

Transportation Information Update*

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AIR TRANSPORTATION

1. Air Canada Inaugurates 787 Dreamliner Service to Delhi

With the departure of AC070, Air Canada on October 31, 2015 inaugurated new service between Toronto and Delhi. The new route offers the only non-stop flight between Canada and the Indian subcontinent and is the first to be dedicated for Air Canada's Boeing 787-9 series aircraft, the most modern aircraft in its fleet.

2. WestJet reports record third quarter net earnings

On November 3, 2015, Westjet announced its third quarter 2015 results, with record net earnings of \$101.8 million, or \$0.82 per diluted share, as compared with the adjusted net earnings of \$85.4 million, or \$0.66 per diluted share reported in the third quarter of 2014, up 19.2 per cent and 24.2 per cent, respectively, notwithstanding the significant weakening of the Canadian dollar year over year and the softening of the Western Canadian economy as a result of the collapse in energy prices. WestJet achieved an on-time performance rate of 86.0 per cent in the third quarter, a year-over-year improvement of 4.1 percentage points, placing WestJet as the top performing North American airline for the second consecutive quarter.

3. Westjet reports October load factor of 77.1 per cent

Westjet on October 2015 announced traffic results with a load factor of 77.1 per cent (down 0.3 points). Revenue passenger miles (RPMs), or traffic, increased 0.3 per cent year over year, and capacity, measured in available seat miles (ASMs), grew 0.7 per cent over the same period. The airline flew 1.6 million guests in October 2015, approximately flat with the prior year. "We are pleased to report record traffic for the month of October," said WestJet President and CEO Gregg Saretsky.

4. Air Freight Markets Grow Slightly in September

The International Air Transport Association (IATA) released data for global air freight markets showing very modest growth in September 2015. Measured in Freight Tonne Kilometers, air cargo volumes rose 1.0% compared to the same month a year ago. This is a slight improvement on the August 2015 performance when volumes were broadly stable. Overall, however, air cargo volumes remain 1.2% down from their 2014 year-end peak.

5. Global air freight traffic barely grows

Global air freight traffic increased by 1 percent in September 2015 from a year earlier as strong growth in the Middle East offset a flat Asia-Pacific market and reduced volume in North America, according to the International Air Transport Association.

6. September Shows Continued Strong Traffic Demand

The International Air Transport Association (IATA) announced global passenger traffic results for September 2015 showing solid demand

AIR

TRANSPORTATION

Canada

1. Air Canada Inaugurates 787 Dreamliner Service to Delhi, November 1, 2015, www.aircanada.ca
2. WestJet reports record third quarter net earnings, November 3, 2015, www.westjet.ca
3. Westjet reports October load factor of 77.1 per cent, November 3, 2015, www.westjet.ca
4. Air Freight Markets Grow Slightly in September, November 4, 2015, www.iata.org
5. September Shows Continued Strong Traffic Demand, November 5, 2015, www.iata.org
6. Global air freight traffic barely grows, November 4, 2015, www.joc.com
7. Marc Garneau appointed new Minister of Transport, November 4, 2015, www.ctl.ca
8. WestJet welcomes celebrated Canadian astronaut as Transport Minister, November 4, 2014, www.westjet.ca
9. Air Canada Welcomes Appointment of Marc Garneau as Minister of Transport, November 4, 2015, www.aircanada.ca
10. Air Canada reports October traffic results, November 4, 2015, www.aircanada.ca
11. Air Canada reports third quarter traffic results November 4, 2015, www.aircanada.ca
12. Air Canada third-quarter profit beats estimates as fuel costs ease, Nov. 5, 2015, www.nationalpost.ca
13. Air Canada Named One of Canada's Top 100 Employers for Third Consecutive Year, November 10, 2015, www.aircanada.ca
14. Aircraft movement statistics: Small airports, July 2015, November 12, 2015, www.statcan.gc.ca
15. Airline On-Time Performance Up From Previous Year, Month, November 12, 2015, www.dot.gov
16. August 2015 U.S. Airline Traffic Data, November 13, 2015, www.dot.gov

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

growth compared to September 2014 for domestic and international traffic. Total revenue passenger kilometers (RPKs) rose 7.3% compared to the year-ago period, slightly above the 7.1% growth achieved in August. September capacity (available seat kilometers or ASKs) increased by 6.6%, and load factor rose 0.5 percentage points to 80.7%.

7. Marc Garneau appointed new Minister of Transport

Canada's new Minister of Transport is astronaut Marc Garneau. His appointment was announced on November 4, 2015 at Rideau Hall in Ottawa at Prime Minister Justin Trudeau's swearing-in ceremony. The retired military officer, former astronaut, and engineer served as the Member of Parliament for the riding of Westmount—Ville-Marie since 2008.

8. WestJet welcomes celebrated Canadian astronaut as Transport Minister

WestJet on November 15, 2015 congratulated and welcomed Marc Garneau as Canada's Minister of Transport. "We are very pleased to welcome Marc Garneau as Minister of Transport," said Gregg Saretsky, WestJet President and CEO. "Minister Garneau has had an illustrious career as a pilot, engineer, astronaut, naval officer, head of the Canadian Space Agency and politician and we applaud the Trudeau government's appointment of Marc Garneau as Minister of Transport.

9. Air Canada Welcomes Appointment of Marc Garneau as Minister of Transport

"I am delighted to see the appointment of Marc Garneau as our Minister of Transport, given his background and enormous credibility," said Calin Rovinescu, President and Chief Executive Officer of Air Canada.

10. Air Canada reports October traffic results

For the month of October 2015, Air Canada reported a system-wide capacity increase of 8.6 per cent and a load factor of 82.7 per cent, increasing from 82.1 per cent in October 2014. On this additional capacity, system wide traffic for October increased 9.4 per cent. Air

Canada reports traffic results on a system-wide basis, including regional airlines from which Air Canada purchases capacity and Air Canada rouge. "I am pleased to report continued strong traffic growth of 9.4 per cent and a load factor of 82.7 per cent for the month of October, in line with the previous record for the month set in 2012," said Calin Rovinescu, President and Chief Executive Officer.

11. Air Canada reports third quarter traffic results

Air Canada on November 4, 2015 reported record third quarter adjusted net income of \$734 million or \$2.50 per diluted share compared to adjusted net income of \$457 million or \$1.55 per diluted share in the third quarter of 2014, an improvement of \$277 million or approximately 61 per cent. EBITDAR (earnings before interest, taxes, depreciation, amortization and aircraft rent) amounted to \$1,076 million compared to EBITDAR of \$749 million in the same quarter in 2014, an increase of \$327 million or approximately 44 per cent year-over-year. On a GAAP basis, Air Canada reported record third quarter operating income of \$815 million compared to operating income of \$526 million, an improvement of \$289 million or approximately 55 per cent from the third quarter of 2014. An operating margin of 20.3 per cent in the third quarter of 2015 reflected an improvement of 6.5 percentage points from the same quarter in 2014. Its load factor for the third quarter was 86.9 down by 0.2 points.

12. Air Canada third-quarter profit beats estimates as fuel costs ease

Air Canada reported 2015 third-quarter profit that beat analysts' estimates as fuel costs decreased and revenue rose during the carrier's busiest travel season. Adjusted earnings increased to \$2.50 a share from \$1.55 a year earlier, topping the \$2.20 average of 12 analyst estimates compiled by Bloomberg. Revenue of \$4.02 billion exceeded the \$3.95 billion average estimate. Seat capacity this year will rise 9 per cent to 10 per cent following an increase of 10.5 per cent in the quarter, the airline said in a statement.

13. Air Canada Named One of Canada's Top 100 Employers for Third Consecutive Year

17. Ottawa says 'no' to jets at Toronto island airport, dealing blow to Porter's CSeries plans, November 13, 2015, www.nationalpost.ca

18. Air Canada Welcomes Landmark Agreement with its Flight Attendants, November 17, 2015, www.aircanada.ca

19. ATAC Officially Welcomes Minister of Transport Marc Garneau, November 17, 2015, www.atac.ca

20. Air Canada Unveils Expansion from Montreal to Three U.S. Destinations, November 19, 2015, www.aircanada.ca

21. Civil aviation operating statistics, September 2015, November 19, 2015, www.statcan.gc.ca

22. WestJet once again named one of Canada's 10 Most Admired Corporate Cultures for 2015, November 20, 2015, www.westjet.ca

23. Ottawa won't help Air Canada pick up \$100M sky marshal security tab, Nov., 22, 2015, www.nationalpost.ca

24. September 2015 Passenger Airline Employment Data, November 24, 2015, www.dot.gov

25. Air fares, 2014, November 25, 2015, www.statcan.gc.ca

26. Air Canada Adds Seasonal Vancouver-Dublin Flights for Summer 2016, November 25, 2015, www.aircanada.ca

27. IATA Air Passenger Forecast Shows Dip in Long-Term Demand, November 26, 2015, www.iata.org

Air Canada has been recognized for the third consecutive year as one of "Canada's Top 100 Employers" in an annual employer survey by Mediacorp Canada Inc.

14. Aircraft movement statistics: Small airports, July 2015

In July 2015, take-offs and landings at 124 Canadian airports without air traffic control towers reached a total of 70,603 movements. Three airports, each with more than 3,000 movements, accounted for 21% of the activity in 2015 July: Peterborough, Ontario (7,813 movements), Trois-Rivières, Quebec (3,945), and Goose Bay, Newfoundland and Labrador (3,225).

15. Airline On-Time Performance Up From Previous Year, Month

The US reporting carriers posted an on-time arrival rate of 86.5 percent in September 2015, up from both the 81.1 percent on-time rate in September 2014 and the 80.3 percent mark in August 2015, according to the U.S. Department of Transportation's *Air Travel Consumer Report* released on November 12, 2015. September 2015's on-time rate was the fourth highest of the 249 months with comparable records, the second highest for any September, and above the September average of 82.73 percent in the previous 20 years.

16. August 2015 U.S. Airline Traffic Data

The U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported on November 13, 2015 that U.S. airlines' systemwide (domestic and international) scheduled service load factor – a measure of the use of airline capacity – fell to 83.5 percent in August 2015, seasonally adjusted, following three consecutive months of growth.

17. Ottawa says 'no' to jets at Toronto island airport, dealing blow to Porter's CSeries plans

The federal Liberals have put a stop on Porter Airlines' expansion plans, dealing a blow to Bombardier Inc., even as Quebec asks Ottawa to throw the struggling company another lifeline. New Transport Minister Marc Garneau tweeted on November 12, 2015 night that Ottawa will not re-open the tripartite agreement that currently bans jets from flying out of the Billy Bishop Toronto City Airport.

18. Air Canada Welcomes Landmark Agreement with its Flight Attendants

Air Canada welcomes the confirmation on November 17, 2015 by the Canadian Union of Public Employees (CUPE) representing approximately 6,500 flight attendants at Air Canada and 700 at Air Canada rouge, that its members have ratified an agreement on collective agreement terms for ten years.

19. ATAC Officially Welcomes Minister of Transport Marc Garneau

ATAC officially welcomed Minister of Transport Marc Garneau in a letter sent to his attention. The four page document also highlights Canadian aviation's current key issues to the newly appointed Minister. Some of the issues are: Transport Canada funding; crew fatigue; flight crew medical reporting; laser attacks on aircraft; unmanned aircraft vehicles (need for training); need for level playing field; constraint on taxing of air transportation; etc.

20. Air Canada Unveils Expansion from Montreal to Three U.S. Destinations

Air Canada announced on November 19, 2015 the introduction of non-stop services between Montreal and three U.S. cities beginning next summer (2016). The new transborder routes include Montreal-Denver, Montreal-Houston and Montreal-Philadelphia. With the addition of these three routes, Air Canada offers non-stop flights to 18 U.S. cities from Montreal, the most of any airline.

21. Civil aviation operating statistics, September 2015

The two major Canadian air carriers flew 4.0 million passengers on scheduled and charter services in September 2015, up 8.0% from the same month in 2014. Air Canada (2.4 million) and WestJet (1.6 million) reported record passenger volumes for the month. Both carriers increased their traffic and passenger capacity in September. Traffic totalled 11.7 billion passenger-kilometres, up 10.1% from the same month a year earlier. Capacity rose 10.9% year over year to 14.1 billion available seat-kilometres, as international growth (+13.0%) for scheduled services outstripped domestic growth (+6.9%).

22. WestJet once again named one of Canada's 10 Most Admired Corporate Cultures for 2015

For a record sixth time, Waterstone Human Capital has named WestJet as having one of Canada's 10 most-admired corporate cultures. No other company has received this honour as many times as WestJet, which is also an original inductee into Canada's Most Admired Corporate Cultures Hall of Fame in 2009.

23. Ottawa won't help Air Canada pick up \$100M sky marshal security tab

The federal government has rebuffed Air Canada's plea to be compensated for a portion of the more than \$100 million the airline says it has spent over the last five years to accommodate gun-toting sky marshals on its flights. Newly released documents show the government dismissed the airline's concerns about costs and other aspects of the program earlier this year on the grounds that changes would "compromise public safety."

24. September 2015 Passenger Airline Employment Data

U.S. scheduled passenger airlines employed 3.3 percent more workers in September 2015 than in September 2014, the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported on November 23, 2015. September was the 22nd consecutive month that full-time equivalent (FTE) employment for U.S. scheduled passenger airlines exceeded the same month of the previous year and was the highest monthly total since September 2008.

25. Air fares, 2014

Total air fares, domestic and international combined, averaged \$243.70 in 2014, down 2.1% from 2013, reversing the upward trend recorded the previous year. The average domestic fare was \$184.90, down 3.1% from a year earlier, while the average international fare fell 2.2% to \$315.50.

26. Air Canada Adds Seasonal Vancouver-Dublin Flights for Summer 2016

Air Canada on November 25, 2015 announced a further, strategic expansion of its Vancouver hub with the addition of the only non-stop flights to Dublin, Ireland next summer. This new seasonal route follows the recent announcement of several enhancements at the airline's Vancouver hub for 2016, including new transborder services to Chicago, San Jose and San Diego, double daily flights to London Heathrow, and the only flights linking Canada to Brisbane, Australia.

27. IATA Air Passenger Forecast Shows Dip in Long-Term Demand

The International Air Transport Association (IATA) released its updated passenger growth forecast, projecting that passenger numbers are expected to reach 7 billion by 2034 with a 3.8% average annual growth in demand (2014 baseline year). That is more than double the 3.3 billion who flew in 2014 and exactly twice as many as the 3.5 billion expected in 2015. Previously, IATA forecast 7.4 billion passengers in 2034 based on a 4.1% average annual growth rate. The revised result reflects negative developments in the global economy that are expected to dampen demand for air transport, especially slower economic growth projections for China. The five fastest-increasing markets in terms of additional passengers per year over the forecast are the BRIC countries excluding Russia but including USA and Indonesia.

WATER TRANSPORTATION

1. Updated Guidelines Respecting Coasting Trade Applications

As part of an initiative to modernize the handling of coasting trade applications and to provide a more effective and efficient service to Canadian ship operators, the Agency has switched to email notification as the standard method of providing notice of coasting trade applications to Canadian ship operators and other interested organizations.

2. Vancouver port rail project to keep fluidity when larger ships call

A C\$285 million (\$217 million) expansion of its intermodal yard will allow the largest container terminal at Port Metro Vancouver to maintain a speedy transfer of cargo between the docks and intermodal trains even when larger vessels discharging more containers begin calling the facility in the next few years.

3. Workers for Asia Pacific Gateway jobs needed in next decade

A new labour market forecast shows increasing challenges ahead in key occupations in B.C. in the next five to 10 years. The *Asia Pacific Gateway Labour Market Information* study looked at 56 occupations in the construction, rail, trucking, marine, managers, logistics and air sectors, and occupations that support the multiple sectors, all of which are critical to support B.C.'s growth and its ability to meet the labour demands of the Asia Pacific Gateway, said a release. While the forecast focused on five and 10-year horizons (2015-2024), it found that tight labour conditions are expected to take hold even sooner across all sectors in the first three years of the forecast, and remain for most of the next decade.

4. COSCO considering increased use of Northeast Passage

COSCO is considering increasing the number of ships sailing between Asia and Europe through the Arctic Sea. China's Xinhua news agency

WATER TRANSPORTATION Canada

1. Updated Guidelines Respecting Coasting Trade Applications, October 31, 2015, www.cta-otc.gc.ca
2. Vancouver port rail project to keep fluidity when larger ships call, November 2, 2015, www.joc.com
3. Workers for Asia Pacific Gateway jobs needed in next decade, November 2, 2015, www.ctl.ca
4. COSCO considering increased use of Northeast Passage, November 3, 2015, www.americanshipper.com
5. Container shipping industry faces potential wave of consolidation, November 9, 2015, www.joc.com
6. NEWS FLASH: Container shipping entering another round of consolidation?, November 9, 2015, www.americanshipper.com
7. NOL acquisition would boost Maersk or CMA CGM's trans-Pacific presence, November 10, 2015, www.joc.com
8. November forecast to be a strong month for US ports, November 10, 2015, www.joc.com
9. COSCO, China Shipping 'sensitive' to shipper concerns about merger, November 10, 2015, www.americanshipper.com
10. "Robust" economic growth cannot

quoted Cai Meijiang, general manager of the safety and technical supervision department of COSCO, who said, "The company is considering increasing the number of ships sailing via the new path."

5. Container shipping industry faces potential wave of consolidation

The container shipping industry is facing another period of upheaval, with consolidation among top carriers threatening to disrupt the mega alliances even as the lines settle into their relatively new vessel tie-ups.

6. NEWS FLASH: Container shipping entering another round of consolidation?

Neptune Orient Lines said in a notice posted on the Singapore Stock Exchange website late Saturday (November 7, 2015) that it "confirms that it is in preliminary discussions with CMA CGM SA and A.P. Moeller-Maersk A/S with respect to a potential acquisition of NOL." It added "There is no assurance that any such discussions will result in any definitive agreement or transaction, or that any offer for NOL will be made or as to the terms on which any such offer might be made."

7. NOL acquisition would boost Maersk or CMA CGM's trans-Pacific presence

Acquiring Neptune Orient Lines would enable either Maersk Line or CMA CGM to strengthen their trans-Pacific business and mitigate each's weakness in the Asia-Europe trade lane, according to a shipping analyst.

8. November forecast to be a strong month for US ports

Retailers anticipate a jolly 2015 November for U.S. ports, with the National Retail Federation predicting that containerized imports will increase 8.3 percent over November 2014. Furthermore, last-minute importers of holiday merchandise should experience little if any port congestion.

9. COSCO, China Shipping 'sensitive' to shipper concerns about merger

Federal Maritime Commissioner William P. Doyle, back from bilateral maritime talks in China last week, says officials there have "strong sensitivity" about how a planned merger between the country's major liner companies will affect shippers. He also said Chinese officials are concerned about the growing share of ocean transport costs that are represented by surcharges.

10. "Robust" economic growth cannot be taken for granted, Conference Board tells feds

The next federal government will have to address some big economic and social issues affecting Canadians. The Conference Board briefing outlines seven key issues which could impede Canada's economic growth potential: 1. demographic and workforce aging; 2. fiscal policy and the budget; 3. innovation and productivity; 4. business growth; 5. global trade policies; 6. domestic economic development; and 7. public infrastructure investment

11. Carrier mergers could benefit shippers despite rate rises

If the ocean container shipping industry is on the cusp of a wave of new acquisitions and mergers, the eventual outcome could be positive for carriers and shippers alike, industry participants say. Several carriers are in various stages of talks aimed at consolidation, including NOL with both Maersk Line and CMA CGM, Cosco and China Shipping Container Lines, and Hanjin and Hyundai Merchant Marine.

12. Early fall grain harvest boosts Seaway

An early Prairie harvest sparked a healthy increase in activity in October 2015 on the St. Lawrence Seaway as domestic and international carriers helped farmers export grain. "The early fall harvest of grain is helping to improve total cargo numbers for the System," said Terence Bowles, CEO of the St. Lawrence Seaway Management Corporation. "We expect grain exports to keep the waterway busy during the coming weeks along with continued strength in construction and manufacturing-related cargoes."

be taken for granted, Conference Board tells feds, November 10, 2015, www.ctl.ca

11. Carrier mergers could benefit shippers despite rate rises, November 11, 2015, www.joc.com

12. Early fall grain harvest boosts Seaway, November 12, 2015, www.ctl.ca

13. Triton Container Int'l, Tal Int'l Group to merge, November 16, 2015, www.ctl.ca

14. Liner industry could face three years of pain, shipping expert says, November 17, 2015, www.joc.com

15. Study finds reducing truck waits best way to boost port productivity, November 18, 2015, www.joc.com

16. Port Metro Vancouver – Accumulated Container Traffic: Year to date October 2015, October 18, 2015, www.portmetrovancover.com

17. News reports: Chinese investigating liner carriers over surcharges, November 18, 2015, www.americanshipper.com

18. Global Shippers' Forum questions benefits of carrier alliances to shippers, November 18, 2015, www.americanshipper.com

19. NEWS FLASH: NOL enters exclusive acquisition talks with CMA CGM, November 22, 2015, www.americanshipper.com

20. No action while HK regulator reviews liner block exemption request, November 23, 2015, www.joc.com

21. Halifax Port Authority releases final cruise numbers for 2015, November 23, 2015, www.portofhalifax.ca

22. Singapore renews liner block exemption for five years, November 26, 2015, www.joc.com

23. Liner block exemption not the right move, Aussie shipping lobby says, November 26, 2015, www.joc.com

24. Shippers question benefits of mega ships and alliances, November 28, 2015, www.joc.com

25. Port authority renews call for the protection of industrial land in the interests of long-term livability and economic development, November 27, 2015, www.portmetrovancover.com

13. Triton Container Int'l, Tal Int'l Group to merge

Triton Container International Limited and TAL International Group, Inc. have entered into a definitive agreement under which the companies will combine in an all-stock merger of equals transaction. The transaction will create the world's largest lessor of intermodal freight containers with a combined container fleet of nearly five million twenty-foot equivalent units (TEU) and revenue earning assets of \$8.7 billion, said a company release.

14. Liner industry could face three years of pain, shipping expert says

Supply and demand in container shipping will not be in balance for at least another three years with surplus vessel capacity in the market at a time when trade growth is starting to plateau, said a veteran shipping expert.

15. Study finds reducing truck waits best way to boost port productivity

Reducing the amount of time that truckers spend waiting in line and being processed at North American marine terminals and off-dock facilities will have a larger impact on improving overall supply-chain efficiency than any other area, according to a study by a Vancouver transportation consultant.

16. Port Metro Vancouver – Accumulated Container Traffic: Year to date October 2015

The Port Metro Vancouver reported its accumulated container traffic for October 2015 on November 18, 2015. Total year-to-date (January 2015 to October 2015) container traffic in terms of TEUs (twenty foot units) increased 5.1% to 2,579,160 TEUs. Inbound traffic increased by 1.8% to 1,335,201 TEUs and outbound traffic increased by 9% to 1,243,959 TEUs.

17. News reports: Chinese investigating liner carriers over surcharges

News sources are reporting that Chinese officials are investigating container-shipping companies over surcharges. The website Splash said the "Shanghai offices of many of the world's leading container lines have been raided by local authorities looking to clamp down on erroneous surcharges that the lines have been charging shippers."

18. Global Shippers' Forum questions benefits of carrier alliances to shippers

The Global Shippers' Forum (GSF) is questioning whether liner carrier alliances are benefiting shippers. "A serious debate is needed to investigate whether mega-alliances such as 2M, G6, CKYHE and O3 deliver real competition in the marketplace, or if shippers and the containership industry as a whole would be better served by fewer lines competing head-on," said Chris Welsh, GSF's secretary general, speaking at the Asian Logistics and Maritime Conference in Hong Kong on November 18, 2015.

19. NEWS FLASH: NOL enters exclusive acquisition talks with CMA CGM

A subsidiary of the Singapore's sovereign wealth fund Temasek, owner of Neptune Orient Lines (NOL), has entered in to exclusive talks with French ocean carrier CMA CGM about a possible acquisition, according to a statement from NOL on November 21, 2015. CMA CGM confirmed the exclusive arrangement on Sunday in a press release. The announcement comes two weeks after NOL said it was "in preliminary discussions with CMA CGM SA and A.P. Møller-Maersk A/S.

20. No action while HK regulator reviews liner block exemption request

The Hong Kong Competition Commission will not take any action against industry sectors that have applied for a block exemption from the law that takes effect on Dec. 14 until the applications have been reviewed, according to the city's liner shipping lobby.

21. Halifax Port Authority releases final cruise numbers for 2015

Over 222-thousand passengers visited the Port of Halifax during the cruise season. This year, the Port of Halifax welcomed 141 vessel calls with 222,309 passengers onboard from April 27 to November 2, 2015. In 2014 there were 134 vessel calls with 217,305 passengers. A recent economic impact study found the cruise industry in Halifax contributes approximately \$104 million in economic benefit for the local economy.

22. Singapore renews liner block exemption for five years

Singapore will extend its block exemption order for liner shipping agreements for another five years until December 2020, the Ministry of Trade and Industry has announced.

23. Liner block exemption not the right move, Aussie shipping lobby says

Australia's government is considering a block exemption to the competition law for liner shipping in a move that has been cautiously welcomed by Shipping Australia, the industry's national association. The Australian shipping lobby says that liner block exemption is not the right move.

24. Shippers question benefits of mega ships and alliances

Shipper groups have raised serious doubts about the benefits offered by mega alliances and the growing size of container ships, complaining of reduced choices and deteriorating service levels.

25. Port authority renews call for the protection of industrial land in the interests of long-term livability and economic development

Port Metro Vancouver is calling on provincial and regional leaders to embrace a shared responsibility for managing the growth of Vancouver's trade gateway. The port authority warned without a collective approach to managing growth, the region's economy, environment and quality of life will suffer, along with Canada's ability to handle increasing trade.

RAIL TRANSPORTATION

1. Survey: US Shippers shifting more freight from rail to truck than vice versa

For the first time in nearly a year, more U.S. shippers say they are shifting freight from truck to rail than the other way around on improved intermodal service, according to a survey of roughly 600 shippers.

2. Crosslinx Transit Solutions Signs Contract to Deliver Eglinton Crosstown by 2021

Metrolinx and Infrastructure Ontario are working together to deliver the Crosstown LRT. The successful proponent, Crosslinx Transit Solutions (Crosslinx), has signed a contract for the construction and maintenance of the project. The value of the contract is approximately \$9.1 billion fixed-price and is being delivered using the Alternative Financing and Procurement (AFP) model. A key feature of the LRT contract is a 30-year maintenance agreement which includes funding for lifecycle repair and renewal of building and system components.

3. Intermodal Shipments Increase in Third Quarter

Despite month-to-month variations, 2015 third quarter intermodal freight traffic growth in Canada and the U.S. of 3.4 percent was in line with year-to-date results,

4. Reports: CP eyeing NS acquisition

Canadian Pacific Railway is reportedly gearing up to make a play for Norfolk Southern Railway in a new effort to consolidate the North American rail industry just 13 months after a similar bid for NS archrival, CSX Transportation, fell flat.

5. CP Rail takeover of Norfolk would fulfill Harrison strategy

A takeover of Norfolk Southern Corp. by Canadian Pacific Railway Ltd. would give Hunter Harrison his dream: a railway that reaches three coasts. The chief executive officer of Calgary-based CP could be a step closer to achieving that goal, after he tried and failed to buy CSX Corp. last year. Shares in Norfolk Southern soared by as much as 13 per cent on Monday after Bloomberg reported that CP was raising money for a possible deal with Virginia-based Norfolk, citing unnamed sources.

6. Three more EU rail freight corridors become operational

The European Commission has announced that three more EU rail freight corridors (RFCs) have become operational, which completes the European rail network for competitive freight, according to Railway Technology. With six corridors already in service, the new Scandinavian-Mediterranean RFC, the Baltic-Adriatic RFC and the North Sea-Baltic RFC became operational in November 2013. The total nine corridors form the rail freight backbone of the multimodal Core Network Corridor of the EU. According to the EU, they form a vital initiative of the commission to achieve a single European rail area for rail freight.

7. CP Proposes Business Combination to Norfolk Southern

Canadian Pacific on November 17, 2015 announced that it has sent an offer letter to Norfolk Southern Corp. (NS) proposing a business combination that would create a transcontinental railroad with the scale and reach to deliver improved levels of service to customers and communities while enhancing competition and creating significant shareholder value. The proposal, which includes a sizable premium in cash and stock offered to NS shareholders, would result in a company with the potential for faster earnings growth than either CP or NS could achieve on their own, all the while maintaining a strong investment grade credit rating.

RAIL TRANSPORTATION Canada

1. Survey: US Shippers shifting more freight from rail to truck than vice versa, November 2, 2015, www.joc.com
2. Crosslinx Transit Solutions Signs Contract to Deliver Eglinton Crosstown by 2021, November 3, 2015, www.mto.gov.on.ca
3. Intermodal Shipments Increase in Third Quarter, November 5, 2015, www.todaystrucking.com
4. Reports: CP eyeing NS acquisition, November 9, 2015, www.joc.com
5. CP Rail takeover of Norfolk would fulfill Harrison strategy, November 9, 2015, www.globeandmail.ca
6. Three more EU rail freight corridors become operational, November 16, 2015, www.transportweekly.com
7. CP Proposes Business Combination to Norfolk Southern, November 17, 2015, www.cpr.ca
8. CP discloses full details of offer letter to Norfolk Southern, November 18, 2015, www.cpr.ca
9. CP's Harrison to takeover target NS: Let's talk, November 19, 2015, www.joc.com
10. US rail regulator offers timelines on merger, switching reviews, November 19, 2015, www.joc.com
11. Railway Carloadings, September 2015, November 25, 2015, www.statcan.gc.ca

8. CP discloses full details of offer letter to Norfolk Southern

Canadian Pacific on November 18, 2015 disclosed the contents of the offer letter it sent to Norfolk Southern Corp. (NS) on November 17, 2015 to clarify the details of a proposal that would result in the creation of a pro-competitive, pro-customer, coast-to-coast transportation solution. It proposed a \$28.4-billion (U.S.) takeover of the Virginia-based railroad. CP says the cash and stock offer of \$46.72 a share and 0.348 in stock is a “substantial” premium to form a combined company that will be able to achieve more than \$1.8-billion in cost savings “over the next several years.”

9. CP’s Harrison to takeover target NS: Let’s talk

Canadian Pacific Railway CEO Hunter Harrison said he’s willing to reevaluate and raise his company’s \$28 billion takeover bid for Norfolk Southern Railway — if only executives at the Virginia-based railroad would open a line of communication.

10. US rail regulator offers timelines on merger, switching reviews

The top U.S. rail regulatory agency on November 19, 2015 gave guidance on when it expect to wrap up the issue of reciprocal switching, and provided a glimpse into the arduous regulatory process facing the potential merger of the Norfolk Southern and Canadian Pacific railways, according to attendees at an industry event.

11. Railway Carloadings, September 2015

The volume of rail freight carried in Canada totalled 28.2 million tonnes in September 2015, down 4.1% from the same month last year. Freight originating in Canada decreased 1.6% to 25.5 million tonnes. These shipments are composed of both non-intermodal and intermodal freight. Non-intermodal freight decreased 1.3% to 279,000 carloads. Intermodal freight loadings rose by 1.2% to 185,000 units in September.

HIGHWAY TRANSPORTATION

1. Couriers and Messengers Services Price Index, September 2015

The Couriers and Messengers Services Price Index (CMSPI) decreased 0.4% in September 2015. Both the couriers (-0.5%) and the local messengers and local delivery (-0.2%) components declined. On a year-over-year basis, the CMSPI decreased 1.0% in September 2015 compared with the same month a year earlier. The couriers component decreased 0.4%, while the local messengers and local delivery component declined 4.0%.

2. Report: Logistics M&A volume down, value up in 2015

Merger and acquisition activity in the transportation and logistics industry has decreased in terms of volume, but increased substantially in terms of value in the first nine months of 2015 compared to the same 2014 period, according to a quarterly analysis of global deal activity in the sector by PwC US, a subsidiary of multinational professional services and consulting firm PricewaterhouseCoopers. There were 44 M&A transactions worth \$50 million or more in the third quarter of 2015.

3. Kriska Transportation Group Limited Signs Letter of intent to acquire Transpro Freight Systems Ltd.

Kriska Transportation Group Limited (KTG) has signed a letter of intent to acquire the shares of Transpro Freight Systems Limited (Transpro) based in Milton, Ontario. This transaction is expected to close by November 30, 2015.

4. Canadian trucker Manitoulin expands in Winnipeg

Manitoulin Transport, one of Canada’s largest less-than-truckload operators, opened a new terminal in Winnipeg, part of an ongoing expansion in Western Canada for the Ontario-based company.

5. September 2015 Freight Transportation Services Index (TSI)

The Freight Transportation Services Index (TSI), which is based on the amount of freight carried by the for-hire transportation industry, rose 0.2 percent in September 2015 from the revised August 2015 level, rising

HIGHWAY TRANSPORTATION Canada

1. Couriers and Messengers Services Price Index, September 2015, October 30, 2015, www.statcan.gc.ca
2. Report: Logistics M&A volume down, value up in 2015, November 3, 2015, www.americanshipper.com
3. Kriska Transportation Group Limited Signs Letter of intent to acquire Transpro Freight Systems Ltd., November 4, 2015, www.ctl.ca
4. Canadian trucker Manitoulin expands in Winnipeg, November 5, 2015, www.joc.com
5. September 2015 Freight Transportation Services Index (TSI), November 12, 2015, www.dot.gov
6. North American freight volumes fall to lowest October level since 2011, November 12, 2015, www.americanshipper.com
7. Bradley: Top Three Issues Impacting Trucking, November 20, 2015, www.cantruck.ca
8. Large urban transit, August 2015, October 24, 2015, www.statcan.gc.ca
9. Large urban transit, September 2015, November 24, 2015, www.statcan.gc.ca
10. September 2015 North American Freight Numbers, November 24, 2015, www.bts.gov
11. US regulators approve Fedex-TNT merger, November 27, 2015, www.transportweekly.com
12. Couriers and Messengers Services Price Index, October 2015, November 27, 2015, www.statcan.gc.ca

after remaining unchanged in the previous month, according to the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS). The September 2015 index level (123.4) was 30.3 percent above the April 2009 low during the most recent recession.

6. North American freight volumes fall to lowest October level since 2011

North American shipment volumes and expenditures both slipped in October 2015 after increasing the previous month, according to the latest Cass Freight Index Report. The logistics payment solutions provider said overall shipment volumes fell 4.7 percent month-over-month following a 1.7 percent increase in September 2015. Cass said the decrease was expected, and followed "the trend observed in the last four years," of both freight expenditures dropping during this period.

7. Bradley: Top Three Issues Impacting Trucking

CTA President David Bradley recently commented on three "game-changer" issues affecting the trucking industry. Speaking at the PeopleNet Canada Transportation Symposium in Toronto, Bradley spoke about some of the biggest opportunities and challenges affecting the trucking industry: Mandating ELDs (electronic logging devices); GHG Phase 2 regulations; and Driver shortage.

8. Large urban transit, August 2015

In August 2015, total operating revenue (excluding subsidies) for 10 of Canada's largest urban transit systems rose 1.0% from the same month in 2014 to \$266.3 million. Over the same period, ridership decreased 1.5% to 120.4 million passenger trips.

9. Large urban transit, September 2015

In September 2015, total operating revenue (excluding subsidies) for 10 of Canada's largest urban transit systems rose 1.9% from the same month in 2014 to \$321.6 million. Over the same period, ridership decreased 1.2% to 152.2 million passenger trips.

10. September 2015 North American Freight Numbers

The value of U.S.-NAFTA freight totaled \$93.2 billion in September 2015 as all modes of transportation carried less value of freight than a year earlier, according to the TransBorder Freight Data released on November 24, 2015 by the U.S. Department of Transportation's Bureau of Transportation Statistics. Year-over-year, the value of U.S.-NAFTA freight flows by all modes decreased by 8.8 percent. The value of U.S.-Canada freight totaled \$48.3 billion in September 2015, down 15.8 percent from September 2014, as all modes of transportation carried less value of U.S.-Canada freight than a year earlier. Trucks carried 59.1 percent of the \$48.3 billion of freight to and from Canada, followed by rail, 15.1 percent.

11. US regulators approve Fedex-TNT merger

America's Fedex and Dutch counterpart TNT Express have won US antitrust permission to merge, according to a list of approved deals from the US Federal Trade Commission, Reuters reports. The European Union has yet to sign off on the deal, although the companies have said they received assurances that EU regulators would allow it to go forward. Fedex announced in April 2015 that it would buy TNT for US\$4.8 billion to better compete in Europe. If approved, the deal will move FedEx to second place in European rankings behind world leading DHL.

12. Couriers and Messengers Services Price Index, October 2015

The Couriers and Messengers Services Price Index (CMSPI) was down 0.6% in October 2015, following a 0.4% decline in September 2015. The couriers component was down 0.8% while the local messengers and local delivery component increased 0.1%.

GENERAL TRANSPORTATION

Canada

1. Climate change transparency of Canadian Pacific recognized by CDP

Canadian Pacific Railway Limited (CP) has been identified as a Canadian leader for the quality of climate change related information that it has disclosed to investors and the global marketplace through [CDP](#), the international not-for-profit that drives sustainable economies. It is therefore awarded a position on the Canada Climate Disclosure Leadership Index (CDLI), released on November 6, 2015 in the Canada edition of CDP's annual global climate change report.

2. Ontario on track to gain from exports: EDC

Canada

1. Climate change transparency of Canadian Pacific recognized by CDP, November 6, 2015, www.cpr.ca
2. Ontario on track to gain from exports: EDC, November 12, 2015, www.ctl.ca
3. State Transportation Statistics 2015, November 13, 2015, www.bts.gov
4. North American Transportation Statistics, 2014, November 18, 2015, www.statcan.gc.ca
5. Travel between Canada and other countries, September 2015, November 19,

A favourable exchange rate and rising demand caused by a strong recovery in the U.S. economy will drive broad-based gains across all sectors of Ontario's exports both this year and next, according to a new global export forecast released by Export Development Canada (EDC).

2015, www.statcan.gc.ca
6. Prepare for major trade developments in 2016: Livingston International, November 19, 2015, www.cfl.ca

According to the Global Export Forecast Fall 2015, Ontario's exports will grow by 11% in 2015, led by the automotive and manufacturing sectors, both of which will see double-digit growth this year. Similar conditions will prevail next year, resulting in a further 6% increase in exports in 2016.

3. State Transportation Statistics 2015

The U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) on November 13, 2015 released the 2015 State Transportation Statistics (STS) – a reference guide to transportation data for the 50 states and the District of Columbia.

4. North American Transportation Statistics, 2014

An updated version of the North American Transportation Statistics (NATS) database, a unique online source for comprehensive information on transportation activity, is now available. The database reflects a tripartite initiative representing the transportation and statistical agencies of Canada, the United States and Mexico.

5. Travel between Canada and other countries, September 2015

Residents of overseas countries made 477,000 trips to Canada in September 2015, up 3.6% from August 2015. The gain was mainly attributable to a 10.2% increase in visitors from China. Travel from Canada to overseas countries fell 6.5% to 956,000 trips in September 2015. Canadian residents made 3.5 million trips to the United States in September, down 1.9% compared with August. The decrease was mainly due to a 3.9% decline in same-day car trips to the United States.

6. Prepare for major trade developments in 2016: Livingston International

Major new developments in global trade are expected to play a significant role in 2016 and affect nearly every Canadian business that imports or exports goods. Broad in scope and substance, many of these developments represent several years of negotiations or implementation phases.