. Canadian airfares expected to fall in second half

The airlines have in the first half of 2011 increased their fares aggressively but this is expected to change in the second half of this year as the increase is beginning to have a negative impact on demand according to one analyst. Some downward adjustments to fares have already occurred. While this will impact on the airlines unit revenues, lower prices for gas and a higher dollar will have the opposite effect.

12. Transport Canada releases findings of the 2010 Pickering Lands Needs Assessment Study

Transport Canada on July 11, 2011 released the findings of the 2010 Pickering Lands Needs Assessment Study. The study determined that an additional airport will be required in the Greater Golden Horseshoe Area

between 2027 and 2037. Accordingly, the Honourable Denis Lebel, Minister of Transport, Infrastructure and Communities said "We will develop a plan for the short and long term development and use of these lands, including the potential for a future airport, for the benefit and economic growth of the Greater

for Canadians this winter, July 20, 2011, www.westjet.ca

20. Climbing through the Clouds, The Economist, July 7, 2011, www.economist.com

21. WestJet adds Hamilton - Las Vegas route to its fall schedule, July 25, 2011, www.westjet.ca

22. Quarterly civil aviation statistics quarter 2010 (preliminary) , July 26, 2011, www.statcan.gc.ca

23. WestJet removes taxes from fare structure, July 27, 2011, www.westjet.ca

24. Passenger Traffic Hits a Speed Bump in June - Air Cargo Basically Flat, July 28, 2011, www.iata.org

US

1. 4th-Quarter 2010 Airline Financial Data; Network, Low-Cost and Regional Airlines Report Profits, June 30, 2011, www.dot.gov

2. DOT Fines Ticket Agents for Violations of Code-Share Disclosure and Price Advertising Rules, June 30, 2011, www.dot.gov

3. 4th-Quarter 2010 Airline Financial Data; Network, Low-Cost and Regional Airlines Report Profits, June 30, 2011, www.bts.gov

4. [US] Airline On-Time Performance in May Improves from Previous Month but Down From Last Year, July 7, 2011, www.dot.gov

5. Atlantic Southeast Airlines Fined for Violating Rules Protecting Air Travelers with Disabilities, July 11, 2011, www.dot.gov

6. IATA, ICAO, IFALPA Jointly Announce Fatigue Risk Management Systems Implementation Guide, July 18, 2011, www.iata.org

Toronto area."

13. Minister Fletcher announces investment in airport safety at Prince Albert Airport

The Honourable Steven Fletcher, Minister of State (Transport), announced on July 11, 2011 that the Government of Canada is investing more than \$5.9 million in improvements to the Prince Albert Airport. This year, the Government of Canada is investing more than \$20.9 million for 27 projects at 23 airports.

14. Air Canada, WestJet lowering fares

7. May 2011 Passenger Airline Employment Rose 2.1 Percent from May 2010, July 19, 2011, www.dot.gov

8. Air Traffic Management - An Ocean of Talent, July 21, 2011, www.iata.org

9. Airbus wins lion's share of huge American Airlines order, July 20, 2011, www.globeandmail.ca

10. 1st-Quarter 2011 Domestic Air Fares Rose 8.4% from 1st Q 2010, July 27, 2011, www.dot.gov

Canada's two largest airlines are lowering airfares slightly after running into consumer resistance to price hikes. In June 2011, there were more empty seats on planes of Air Canada and WestJet Airlines Ltd., following a series of fare increases since the beginning of the year. Airline industry observers say that fare reduction means travel bargains could emerge this fall and winter, particularly if oil prices continue to soften.

15. City approves deal for tunnel to island airport

Toronto city council approved a deal with the Toronto Port Authority for a proposed pedestrian tunnel to the island airport. The agreement gives the port authority access to city land to build the underwater passage and will save the city about \$10-million by allowing it to put new water and sewer infrastructure in the same tunnel. The tunnel will cost about \$60-million.

16. Transport Canada Suspends Missinippi Airways' Air Operator Certificate

On July 16, 2011, Transport Canada suspended Missinippi Airways' Air Operator Certificate, needed to provide air service effective July 15, 2011 at 11:59 p.m. This action is based on safety concerns identified during Transport Canada's inspection following the accident in Pukatawagan on July 4, 2011.

17. BAA Ordered to Sell Stansted

On July 18, 2011, British authorities said that U.K. airport operator BAA must start selling London Stansted airport, the country's second largest cargo hub, and one of its Scottish airports, within three months. The order was the result of the Competition Commission's ruling that the British Airport Authority had a dominant position in the airport market.

18. Aircraft movement statistics: Major airports [June 2011]

Aircraft take-offs and landings at the 93 Canadian airports with NAV CANADA air traffic control towers and flight service stations increased 0.8% in June 2011 compared with the same month a year earlier.

19. WestJet forecasts more sun for Canadians this winter

WestJet announced additional services to sun destinations from Kelowna, Victoria, Winnipeg, London and Thunder Bay this 2011-12 winter schedule.

20. Climbing through the Clouds

Airlines at the recent 2011 Paris Show went on a shopping spree despite the meagre profits reported by IATA. Two factors are responsible for this paradoxical behaviour: the demand for new efficient carriers; and the demand from the Asia Pacific region. Apart from the eastward drift, the airline business is also undergoing a more wrenching change. Changes are occurring such as consolidation at the regional and continental level. There have also been a number of newcomers in new places: South America and the prolific growth of Emirates Airlines in Dubai. China is also expected to lead the way now and the region is expected to have 30% of the world air travel market. In fact the world's leading airlines from the standpoint of market capitalization is now from the East: Air China, Singapore Airlines, China Southern Airlines and LATAM. The fifth spot is Lufthansa. There are no American airlines even though they still fly the most carriers.

21. WestJet adds Hamilton - Las Vegas route to its fall schedule

WestJet announced on July 25, 2011 that it will begin the Hamilton-Las Vegas route twice a week for a period of eleven weeks beginning September 9, 2011.

22. Quarterly civil aviation statistics quarter 2010 (preliminary)

Operational and financial data on civil aviation are now available for the third quarter.

23. WestJet removes taxes from fare structure

On July 27, 2011, WestJet announced that they have removed select aviation taxes (eg. International arrival and departure tax) from their fare structure as Congress failed to approve the Federal Aviation Authority's reauthorization extension.

24. Passenger Traffic Hits a Speed Bump in June - Air Cargo Basically Flat

The International Air Transport Association (IATA) announced traffic results for June which showed a slight softening in demand for both air travel and freight markets. Compared to June 2010, passenger demand was up 4.4% while freight demand was 3% lower. The trend for passenger travel remains upwards, but at a slower pace than the post recession rebound. Year to date statistics indicate passenger growth of 6.5%, available seat miles of 7.1%, load factor of 76.7, freight volume of 1.2% and available freight volume of 59%.

RAIL TRANSPORTATION

1. 2011 Guide to Railway Charges for Crossing Maintenance and Construction

The Canadian Transport Agency has developed a Guide to assist the railway companies, road authorities, utility companies and landowners, by providing a third-party assessment of rail costs and setting consistent, nation-wide schedules and guidelines for work performed by railway companies. The rates in the schedules are developed from Class I railway accounting data. They have been developed to illustrate the total costs incurred by Class I railway companies for work and services performed at road crossings.

2. Industrial Shippers Petition STB For Rail Access

The National Industrial Transportation League has asked the Surface Transportation Board to order competitive switching of cargoes to a second rail line in limited situations i.e., captive shippers. It asked the STB to initiate a formal rule-making schedule, and proposes that shippers be allowed to individually seek agency orders that cargoes be switched to an alternative railroad within limited geographic areas. If adopted, the plan would trigger an STB competitive or reciprocal switching order only after a shipper demonstrates that a customer facility is served by just one railroad, that it has no effective means of shipping goods otherwise, and that there is a working interchange at the other railway.

3. Strong demand keeps railways on track

Investors in railways have done rather nicely so far this year, with most of the major stocks rising 10 to 20 per cent. Despite a tough second quarter, railways are expected to fare better than the rest of the economy. CP is the only railway that lost in 2011 and is down more than 8 percent. railroads' carload volume rose 3.1 per cent in the second quarter, while their Canadian peers' remained flat. Strong demand according to one

analyst is likely to see an upward movement in its share prices.

4. CN invests in more extended sidings in Northern Ontario to improve system velocity, productivity
CN announced on July 19, 2011 that it plans to construct two more extended sidings on its Northern Ontario main line this year, bringing its investments in seven long sidings in this corridor to more than C\$30 million. Two additional extended sidings, costing a total of C\$10 million, are planned for this main line in 2012.

5. Governments launch the Toronto Rocket into service

On July 21, 2011, government and other officials announced the new Toronto Rocket subway trains into service. Minister Oliver of Natural Resources said "With the service launch of the Toronto Rocket subway train, our government is improving transportation in the Greater Toronto Area, the Toronto Rocket will provide families and businesses with greater transit options, reduce traffic congestion and support better air quality across the region."

6. CN reports Q2-2011 net income of C\$538 million, or C\$1.18 per diluted share

CANADA

1. 2011 Guide to Railway Charges for Crossing Maintenance and Construction, June 30, 2011, www.cta-otc.gc.ca
2. Industrial Shippers Petition STB For Rail Access, July 7, 2011, www.joc.com
3. Strong demand keeps railways on track, July 13, 2011, www.globendmail.ca
4. CN invests in more extended sidings in Northern Ontario to improve system velocity, productivity, July 19, 2011, www.cn.ca
5. Governments launch the Toronto Rocket into service, July 21, 2011, www.mto.gov.on.ca
6. CN reports Q2-2011 net income of C\$538 million, or C\$1.18 per diluted share, July 25, 2011, www.cn.ca
7. CN declares third-quarter 2011 dividend, July 25, 2011, www.cn.ca
8. CN sees 'good momentum' for rest of year, July 25, 2011, www.globeandmail.ca
9. Canadian Pacific announces second-quarter 2011 results, July 27, 2011, www.cpr.ca

US

1. Shippers ask STB for more competition, July 29, 2011, www.americanshipper.com

On July 25, 2011, CN reported its financial and operating results for the second quarter and first half ended June 30, 2011. For the second quarter of 2011, CN reported:

Net income increased from the year-earlier quarter to C\$538 million, with diluted earnings per share (EPS) rising four per cent to C\$1.18. Excluding the net deferred income tax expense of C\$40 million (or 8 cents per share), adjusted diluted EPS for the second quarter of 2011 rose to C\$1.26 -- an increase of 12 per cent over C\$1.13 for the same quarter of 2010. Revenues for second-quarter 2011 rose eight per cent to C\$2,260 million, while carloadings increased four per cent and revenue ton-miles increased five%. Operating income increased eight per cent to C\$874 million. CN's operating ratio was 61.3 per cent, up 0.1 points compared to the second-quarter 2010.

7. CN declares third-quarter 2011 dividend

CN announced on July 25, 2011 that its Board of Directors has approved a third-quarter 2011 dividend of C\$0.325 on the Company's common shares outstanding.

8. CN sees 'good momentum' for rest of year

Despite the challenges faced by spring flooding, forest fires and snow, CN's profit was up almost 1 per cent in the second quarter of 2011 compared to the same period in 2010. Its second-quarter revenue rose from a variety of freight, led by metals and minerals, intermodal, grain and fertilizers, forest products and coal. Its operating ratio rose by 0.1 point to 61.3 indicating that its efficiency fell marginally. CN, is seen as a barometer for the economy because the carrier hauls a wide range of goods.

9. Canadian Pacific announces second-quarter 2011 results

On July 27, 2011, CP reported results for the second quarter of 2011. The highlights were: total revenues were \$1.3 billion, an increase of \$30.3 million; operating expenses were \$1.0 billion, an increase of \$73.9 million; average fuel price increased 37 per cent to \$3.50 U.S. dollars per U.S. gallon; operating income was \$230.5 million, a decrease of \$43.6 million; net income was \$128.0 million, a decrease of \$38.6 million; and diluted earnings per share were \$0.75 per share, a decline of \$0.23 per share

WATER TRANSPORTATION

1. Government of Canada introduces compulsory pilot certification to enhance safety on Great Lakes

The Honourable Steven Fletcher, Minister of State (Transport), on July 6, 2011 announced changes that will allow the Great Lakes Pilotage Authority to maintain safer and more efficient pilotage services on the Great Lakes. Under the changes to the *Great Lakes Pilotage Regulations*, and in compliance with the *Pilotage Act*, all Canadian ship officers who operate within the Great Lakes region will be required to hold a valid pilotage certificate.

2. Prince Rupert Port Authority - Monthly Traffic Summary for June 2011 - Container Cargo

Total number of TEUs at the Port of Prince Rupert for June 2011 was 34,378, a 16% increase from June 2010. Both inbound and outbound containerized cargo increased by the same percent. For the first six months, the total number of TEUs was down 3.7% to 151,783.8 from 157,661.8 for the first six months of 2010. Inbound cargo (88,843.5) was down 2.7% and outbound cargo (62,940.3) was down 5.1%.

3. Port Metro Vancouver - Year to Date Traffic Summary to June 2011 - Container Cargo

For the first six months of 2011, the total number of TEUs was up 5% to 1,224,933 from 1,163,957 for the first six months of 2010. Inbound cargo (635,494) was up 4% and outbound cargo (589,440) was up 7%.

4. Port of Halifax - Q2 2011 Summary of Cargo & Cruise Activity

A snapshot of statistics for the Port of Halifax for the second quarter of 2011 is as follows: overall port tonnage was up by 11.8% over Q2 2010; containerized cargo experienced a seventh consecutive quarter of growth at 6% over our first quarter of the year and 3.3% over Q2 of 2010; breakbulk cargo (e.g.: machinery, metals, forest products) grew 34.9% over Q2 2010; bulk cargo (e.g.: oil imports and grain exports) grew 17.1% over Q2 2010; and roll-on/roll-off cargo (e.g.: vehicles) grew 7.1% over Q2 2010.

CANADA

1. Government of Canada introduces compulsory pilot certification to enhance safety on Great Lakes, July 6, 2010, www.tc.gc.ca
2. Prince Rupert Port Authority - Monthly Traffic Summary for June 2011 - Container Cargo, July 8, 2011, www.rupertport.com
3. Port Metro Vancouver-Year to Date Traffic Summary to June 2011-Container Cargo, July 9, 2011, www.portmetrovancooover.com
4. Port of Halifax - Q2 2011 Summary of Cargo & Cruise Activity, July 19, 2011, www.portofhalifax.ca

5. Port of Halifax - Latest Quarter Cruise Passengers

For the second quarter of 2011, the number of cruise passengers from the Port of Halifax was 34,867. This was a 62.3% increase compared to the first quarter of 2010.

6. Port of Montreal - Cumulative Container Traffic Summary - January to June 2011

Total container traffic in terms of TEUs at the Port of Montreal for the first six months of 2011 was 676,091 a 0.9% increase over the same period in 2010. Inbound traffic increased 0.5% (to 333,874 TEUs) and outbound traffic increased 1.2% (to 342,217 TEUs).

7. Port Announces Truck Traffic Pilot Program

In an effort to mitigate the impact of container trucks accessing the Vancouver port via city streets, Port Metro Vancouver will implement a **Truck Traffic Pilot Program** requiring container trucks to use only Major Road Network (MRN) authorized routes in Vancouver. It will begin on August 25, 2011 after a 30 day notification period.

5. Port of Halifax - Latest Quarter Cruise Passengers, July 19, 2011, www.portofhalifax.ca

6. Port of Montreal - Cumulative Container Traffic Summary - January to June 2011, July 22, 2011, www.portofmontreal.ca

7. Port Announces Truck Traffic Pilot Program, July 25, 2011, www.portmetrovancover.com

US

1. FMC to Study Price Rupert Port diversion, July 29, 2011, www.americanshipper.com

HIGHWAY TRANSPORTATION

1. For-hire Motor Carrier Freight Services Price Index

The For-hire Motor Carrier Freight Services Price Index increased 2.8% in the first quarter of 2011 from the fourth quarter of 2010. The specialized freight trucking component was up 1.7%, while the general freight trucking component rose 3.8%. On a year-over-year basis, the index advanced 4.3% in the first quarter of 2011 compared with the same quarter of 2010.

2. Couriers and Messengers Services Price Index [May 2011]

The Couriers and Messengers Services Price Index increased 1.5% in May 2011 compared with April 2011, mainly as a result of higher fuel surcharges. The courier portion rose 1.7% while the local messenger component advanced 1.2%. On a year-over-year basis, the index advanced 11.1% in May 2011 compared with the same month in 2010.

3. 26 km of twinned Highway 11 lanes fully open from south of Hague to north of Rosthern

On June 30, 2011, a milestone was marked in the ongoing Highway 11 twinning initiative between Saskatoon and Prince Albert. Approximately 26 kilometres (km) of newly twinned northbound and southbound lanes from south of Hague to north of Rosthern are now fully open to traffic in time for Canada Day weekend travel.

4. Contrans buys pair of Quebec trucking firms

Contrans Group has acquired the trucking operations of Entreprises S&S and Logistique Barthelemy located in St. Barthelemy, Que. The acquisitions are expected to produce annual revenue of between \$12-\$15 million from its fleet of tractors and open top bulk trailers. Contrans is the 13th largest for-hire company in Canada.

5. Upgrades support future transit growth

The Surrey Transit Centre has been modernized and expanded to accommodate more buses in the future, giving families and the public more travel choices. The total cost of the upgrades project was \$12.7 million, contribution by the federal government of up to \$2.1 million was provided through the Building Canada Fund.

6. Government of Canada and Saint John Transit launch new vehicle tracking technology

On July 7, 2010, government officials launched a global positioning system (GPS) for buses in Saint John. The vehicle tracking technology, known as "NextBus," has been added to Saint John Transit's fleet. The NextBus system lets passengers know when the next bus will arrive at any given bus stop through the Web, mobile devices and signs at key locations. This will reduce wait times and the need for printed

CANADA

1. For-hire Motor Carrier Freight Services Price Index, June 30, 2011, www.tc.gc.ca

2. Couriers and Messengers Services Price Index, May 30, 2011, www.statcan.gc.ca

3. 26 km of twinned Highway 11 lanes fully open from south of Hague to north of Rosthern, June 30, 2011, www.tc.gc.ca

4. Contrans buys pair of Quebec trucking firms, July 4, 2011, www.ctl.ca

5. Upgrades support future transit growth, July 4, 2011, www.tc.gc.ca

6. Government of Canada and Saint John Transit launch new vehicle tracking technology, July 7, 2011, www.tc.gc.ca

7. Transport Canada receives latest Transportation Safety Board Watchlist, July 7, 2011, www.tc.gc.ca

8. Construction underway on new transit centre in Kamloops, July 8, 2011, www.tc.gc.ca

9. Big Freight buys Paramount Storage, July 13, 2011, www.ctl.ca

10. Work starts on improvements to Highway 1, Clanwilliam Bridge, July 15, 2011, www.tc.gc.ca

schedules for transit riders.

7. Transport Canada receives latest Transportation Safety Board Watchlist

The Honourable Denis Lebel, Minister of Transport, Infrastructure and Communities, on July 7, 2011 received the Transportation Safety Board (TSB) of Canada's updated Watchlist that outlines its safety recommendations for air, marine and rail transportation. He has instructed Transport Canada to take action to address these concerns.

8. Construction underway on new transit centre in Kamloops

On July 8, 2011, government officials announced that construction is underway on a new transit centre in Kamloops, a \$15.6-million project that will generate 100 jobs, and benefit B.C. families and businesses.

9. Big Freight buys Paramount Storage

In an effort to broaden the scope of its service offerings, Big Freight System has purchased Paramount Storage. Paramount's trucking operation was placed into receivership at the start of 2011.

10. Work starts on improvements to Highway 1, Clanwilliam Bridge

Work is about to begin to replace the Clanwilliam Bridge over the Canadian Pacific Railway mainline west of Revelstoke. The new bridge and widening of the adjacent highway will improve the safety of the Trans-Canada Highway through the area. The \$29-million project is being jointly funded by Canada and British Columbia.

11. Faregates to improve SkyTrain security, reduce fare evasion

Construction officially began on July 19, 2011 to prepare for the installation of the first transit faregates at the Commercial-Broadway SkyTrain station. Once in full operation, the faregates will make taking transit safer and easier for people travelling on the entire transit system in Metro Vancouver.

12. Ambassador Bridge for sale? Maybe for the right price

Matthew Moroun, the head of the company that owns and operates the Ambassador Bridge says, in effect, it's for sale if the price is right. It has been a profitable monopoly structure. The two governments are building a second bridge despite every attempt by the Moroun to stop this construction.

13. TTC [Toronto Transit Commission] operations are next stop on city's cost-cutting route

Consultants KPMG were hired by the TTC to review Toronto's transit system to find ways to save the city money. They reviewed more than 150 routes and some of the measures likely to be proposed are scrapping night buses, privatizing routes and contracting out cleaning and maintenance jobs. The KPMG report classifies the barriers to cutting the overnight routes as "low," but estimates savings will be small, as well. At the other end of the scale, privatizing some bus routes would create large savings, but would be difficult because of language in the TTC collective agreement, according to the report.

14. Cargo truck thefts cost Canada \$5B each year: group

Thefts of cargo trucks, semis and other transport vehicles costs the industry billions, according to statistics. The Canadian Trucking Alliance says cargo

theft is getting worse. "Overall, the costs to the Canadian economy is about \$5 billion" each year, said D. Bradley from the alliance. The commodity that is being targeted is food that can be disposed of easily.

15. Governments launch the Toronto Rocket into service

On July 21, 2011, government and TTC officials launched the new Toronto Rocket subway trains into service. The Government of Canada is contributing \$91.6 million over five years through the Canada Strategic Infrastructure Fund to support the construction and delivery of 78 Toronto Rocket subway cars,

11. Faregates to improve SkyTrain security, reduce fare evasion, July 19, 2011, www.tc.gc.ca

12. Ambassador Bridge for sale? Maybe for the right price, July 19, 2011, www.todaystrucking.com

13. TTC operations are next stop on city's cost-cutting route, July 20, 2011, www.globeandmail.ca

14. Cargo truck thefts cost Canada \$5B each year: group, July 7, 2011, www.cantruck.ca

15. Governments launch the Toronto Rocket into service, July 21, 2011, www.tc.gc.ca

16. Spot market sees modest rise in June: TransCore report, July 21, 2011, www.ctl.ca

17. Biodiesel Mandate: Put a Fork in It, This Turkey's Done, July 21, 2011, www.cantruck.ca

18. Purolator International continues US expansion with new Minneapolis facility, July 25, 2011, www.ctl.ca

19. Mullen posts record Q2 revenue, July 27, 2011, www.ctl.ca

20. Couriers and Messengers Services Price Index, July 28, 2011, www.statcan.gc.ca

21. Contrans Group acquires trucking assets of TBM Transportation, July 28, 2011, www.ctl.ca

US

1. Study on Guaranteed access to traffic and travel data and free provision of universal traffic information, June 30, 2011, www.europa.eu

2. New Research Shows Enforcement Cuts Distracted Driving, July 11, 2011, www.dot.gov

3. [US For-hire transportation] Freight Shipments Fell 1.8% in May from April, July 13, 2011, www.dot.gov

or the equivalent of 13 complete six-car trains. The Province of Ontario has contributed \$83.0 million to these new subway cars, with the City of Toronto contributing \$56.6 million.

16. Spot market sees modest rise in June: TransCore report

TransCore's Canadian Spot Market Freight Index indicated a 3% increase in its June 2011 load volume spot market over the previous month. It also recorded a year-over-year increase of 7% in June 2011 from June 2010. Second quarter freight rose 14% compared to the first quarter and 10% compared to the second quarter in 2010.

17. Biodiesel Mandate: Put a Fork in It, This Turkey's Done

Effective 60 days from July 20, 2011, diesel fuel sold in British Columbia, Alberta, Saskatchewan, Manitoba and Ontario will have to contain an average annual biofuel blend of 2 per cent. Diesel fuel sold in Quebec and the Maritimes will be exempt until December 31st 2012 and there is a permanent exemption for Newfoundland and Labrador. This puts an end to the controversy of whether this requirement should go into effect. The Canadian Trucking Alliance will be monitoring its impact.

18. Purolator International continues US expansion with new Minneapolis facility

Purolator International, subsidiary of logistics provider, Purolator Inc., on July 25, 2011 announced the opening of a new Minneapolis/MSP facility as part of its US/international expansion. The amount of cross-border trade between Canada, Minneapolis and the entire central region explains the reason for the expansion.

19. Mullen posts record Q2 revenue

Mullen Group recorded a second quarter 2011 revenue of \$290.8 million with a net income of \$12.3 million after making a \$6.2 million loss in the same quarter in 2010.

20. Couriers and Messengers Services Price Index [June 2011]

The Couriers and Messengers Services Price Index increased 1.1% in June 2011 compared with May 2011, mainly as a result of fuel surcharges. The courier portion rose 1.3%, while the local messenger component declined 0.2%. On a year-over-year basis, the index advanced 11.8% in June 2011 compared with the same month in 2010.

21. Contrans Group acquires trucking assets of TBM Transportation

Contrans Group has acquired the pneumatic trucking business of Edmonton, Alta.-based TBM Transportation. TBM has 10 tractors and 21 trailers that will be combined with Tri-Line Carriers LP, a Contrans subsidiary based in Calgary that operates both flatbed and pneumatic tank equipment.

OTHER

1. 2010 was a very active year in competition enforcement and reforms, annual report shows

The year 2010 was important for the Commission in enforcing and reforming EU competition rules, in the interest of both consumers and businesses. Last year saw a near-record amount of fines imposed on companies for operating price-fixing and market-sharing cartels in a year that was also busy dealing with the conditions of the support to banks in the context of the financial and economic crisis. On the policy front, new rules were adopted on both horizontal and vertical agreements.

2. Domestic travel (2010 - Final)

The final annual and quarterly estimates of domestic travel from the Travel Survey of Residents of Canada for 2010 as well as the Public-use Microdata File are now available from Statistics Canada.

3. Travel between Canada and other countries [May 2011]

Travel to Canada by residents of the United States and other countries increased by 0.7% from April 2011 to May 2011. While travel by Canadian residents to other countries was also up, travel to the United States declined. In May, 7 of Canada's top 12 overseas markets recorded increases. The largest gains in trips were by residents of Italy (+9.0%) and the United Kingdom (+8.8%).

CANADA

1. 2010 was a very active year in competition enforcement and reforms, annual report shows, July 12, 2011, www.europa.eu
2. Domestic travel, July 15, 2011, www.statcan.gc.ca
3. Travel between Canada and other countries [May 2011], July 19, 2011, www.tc.gc.ca

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1. Intelligent Transportation System in Action, Action plan and legal framework for the deployment of intelligent transport systems (ITS) in Europe, July 6, 2011, www.europa.eu