

Transportation Information Update*

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AIR TRANSPORTATION

1. WestJet reports February load factor of 84.3 per cent

WestJet on March 3, 2015 announced its February 2015 traffic results. It had a load factor of 84.3 per cent (down 0.3 points compared to February 2014). Revenue passenger miles (RPMs), or traffic, increased 3.3 per cent year over year, and capacity, measured in available seat miles (ASMs), grew 3.7 per cent over the same period. The airline flew 1.6 million guests in February 2015, a year-over-year increase of 2.8 per cent or approximately 44,000 additional guests, and achieved an on-time performance rate of 75.8 per cent in the month, a year-over-year improvement of 6.7 percentage points.

2. Air Freight Makes Slow Start in 2015

The International Air Transport Association (IATA) released data for global air freight markets showing a 3.2% expansion in freight tonne kilometers (FTKs) in January 2015 compared to the same month last year. This growth is slower than the average of 4.5% recorded for 2014. There was much regional variation in the January performance. Asia-Pacific, African and Middle Eastern airlines expanded strongly, but airlines in Europe and North and Latin America all reported demand contractions. Although it is too early to be certain of a trend towards weaker air freight, there are at least two emerging factors which could negatively impact demand for air cargo in the coming months: 1. Business confidence has been declining since mid-2014 and export orders tailed-off towards the end of the year; and 2. Trade-to-domestic production ratio which boosted cargo volumes last year witnessed a reversal from being positive.

3. Investment at Aéroport Montréal Saint-Hubert Longueuil

The Honourable Denis Lebel, Minister of Infrastructure, Communities and Intergovernmental Affairs and Minister of the Economic Development Agency of Canada for the Regions of Quebec, on behalf of the Honourable Lisa Raitt, Minister of Transport, on March 2, 2015 announced that the Government of Canada is investing \$17,038,174 over three years, to enhance safety at the Aéroport Montréal Saint-Hubert Longueuil.

4. January Passenger Demand Signals Solid Start to 2015

January 2015 international passenger traffic rose 5.4% compared to the period a year-ago. Capacity rose 6.0% and load factor slipped 0.5 percentage points to 78.0%. All regions recorded year-over increases in demand except Africa.

5. New products, services aim to grow temp-sensitive air cargo

With the air cargo industry under increasing competition from ocean carriers for certain cargoes, especially perishables, more sophisticated software and technology tools are helping drive the migration from ocean to air.

AIR

TRANSPORTATION

Canada

1. WestJet reports February load factor of 84.3 per cent, March 3, 2015, www.westjet.ca
2. Air Freight Makes Slow Start in 2015, March 3, 2015, www.iata.org
3. Investment at Aéroport Montréal Saint-Hubert Longueuil, March 2, 2015, www.tc.gc.ca
4. January Passenger Demand Signals Solid Start to 2015, March 4, 2015, www.iata.org
5. New products, services aim to grow temp-sensitive air cargo, March 3, 2015, www.joc.com
6. Air Canada Reports Record February Load Factor with Record Traffic Results, March 4, 2015, www.aircanada.ca
7. Air Canada to Launch Service to Atlantic City from Toronto Hub, March 4, 2014, www.aircanada.ca
8. E komo mai (welcome) aboard WestJet's Boeing 767, March 3, 2015, www.westjet.ca
9. Air Fares, 2013, March 9, 2015, www.statcan.gc.ca
10. IATA Releases 2014 Safety Performance, March 9, 2015, www.iata.org
11. Three Priorities for Air Cargo 2015, March 10, 2015, www.iata.org
12. Air Canada and GOL Sign Codeshare Agreement, March 11, www.aircanada.ca
13. Aircraft movement statistics: Small airports, October 2014, March 12, 2015, www.statcan.gc.ca
14. December 2014 U.S. Airline Traffic Data, March 12, 2015, www.dot.gov
15. On-Time Performance Up from Previous Year, December 2014, March 16, 2015, www.dot.gov
16. January 2015 [US] Passenger Airline Employment Data, March 19, 2015, www.dot.gov
17. Air Canada Announces Closing of over US\$1 Billion Private Offering of Enhanced Equipment Trust Certificates, March 25, 2015, www.aircanada.ca

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

6. Air Canada Reports Record February Load Factor with Record Traffic Results

For the month of February 2015, Air Canada reported a record system load factor of 81.1 per cent, versus 79 per cent in February 2014, on a system-wide capacity increase of 8.4 per cent. On this additional capacity, system wide traffic for February 2015 increased a record 11.3 per cent for the month. Air Canada reports traffic results on a system-wide basis, including regional airlines from which Air Canada purchases capacity and Air Canada *rouge*TM.

18. Canada's Airports Chart Course for the Future, March 26, 2015, www.cacairports.ca

19. Summary 2014 U.S.-Based Airline Traffic Data, March 26, 2015, www.bts.gov

7. Air Canada to Launch Service to Atlantic City from Toronto Hub

Air Canada announced on March 4, 2015 it is launching non-stop service between its Toronto Pearson hub and Atlantic City, NJ. The seasonal service, to be flown by Air Canada Express, operated by Jazz, will offer four return trips a week beginning May 22, 2015.

8. E komo mai (welcome) aboard WestJet's Boeing 767

WestJet on March 3, 2015 announced flights between Alberta and Hawaii beginning in December 2015. The flights are available for booking on its newly-acquired Boeing 767 wide-body aircraft. The 767, the first in the WestJet fleet, will operate between Calgary and Honolulu, Calgary and Maui and between Edmonton and Maui.

9. Air Fares, 2013

Total air fares, domestic and international combined, averaged \$249.00 in 2013, up 0.2% from 2012. This increase was mainly a result of year-over-year gains in the second and third quarters. The average domestic fare was \$190.80, down 0.7% from a year earlier, while the average international fare edged up 0.3% to \$322.60.

10. IATA Releases 2014 Safety Performance

The International Air Transport Association (IATA) released 2014 commercial aviation safety performance results indicating the fewest jet hull losses but showing a rise in total fatalities. It states: 1. The 2014 global jet accident rate (measured in hull losses per 1 million flights) was 0.23, which was the lowest rate in history and the equivalent of one accident for every 4.4 million flights. This was an improvement over 2013 when the global hull loss rate stood at 0.41 (an average of one accident every 2.4 million flights) and also an improvement over the five-year rate (2009-2013) of 0.58 hull loss accidents per million flights jet. 2. There were 12 fatal accidents involving all aircraft types in 2014 with 641 fatalities, compared with an average of 19 fatal accidents and 517 fatalities per year in the five-year period (2009-2013). 3. The 2014 jet hull loss rate for members of IATA was 0.12 (one accident for every 8.3 million flights), which outperformed the global average by 48% and which showed significant improvement over the five-year rate of 0.33.

11. Three Priorities for Air Cargo

The International Air Transport Association (IATA) called for further action on three vital aspects of the air cargo business: 1. transitioning to paperless freight processes; 2. a focus on global handling standards for pharmaceutical freight; and 3. tough action to ensure the continued safe transportation of lithium batteries by air.

12. Air Canada and GOL Sign Codeshare Agreement

Air Canada and Brazil's GOL Linhas Aéreas Inteligentes announced on March 11, 2015 a codeshare agreement that will make it easier for customers to connect and travel through the two airlines' networks. The agreement is subject to approval of the Agência Nacional de Aviação Civil, the Conselho Administrativo de Defesa Econômica and the Canadian Transportation Agency.

13. Aircraft movement statistics: Small airports, October 2014

Aircraft take-offs and landings at 116 Canadian airports without air traffic control towers reached 47,773 movements in October 2014. Three airports, each with more than 2,000 movements, accounted for 20% of the activity during the month: Peterborough, Ontario (4,363 movements), Goose Bay, Newfoundland and Labrador (3,204) and Red Lake, Ontario (2,044).

14. December 2014 U.S. Airline Traffic Data

The U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported on March 12, 2015 that U.S. airlines' systemwide (domestic and international) scheduled service load factor – a measure of the use of airline capacity – rose to 83.0 percent, seasonally adjusted, in December 2014 from November 2014, increasing after a one month decline. Seasonal adjustment allows the comparing of monthly load factors to all other months.

15. On-Time Performance Up from Previous Year, December 2014

The US largest airlines posted an on-time arrival rate of 76.8 percent in January, up from both the 67.7 percent on-time rate in January 2014 and the 75.3 percent mark in December 2014, according to the U.S. Department of Transportation's Air Travel Consumer Report released on March 16, 2015.

16. January 2015 [US] Passenger Airline Employment Data

U.S. scheduled passenger airlines employed 386,544 workers in January 2015, 1.2 percent more than in January 2014, the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported on March 19, 2015

17. Air Canada Announces Closing of over US\$1 Billion Private Offering of Enhanced Equipment Trust Certificates

Air Canada announced on March 25, 2015 the closing of its previously announced private offering of three tranches of enhanced equipment trust certificates, in the aggregate face amount of U.S. \$1,031,390,000. The private offering was comprised of Class A certificates, Class B certificates and Class C certificates.

18. Canada's Airports Chart Course for the Future

Recommendations to support globally competitive service standards for security screening, reinvestment of aviation fees and taxes back into the system, and infrastructure program improvements for small airports, are among the areas of focus unveiled on March 26, 2015 by the Canadian Airports Council as part of its submission to a review panel studying Canada's transportation policy. "Canada today is more heavily reliant on aviation than ever before," said John Gibson, chair of the CAC. "Canada's airports may face important challenges, but also important opportunities for growth – particularly in international markets – if Canada can become more innovative and competitive in aviation."

19. Summary 2014 U.S.-Based Airline Traffic Data

The U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported on March 26, 2015 that U.S. airlines and foreign airlines serving the United States carried an all-time high of 848.1 million systemwide (domestic and international) scheduled service passengers in 2014, 2.5 percent more than in 2013 and 1.2 percent more than the previous record-high of 838.4 million reached in 2007.

WATER TRANSPORTATION

1. Update: shipping container fire at Centerm container terminal

Just before 8:00 p.m. on March 5, 2015, DP World (operator of Centerm container terminal) and the Vancouver Fire & Rescue Services successfully extinguished the fire in the shipping container at Centerm.

2. Prince Rupert Port Authority – Monthly Traffic Summary

The Port of Prince reported its monthly traffic statistics on March 10, 2015. For the month of February 2015, total number of containers in terms of TEUs increased 56.59% to 55,941.75. Imports increased 41.74% and exports increased 82.56%.

3. Maher Terminals to expand Prince Rupert Fairview Container terminal

Maher Terminals Holding Corp., the operator of the Port of Prince Rupert's Fairview Container Terminal, has announced its decision to proceed with the expansion of the 7-year-old facility, increasing its container capacity by 500,000 TEUs to accommodate growing container volumes and further enhancing the Canadian gateway's growing role in North American trans-Pacific trade.

4. CN welcomes Maher Terminals' expansion plan for Prince Rupert, B.C., container terminal

Claude Mongeau, president and chief executive officer of CN on March 10, 2015 welcomed news that Maher Terminals Holding Corp. will expand the capacity of the Port of Prince Rupert's Fairview Container Terminal to more than 1.3 million twenty-foot equivalent units (TEUs) annually, from the current annual container-handling capacity of approximately 850,000 TEUs. "This investment in terminal expansion to accommodate future growth in overseas container traffic is good news for CN's customers and the Pacific Gateway we serve," Mongeau said.

5. Government of Canada launches call for proposals for job-creating and export-enhancing infrastructure projects in BC

The Honourable Lisa Raitt, Minister of Transport, on March 13, 2015 announced that the Government of Canada is launching a call for proposals for infrastructure projects in British Columbia, creating jobs and economic growth, and moving goods, services and people to and from the fast-growing Asia-Pacific economies. Approximately \$16.5 million in contribution funds is available under the Asia-Pacific Gateway and Corridor Transportation Infrastructure Fund (APGCTIF) to support projects aimed at making Canada's multimodal transportation network more efficient for international trade with Asia-Pacific.

6. Port Metro Vancouver – Accumulated Container Traffic: Y-T-D February 2015

The Port of Metro Vancouver reported its accumulated container traffic for February 2015. Total containers in terms of TEUs were 477,196, a 7.1% increase compared to the same period a year ago. Imports increased by 0.3% and exports increased by 16.2%.

7. SmartATLANTIC Consortium deploys first Saint John Inshore Weather Buoy

An important step forward for users of Port Saint John and the Bay of Fundy was marked on March 14, 2015 with the deployment of the SmartATLANTIC Saint John Inshore Weather Buoy, a technology that provides the marine transportation community, commercial fishers, recreational boaters, meteorologists, researchers and scientists with online access to real-time weather and directional wave information. This is the first buoy of its type to be deployed in the Bay of Fundy supporting port operations, as well as safety of life at sea.

8. St. Lawrence Seaway season opening April 2 amidst weather and cargo challenges

The opening of the 2015 commercial shipping season on the bi-national St. Lawrence Seaway has been delayed for a week to April 2 due to a second year in succession of exceptionally heavy ice conditions in the winter and early spring. But different scenarios have emerged on the forecast cargo outlook and on the impact of weather patterns in the St. Lawrence/Great Lakes region. Bruce Hodgson, market development director of Canada's St. Lawrence Seaway Management Corporation, indicated that "our best estimate is that 2015 may not match 2014 in grain and total volume." Last year, the Seaway managed to achieve a post-recession high of nearly 40 million tonnes of cargo.

WATER TRANSPORTATION

Canada

1. Update: shipping container fire at Centerm container terminal, www.portmetrovancover.com
2. Prince Rupert Port Authority – Monthly Traffic Summary, March 10, 2015, www.rupertport.com
3. Maher Terminals to expand Prince Rupert Fairview Container terminal, March 10, 2015, www.ctl.ca
4. CN welcomes Maher Terminals' expansion plan for Prince Rupert, B.C., container terminal, March 10, 2015, www.cn.ca
5. Government of Canada launches call for proposals for job-creating and export-enhancing infrastructure projects in BC, March 13, 2015, www.tc.gc.ca
6. Port Metro Vancouver – Accumulated Container Traffic: Y-T-D February 2015, March 15, 2015, www.portmetrovancover.ca
7. SmartATLANTIC Consortium deploys first Saint John Inshore Weather Buoy, March 17, 2015, www.tc.gc.ca
8. St. Lawrence Seaway season opening April 2 amidst weather and cargo challenges, March 19, 2015, www.ctl.ca
9. Port of Toronto achieves 8-year high for cargo imports, March 27, 2015, www.ctl.ca

9. Port of Toronto achieves 8-year high for cargo imports

More than two million tonnes of cargo from around the world were delivered directly into the heart of Toronto last year through the Port of Toronto, marking an eight-year high for marine imports into the city, said a port release.

RAIL TRANSPORTATION

1. Rail traffic controllers in Canada ratify new collective labor agreement

Members of the Teamsters Canada Rail Conference-Rail Canada Traffic Controllers union have ratified a new collective labor agreement, according to a statement from the Canadian National Railway Company. CN did not disclose full terms of the deal, but said the contract will last for four years and cover approximately 180 rail traffic controllers in Canada. Jim Vena, CN executive vice-president and chief operating officer, said, "We are delighted ..."

2. CN announces plan to buy back shares through a private agreement

CN announced on March 3, 2015 that it intends to purchase for cancellation up to 1.2 million of its common shares pursuant to a private agreement between CN and an arm's-length third-party seller. The purchase will form part of CN's repurchase program for up to 28 million shares announced on Oct. 21, 2014.

3. Canadian Pacific announces ratification of labour agreement with Unifor

Canadian Pacific (CP) on March 9, 2015 announced that Unifor members have ratified a labour agreement covering approximately 1,200 active mechanical employees. "This negotiated agreement is fair to both sides and is the result of hard work by all of those involved," said Peter Edwards, Vice-President of Human Resources and Labour Relations. "We look forward to further developing our positive working relationship with our Unifor employees over the next four years." This brings the number of long-term collective agreements in place between CP and its Canadian unions to six.

4. Train derailments raise concerns about volatility of Alberta crude

Two trains that derailed and caught fire in Northern Ontario were carrying crude from Alberta's oil sands, suggesting concerns about the volatility of oil-by-rail shipments cannot be limited to the Bakken crude that was involved in the Lac-Mégantic tragedy and a spate of other major accidents. Transport Minister Lisa Raitt said on March 10, 2015 that the government is concerned about recent derailments in Ontario and wants CN to appear before a House of Commons committee to explain itself. A spokesman for CN said the company is co-operating with an investigation into the recent accidents and would be happy to appear before parliamentarians.

5. CN says it will deliver another banner year for Western Canadian grain

CN said it has continued its "record-setting pace" of Western Canadian grain shipments, seven months into the current 2014-15 crop year. As of the last week of February 2015, CN has moved on average approximately 4,700 grain hoppers weekly in Western Canada – a full 21 per cent more than during the same period of the record 100-year crop year of 2013-14, the company announced. "We are proud of CN's grain-hauling achievements, setting new records basically every month over the last year..." said Claude Mongeau, president and chief executive officer.

RAIL TRANSPORTATION

Canada

1. Rail traffic controllers in Canada ratify new collective labor agreement, March 3, 2015, www.americanshipper.com
2. CN announces plan to buy back shares through a private agreement, March 3, 2015, www.cn.ca
3. Canadian Pacific announces ratification of labour agreement with Unifor, March 9, 2015, www.cpr.ca
4. Train derailments raise concerns about volatility of Alberta crude, March 11, 2015, www.globeandmail.ca
5. CN says it will deliver another banner year for Western Canadian grain, March 11, 2015, www.ctl.ca
6. CN derailment leads to delays at Port Metro Vancouver, March 12, 2015, www.joc.com
7. CN announces plan to buy back shares through a private agreement, March 13, 2015, www.cn.ca
8. Rail Passenger Rights: protection of passengers still far from reality, shows Commission report, March 13, 2015, www.europa.eu
9. Unifor members approve five new agreements with CN, March 16, 2015, www.ctl.ca
10. Canadian Pacific Railway Limited renews share repurchase program, March 16, 2015, www.cpr.ca
11. CN says Unifor shopcraft members ratify new labour contract, March 17, 2015, www.cn.ca
12. CN plans intermodal logistics hub for greater Toronto region, March 17, 2015, www.joc.com
13. Rail Transportation, 2013, March 19, 2015, www.statcan.gc.ca
14. CN donates C\$500,000 to support research and education programs at Wilfrid Laurier University's Centre for Supply Chain Management, March 19, 2015, www.cn.ca
15. CN continues major rehabilitation work on Quebec Bridge, March 23, 2015, www.cn.ca
16. Railway Carloadings, January 2015, March 25, 2015, www.statcan.gc.ca
17. Wisconsin senator introduces rail bill to benefit shippers, March 25, 2015, www.americanshipper.com
18. API: DOE crude-by-rail report highlights importance of accident prevention, March 26, 2015, www.ctl.ca
19. Canada's grain supply chain returning to normal, March 28, 2015, www.tc.gc.ca

6. CN derailment leads to delays at Port Metro Vancouver

The derailment of a CN train carrying crude oil in Ontario on March 7, which closed a main line from Toronto to British Columbia, has led to delays to container movements at Port Metro Vancouver.

7. CN announces plan to buy back shares through a private agreement

CN announced on March 13, 2015 that it intends to purchase for cancellation up to 1.1 million of its common shares pursuant to a private agreement between CN and an arm's-length third-party seller. The purchase will form part of CN's repurchase program for up to 28 million shares announced on Oct. 21, 2014.

8. Rail Passenger Rights: protection of passengers still far from reality, shows Commission report

In the past five years, only four Member States have fully applied the EU Regulation on rail passenger rights, while 22 have granted exemptions to varying degrees, shows a report published on March 13, 2015 by the European Commission. The report also stresses that the extensive exemptions have led to legal insecurity for both passengers and the rail industry. Looking at the future, the report findings show that only one more Member State will fully apply the rules. A level playing field for railway undertakings and a high level of protection for passengers in the EU is therefore still far from a reality.

9. Unifor members approve five new agreements with CN

Unifor members have ratified five new agreements with CN Rail, with one still outstanding. Voting took place at membership meetings over the last two weeks, in 50 locations across Canada. The agreement was reached avoiding a lock-out by CN.

10. Canadian Pacific Railway Limited renews share repurchase program

Canadian Pacific Railway Limited announces that the Toronto Stock Exchange (TSX) has accepted CP's notice to implement a normal course issuer bid (NCIB) to purchase, for cancellation, up to 9,140,000 common shares or approximately 6% of CP's "public float", as at March 6, 2015. The NCIB is scheduled to commence on March 18, 2015 and is due to terminate no later than March 17, 2016.

11. CN says Unifor shopcraft members ratify new labour contract

CN announced on March 17, 2015 that members of the Unifor shopcraft group representing 2,100 company car mechanics, heavy-duty equipment mechanics and electricians in Canada have ratified a four-year labour agreement. The shopcraft group's ratification follows earlier ratification of 51-month term contracts by Unifor's clerical/intermodal, Savage Alberta Railway, excavator-operator and CNTL owner-operator members at CN. Unifor represents 4,800 CN employees in four bargaining units at CN.

12. CN plans intermodal logistics hub for greater Toronto region

Canadian National Railway on March 17, 2015 announced plans to build a \$196 million intermodal and logistics hub outside of Toronto as its existing terminal serving Canada's largest urban center nears capacity and regional freight demand builds.

13. Rail Transportation, 2013

In 2013, the volume of freight transported by rail rose 2.3% to 300.4 million tonnes. This was largely driven by increases in shipments of energy-related products such as crude petroleum. Overall operating revenues in 2013 reached \$13.1 billion, up 5.3% from the previous year, while operating expenses fell 2.7% to \$9.5 billion.

14. CN donates C\$500,000 to support research and education programs at Wilfrid Laurier University's Centre for Supply Chain Management

CN announced on March 19, 2015 a C\$500,000 donation to support research and education programs at the Centre for Supply Chain Management (SCM) in the School of Business & Economics at Wilfrid Laurier University in Ontario.

15. CN continues major rehabilitation work on Quebec Bridge

On March 23, 2015, CN announced its annual major work program for the Quebec Bridge. The cost of the work to be undertaken in 2015 is estimated at C\$7 million, bringing the total investment in the bridge since 2013 to C\$17 million. CN plans to invest up to C\$95 million over 10 years to ensure the safety and long-term viability of the Quebec Bridge.

16. Railway Carloadings, January 2015

The volume of rail freight carried in Canada totalled 25.8 million tonnes in January 2015, down 1.3% from the same month last year. Domestic rail freight originating in Canada and destined within Canada and other parts of the world fell 1.0% to 22.6 million tonnes. Intermodal freight loadings rose 9.5% to 177,000 units in January 2015. Traffic received from the United States fell 3.6% to 3.2 million tonnes. The drop was the result of a decrease in both non-intermodal and intermodal shipments.

17. Wisconsin senator introduces rail bill to benefit shippers

Sen. Tammy Baldwin, D-Wis., introduced the *Rail Shipper Fairness Act*, which aims to reduce costs and service problems faced by a broad coalition of Wisconsin rail shippers, including farmers, manufacturers and utilities. Casey Kelleher, president of the Wisconsin Corn Growers Association, said the legislation “would make much needed reforms to the freight rail industry.” Baldwin’s office noted that businesses throughout Wisconsin have endured years of “subpar rail service...”

18. API: DOE crude-by-rail report highlights importance of accident prevention

A U.S. Department of Energy report on crude oil properties and transportation safety is highlighting the continued need for efforts to prevent more train derailments, said API Director of Midstream Robin Rorick. “This report shows the need to focus more on preventing train derailments as part of a holistic approach to safety improvements of shipping oil by rail,” said Rorick. “The Department of Energy found no data showing correlation between crude oil properties and the likelihood or severity of a fire caused by a derailment.”

19. Canada's grain supply chain returning to normal

Transport Minister Lisa Raitt and Agriculture Minister Gerry Ritz on March 28, 2015 announced that the Government of Canada will not renew its requirement for Canadian National Railway (CN) Company and Canadian Pacific Railway Company (CP) to transport minimum volumes of grain by rail after the current Order in Council expires on March 28, 2015. A year ago, the government took the unprecedented step of mandating volume requirements for moving grain by rail to protect Canada's farmers and maintain its reputation as a reliable grain shipper. As a result, Canada's overall grain exports have improved and the projected carry-out going into this new crop year is within the average range historically. The government is pleased that measures in the *Fair Rail for Grain Farmers Act* are being utilized within the supply chain:

1. Transparency in the supply chain is improving thanks to increased sharing of data on grain movement.
2. Service Level Agreements continue to be signed, providing shippers with rail car supply certainty and creating confidence in the supply chain, and reducing customer complaints and contract penalties.
3. Expanded interswitching provisions are allowing previously captive shippers to make use of different rail lines in order to meet the needs of their businesses.
4. Farmers continue to have the right to negotiate delivery contract penalties with their buyers; increasing accountability.

HIGHWAY TRANSPORTATION

1. December 2014 North American Freight Numbers

U.S.-NAFTA freight totaled \$95.8 billion in December 2014 as four out of five transportation modes – truck, rail, air, and pipeline – carried more U.S.-NAFTA freight than in December 2013, according to data released on February 26, 2015 by the U.S. Department of Transportation’s Bureau of Transportation Statistics (BTS). Year-over-year, the value of U.S.-NAFTA freight flows by all modes increased by 5.4 percent, with December 2014 marking the 11th consecutive month of year-over-year increases. U.S.-Canada freight totaled \$53.1 billion in December 2014 as three out of five transportation modes – rail, truck, and pipeline – carried more U.S.-Canada freight than in December 2013. Year-over-year, the value of U.S.-Canada freight flows by all modes increased by 4.7 percent. Trucks carried 52.6 percent of the \$53.1 billion of freight to and from Canada, followed by rail, 16.0 percent; pipeline, 13.6 percent; vessel, 5.9 percent and air, 4.5 percent. The surface transportation modes of truck, rail and pipeline carried 82.2 percent of the total U.S.-Canada freight flows.

2. Couriers and Messengers Services Price Index, January 2015

The Couriers and Messengers Services Price Index (CMSPI) increased 3.4% in January 2015 compared with December 2014. The couriers portion rose 4.5% while the local messengers and local delivery component was down 2.1%. On a year-over-year basis, the CMSPI increased 6.0% in January 2015.

3. TransForce revenue hits \$1-billion for the first time

Due to the completion of a number of acquisitions, including the takeover of Ontario-based Contrans trucking firm, TransForce’s Q4 profits ballooned to \$43.2 million. Alain Bédard, TransForce CEO, commented: “In the fourth quarter, acquisitions boosted total revenue above the one-billion mark for the first time ever and, accompanied by efficiency gains across most of our existing network, resulted in strong increases in EBIT and adjusted net income.”

4. Federal funds to help trucking industry mentor women, hire members of under-represented groups

The Government of Canada has committed \$421,720 to develop mentorship programs that will help further the careers of women in the nation’s trucking industry, and identify best practices that can better support the hiring and retention of under-represented demographic groups. The funding was announced this morning by Dr. Kellie Leitch, Minister of Labour and Minister of Status of

Women, during Trucking HR Canada’s Women with Drive Leadership Summit. The financial support includes \$296,720 to develop mentorship programs that will advance the roles of women in Canada’s trucking industry, and an additional \$125,000 to identify best practices for hiring members of under-represented groups. “Our government’s number one priority is to create jobs and opportunities for all Canadians...”

5. Largest US LTL, truckload carriers raise combined revenue 8.6 percent to \$60 billion

The largest less-than-truckload and full truckload carriers in the U.S. got larger last year, enjoying strong revenue growth fueled by U.S. economic expansion and acquisitions and mergers.

6. Freight Transportation Services Index, January 2010 - January 2015

The Freight Transportation Services Index (TSI), which is based on the amount of freight carried by the for-hire transportation industry, fell 0.2 percent in January 2015 from December 2014, declining for the second consecutive month, according to the U.S. Department of Transportation’s Bureau of Transportation Statistics’ (BTS). The January 2015 index level (122.9) was 29.9 percent above the April 2009 low during the most recent recession.

HIGHWAY TRANSPORTATION Canada

1. December 2014 North American Freight Numbers, February 26, 2015, www.dot.gov
2. Couriers and Messengers Services Price Index, January 2015, February 27, 2015, www.statcan.gc.ca
3. TransForce revenue hits \$1-billion for the first time, March 4, 2015, www.todaystrucking.com
4. Federal funds to help trucking industry mentor women, hire members of under-represented groups, March 5, 2015, www.ctl.ca
5. Largest US LTL, truckload carriers raise combined revenue 8.6 percent to \$60 billion, March 10, 2015, www.joc.com
6. Freight Transportation Services Index, January 2010 - January 2015, March 11, 2015, www.dot.gov
7. House of Commons transport committee report recommends ELDs, electronic stability control for trucks, March 15, 2015, www.ctl.ca
8. Trucking market remains at high level: analyst, March 13, 2015, www.todaystrucking.com
9. Cargo Thefts Fall in 2014, But Average Value Increases, March 16, 2015, www.cantruck.ca
10. 2014 North American Freight Numbers, March 18, 2015, www.dot.gov
11. Minister Raitt supports two electronic technologies for trucks and buses, March 19, 2015, www.tc.gc.ca
12. CTA Welcomes Transport Minister’s Support For Key Safety Initiatives, March 20, 2015, www.cantruck.ca
13. Large Urban Transit, January 2015, March 24, 2015, www.tc.gc.ca
14. New Data Show January Driving Topped 237 Billion Miles, March 24, 2015, www.dot.gov
15. For-hire Motor Carrier Freight Services Price Index, fourth quarter 2014, March 30, 2015, www.statcan.gc.ca
16. Passenger bus and urban transit, 2013, March 30, 2015, www.statcan.gc.ca

7. House of Commons transport committee report recommends ELDs, electronic stability control for trucks

A report from the House of Commons all-party Standing Committee on Transport, Infrastructure and Communities has made several recommendations on the transportation of dangerous goods and safety management systems in Canada. Seven of the 10 recommendations were directly related to rail safety. As it pertains to trucking, the standing committee made two recommendations. That Transport Canada implement regulations to require the use of Electronic Logging Devices (ELDs). That Transport Canada implement regulations to require Electronic Stability Control on new trucks (ESC).

8. Trucking market remains at high level: analyst

The FTR Trucking Conditions Index for January dropped 34 percent month-to-month, but despite the drop, the index is only slightly below the high average score from 2014.

9. Cargo Thefts Fall in 2014, But Average Value Increases

The number of cargo thefts fell last year compared to 2013, but the average value of the heists increased, according to theft prevention and recovery service provider CargoNet. CargoNet reports cargo theft incidents in the U.S. indicating that it fell last year from 2013, but the average value per incident increased to \$181,681.

10. 2014 North American Freight Numbers

Four of five transportation modes – truck, rail, pipeline, and vessel – carried more U.S. freight with North American Free Trade Agreement (NAFTA) partners Canada and Mexico by value in 2014 than in 2013 as the overall value of freight on all modes rose 4.5 percent in current dollars to \$1.2 trillion, according to the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS). Trucks carried 59.9 percent of U.S.-NAFTA freight and were the most heavily utilized mode for moving goods to and from both U.S.-NAFTA partners. Trucks accounted for \$348.7 billion of the \$640.2 billion of imports (54.5 percent) and \$365.9 billion of the \$552.5 billion of exports (66.2 percent). Rail remained the second largest mode, moving 14.9 percent of all U.S.-NAFTA freight, followed by vessel, 8.7 percent; pipeline, 7.9 percent and air, 3.7 percent. The surface transportation modes of truck, rail and pipeline carried 82.7 percent of the total U.S.-NAFTA freight flows. From 2013 to 2014, total **U.S.-Canada** freight rose 3.8 percent. Trucks carried 53.8 percent of the \$658.2 billion of freight to and from Canada, followed by rail, 15.8 percent; pipeline, 13.5 percent; vessel, 5.9 percent; and air, 4.3 percent. The surface transportation modes of truck, rail and pipeline carried 83.1 percent of the total U.S.-Canada freight flows. Although trucks carry more than half of U.S.-Canada freight, 53.8 percent in 2014, its share of total freight has decreased by 6.6 percentage points from 2004, the first year of BTS data for all modes.

11. Minister Raitt supports two electronic technologies for trucks and buses

Following a roundtable on March 19, 2015 with the Canadian Trucking Alliance, the Honourable Lisa Raitt, Minister of Transport, announced that Transport Canada supports two safety technologies-electronic logging devices (ELDs) and electronic stability control systems (ESC)-which have the potential to strengthen safety on Canada's roads. This is consistent with the Government of Canada's commitment to align with U.S. vehicle standards. Transport Canada is also working with the provinces and territories to develop the business case for introducing ELDs across Canada to be well positioned once they are finalized.

12. CTA Welcomes Transport Minister's Support For Key Safety Initiatives

The Canadian Trucking Alliance (CTA) is hailing the declaration of support from federal Transport Minister Lisa Raitt for the introduction of two key safety initiatives – electronic logging devices (ELDs) and roll stability technology.

13. Large Urban Transit, January 2015

In January, total operating revenue (excluding subsidies) for 10 of Canada's largest urban transit systems decreased 0.8% from the same month in 2014 to \$281.9 million. Over the same period, ridership levels fell 1.1% to 141.7 million passenger trips.

14. New Data Show January Driving Topped 237 Billion Miles

The U.S. Department of Transportation's Federal Highway Administration (FHWA) released new estimates on March 24, 2015 showing that Americans drove 237.3 billion miles in January 2015, a significant increase over the previous January, prompting calls for greater investment in transportation infrastructure to address projected record-setting traffic volume in coming years.

15. For-hire Motor Carrier Freight Services Price Index, fourth quarter 2014

The For-hire Motor Carrier Freight Services Price Index decreased 1.0% in the 2014 fourth quarter from the 2014 third quarter. The general freight trucking component (-1.1%) and the specialized freight trucking

component (-0.9%) posted declines. Year over year, the index declined 0.1% in the fourth quarter compared with the same quarter of 2013.

16. Passenger bus and urban transit, 2013

The Canadian passenger bus industry saw its overall financial performance grow in 2013. Total revenue increased 3.0% over the previous year to \$16.3 billion. Expenses rose as well in 2013, advancing 4.9% to \$12.5 billion. As a result of the stronger growth in expenses, net income fell 2.6% to \$3.8 billion.

GENERAL TRANSPORTATION

Canada

1. Canada, U.S. to announce new cross border deal

Travel to the United States by road, rail and sea could undergo a major revamp as a result of an agreement set to be announced on March 16, 2015 between Canada and the U.S. The governments have been negotiating a legal arrangement that would allow customs agents into each other's countries — so that they can screen passengers away from the border, and ease the choke points there.

2. Canada, U.S. sign “historic” border preclearance agreement

On March 16, 2015 Canada's Minister of Public Safety and Emergency Preparedness, the Honourable Steven Blaney and U.S. Secretary of Homeland Security, Jeh Johnson, signed the Agreement on Land, Rail, Marine and Air Transport Preclearance between the Government of Canada and the Government of the United States of America.

3. Market definition in a globalised world

How do globalisation and EU integration affect the Commission's geographic market definitions? By looking at statistical evidence and cases in the EU and US, the EU *Policy Brief* analyses the evolution of market definition in the EU Commission's case practice over the last decade.

4. Caution Flag

Economists and international development agencies are bullish on international trade, with forecasts that cross-border exchange of goods will continue to expand at historic rates. But infrastructure and logistics impediments could slow the rate of trade growth.

Canada

1. Canada, U.S. to announce new cross border deal, March 16, 2015, www.globeandmail.ca
2. Canada, U.S. sign “historic” border preclearance agreement, March 16, 2015, www.ctl.ca
3. Market definition in a globalised world, March 18, 2015, www.europa.eu
4. Caution Flag, March 21, 2015, www.americanshipper.com