

Transportation Information Update*

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AIR TRANSPORTATION

1. The logistics company from Versmold is going to be cooperation partner of 7Days Foodservice GmbH/Lufthansa Cargo

On September 1, Thermotrafic takes over fresh-to-door transportation for Lufthansa Cargo as new cooperation partner of 7Days Foodservice GmbH. This contract includes handling and carrying out all fresh transportation ordered by Lufthansa Cargo and the reporting of all chosen transports for the airline. “The contract is another important step for the development of Thermotrafic’s airfreight-related services” Falko Thomas, managing director of Thermotrafic GmbH says. “The location at Frankfurt airport is thus going to gain importance in the future and will cater even more to customer requirements.”

2. Monthly civil aviation statistics, June 2016

The six Canadian Level I air carriers flew 5.9 million passengers on scheduled and charter services in June 2016, up 5.9% from June 2015. Traffic increased 11.5% to 16.4 billion passenger-kilometres, while capacity rose 13.9% to 20.0 billion available seat-kilometres. This resulted in a lower passenger load factor in June 2016 (82.0%) than in the same month a year earlier (83.7%), as capacity growth outpaced traffic growth. The volume of turbo fuel consumed was up 4.1% to 579.4 million litres, while the number of flying hours increased 2.5% to 170,000. Total operating revenue was \$1.7 billion in June 2016, up 1.7% from the same month the previous year.

3. Aircraft movement statistics: Major airports, June 2016

In June 2016, there were 505,884 aircraft take-offs and landings at the 91 Canadian airports with NAV CANADA air traffic control towers and flight service stations, compared with 523,061 movements in June 2015.

4. Air Canada Cargo celebrates one year of online booking

Air Canada Cargo announced it's been a year since the company launched its e-Booking tool. So far, more than 2,000 customers have signed up to use it. e-Booking currently represents over 8.3% of all Air Canada Cargo bookings and the number continues to grow.

5. Demand for Air Cargo Strengthens in July

The International Air Transport Association (IATA) released data for global air freight markets in July 2016 showing robust growth in demand. Measured in freight tonne kilometers (FTKs), demand increased 5.0% in July 2016, compared to July 2015. This was the fastest pace in almost 18 months. Freight capacity measured in available freight tonne kilometers (AFTKs) increased by 5.2% year-on-year, outstripping demand and keeping yields under pressure. Despite the subdued global trade backdrop, carriers in the world's four biggest air cargo markets – Asia-Pacific, Europe, North America and the Middle East - reported an increase in freight demand. The strongest growth occurred in Europe and the Middle East, with July demand up by 7.2% and 6.7% respectively, compared to the same period last year.

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2. Monthly civil aviation statistics, June 2016, August 31, 2016, www.statcan.gc.ca
3. Aircraft movement statistics: Major airports, June 2016, August 31, 2016, www.statcan.gc.ca
4. Air Canada Cargo celebrates one year of online booking, September 2, 2016, www.ctl.ca
5. Demand for Air Cargo Strengthens in July, September 6, 2016, www.iata.org
6. Historic Aviation Carbon Agreement Moves a Step Closer, September 7, 2016, www.iata.org
7. TIACA demands global regulation for transporting lithium batteries by air, September 6, 2016, www.transportweekly.com
8. Air Canada to Launch Non-Stop Flights from Vancouver to Dallas-Fort Worth, September 7, 2016, www.aircanada.ca
9. July Passenger Demand Shows Resilience: Air Passenger Market Analysis - July 2016, September 7, 2016, www.atac.ca
10. July Passenger Demand Shows Resilience, September 7, 2016, www.iata.org
11. WestJet reports August load factor of 86.5 per cent, September 12, 2016, www.westjet.ca
12. Toronto's Pearson International Airport could break passenger record, September 11, 2016, www.globeandmail.ca
13. Airlines Report 11 Tarmac Delays Over Three Hours on Domestic Flights, 10 Tarmac Delays Over Four Hours on International Flights in July, September 13, 2016, www.dot.gov
14. June 2016 U.S. Airline Traffic Data, September 15, 2016, www.bts.gov

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

6. Historic Aviation Carbon Agreement Moves a Step Closer

The International Air Transport Association (IATA) expressed optimism for an agreement on a Carbon Offset and Reduction Scheme for International Aviation (CORSIA) when governments meet for the 39th Assembly of the International Civil Aviation Organization later this month. The draft negotiating text for CORSIA, published on 2 September 2016, broadly aligns with the aviation industry's call for a mandatory global carbon offset scheme as a tool to help manage the industry's emissions as it pursues its goal of carbon-neutral growth. Instead of being mandatory from the start, however, the draft text defines a voluntary "pilot and implementation" period (2021-2026) after which participation would be mandatory for all eligible States (2027 onwards). IATA Urges States to Sign-up for Voluntary Implementation.

7. TIACA demands global regulation for transporting lithium batteries by air

The International Air Cargo Association (TIACA) is calling for regulations covering the air transportation of lithium batteries to be global in nature so members comply with a common standard, according to the Shipping Gazette. TIACA said it urges members and the industry overall to comply with the International Civil Aviation Organisation's (ICAO) ban on bulk lithium ion battery shipments on passenger aircraft, and that any quantity shipped be limited to 30 per cent electricity charge. TIACA is encouraging the ICAO to further clarify standards and recommended practices (SARPs) and policy relating to the air transport of lithium batteries, with the goal of reducing complexity, enhancing understanding of existing requirements by state regulators as well as the industry.

8. Air Canada to Launch Non-Stop Flights from Vancouver to Dallas-Fort Worth

Air Canada announced on September 7, 2016 the introduction of new daily year-round non-stop service between Vancouver and Dallas-Fort Worth beginning February 5, 2017.

9. July Passenger Demand Shows Resilience: Air Passenger Market Analysis - July 2016

The key points from ATAC's full report on air passenger markets in July are: 1) Industry-wide passenger traffic increased by 5.9% year-on-year in July 2016 (the first month of the summer peak). 2) Market developments reflect a range of influences, with a subdued economic backdrop but lower fares. 3) European carriers' international traffic trend has eased, but domestic India remains in a league of its own. 4) The seasonally-adjusted passenger load factor has remained in a narrow band at a historically-high level.

10. July Passenger Demand Shows Resilience

The International Air Transport Association (IATA) announced global passenger traffic results for July 2016 showing an acceleration in demand growth over the previous five months. Total revenue passenger kilometers (RPKs) rose 5.9%, compared to the same month last year, with all regions reporting growth. Monthly capacity (available seat kilometers or ASKs) increased by 6.0%, and load factor was 83.7%--just 0.1 percentage point below the record July high achieved in 2015.

11. WestJet reports August load factor of 86.5 per cent

WestJet on September 12, 2016 announced its August traffic results with a load factor of 86.5 per cent an

15. 2nd Quarter 2016 Airline Financial Data, September 19, 2016, www.bts.gov

16. Air Canada Ground-breaking Event Marks Start of Construction of new \$90 million Hangar Project at Toronto Pearson, September 20, 2016, www.aircanada.ca

17. WestJet signs multi-year contract with Suncor, September 19, 2016, www.westjet.ca

18. IATA Achieves Key NewGen ISS Milestone, September 21, 2016, www.iata.org

19. Air travel: East Africa rising, Sept. 21, 2016, www.transportweekly.com

20. Speed, Innovation, Key for Aviation to Deliver Economic Benefits, September 22, 2016, www.iata.org

21. BTS Statistics Release: July 2016 Passenger Airline Employment Data, September 21, 2016, www.bts.gov

22. FedEx Q1 FY2017 earnings beat expectations, September 21, 2016, www.americanshipper.com

23. Air Canada to Launch Non-Stop Montreal-Shanghai Flights, September 23, 2016, www.aircanada.ca

24. WestJet, Hainan Airlines announce code-share, September 22, 2016, www.westjet.ca

25. Air Canada Announces Pricing of C\$1.25 Billion Refinancing, September 6, 2016, www.aircanada.ca

26. EU to push for first global scheme to curb aviation CO2 emissions at the Assembly of the UN's civil aviation body, September 26, 2016, www.europa.eu

27. Air Canada Circles the World adding Six New Destinations to its Expanding International Network, September 28, 2016, www.aircanada.ca

28. Quarterly civil aviation statistics, fourth quarter 2015, September 28, 2016, www.statcan.gc.ca

29. Minister Garneau encourages international cooperation in advancing ambitious standards at 39th ICAO Assembly, September 27, 2016, www.tc.gc.ca

30. Remarks of Alexandre de Juniac at the opening of the 39th ICAO Assembly, September 27, 2016, www.iata.org

31. Collaboration needed to stem unruly passenger incidents, September 28, 2016, www.iata.org

32. Monthly civil aviation statistics, July 2016, September 29, 2016, www.statcan.gc.ca

increase of 1.9 percentage points year over year. Revenue passenger miles (RPMs), or traffic, increased 11.3 per cent year over year, and capacity, measured in available seat miles (ASMs), grew 8.8 per cent over the same period. The airline flew an all-time monthly record of 2.1 million guests in August, a year-over-year increase of 5.3 per cent or approximately 105,000 additional guests.

12. Toronto's Pearson International Airport could break passenger record

A boom in summer travel is propelling Pearson International Airport in Toronto to record levels of passenger traffic, bolstering the airport's goal of becoming one of the world's elite international airports by 2020. About 9.6 million people travelled through the airport between Canada Day and Labour Day, putting Pearson on pace to break its 2015 record of 41 million passengers annually. The Greater Toronto Airports Authority envisions Pearson reaching the status of "mega-hub" by the end of the decade – an airport that handles at least 50 million passengers a year, with 20 million of those travelling to or from international destinations. Traffic has grown by more than 6 per cent in each of the past two years.

13. Airlines Report 11 Tarmac Delays Over Three Hours on Domestic Flights, 10 Tarmac Delays Over Four Hours on International Flights in July

Airlines in the US reported 11 tarmac delays of more than three hours on domestic flights and 10 tarmac delays of more than four hours on international flights in July 2016, according to the U.S. Department of Transportation's *Air Travel Consumer Report* released on September 13, 2016. All reported extended tarmac delays are investigated by the Department. In addition, in July, the Department received 1,963 complaints about airline service from consumers, down 9.4 percent from the total of 2,166 filed in July 2015, but up 31.6 percent from the 1,492 received in June 2016.

14. June 2016 U.S. Airline Traffic Data

The U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported on September 15, 2016 that U.S. airlines' systemwide (domestic and international) scheduled service load factor – a measure of the use of airline capacity – rose to 83.6 percent in June, seasonally adjusted, rising for the third consecutive month.

15. 2nd Quarter 2016 Airline Financial Data

U.S. scheduled passenger airlines reported an after-tax net profit of \$4.6 billion in the second quarter of 2016, up from \$3.1 billion in the first quarter of 2016 and down from \$5.5 billion in the second quarter of 2015, the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported on September 19, 2016.

16. Air Canada Ground-breaking Event Marks Start of Construction of new \$90 million Hangar Project at Toronto Pearson

Air Canada marked the groundbreaking ceremony to the start of construction of the airline's new Hangar 5 at Toronto Pearson airport on September 22, 2016. Once complete, the new hangar will cover an area equal to seven professional hockey rinks in a state-of-the-art facility capable of accommodating five aircraft at one time.

17. WestJet signs multi-year contract with Suncor

WestJet announced on September 19, 2016 that it has reached a multi-year agreement as primary provider for Suncor Energy to fly employees and contractors to and from its oil sands operations in Northern Alberta beginning in early November 2016.

18. IATA Achieves Key NewGen ISS Milestone

The International Air Transport Association (IATA) announced that the IATA Passenger Agency Conference (PACConf) adopted Resolutions supporting the development of the New Generation of IATA Settlement Systems (NewGen ISS). "IATA Settlement Systems are the financial back office of the air transport industry. Since its introduction 45 years ago, the Billing and Settlement Plan (BSP) has successfully facilitated the distribution and settlement of funds between travel agents and airlines, which totaled more than \$230 billion in 2015. But the one-size-fits-all model launched in 1971 no longer fits today's vastly different operating environment.

19. Air travel: East Africa rising

Analysis of International air travel to East Africa this year (January to August 2016) by ForwardKeys, a company that predicts future travel patterns by crunching and analysing 14m booking transactions a day, reveals strong growth of 11.2% compared with the same period last year. This is an exceptional performance as growth for Africa as whole has been 5.6%, with countries like Algeria, Egypt, Morocco and Tunisia seeing little growth or even a decline.

20. Speed, Innovation, Key for Aviation to Deliver Economic Benefits

The International Air Transport Association (IATA) called for speed and innovation to enable aviation to

continue to deliver its vast social and economic benefits. “Aviation is the business of freedom. We make global mobility ubiquitous. For 63 million people, aviation provides the freedom to earn their livelihood. For 3.8 billion travelers aviation includes the freedom to explore the world, build understanding, develop business, make friendships, visit relatives or make their lives better. Speed and innovation will secure our future so that we can continue to deliver these benefits,” said Alexandre de Juniac, IATA’s Director General and CEO.

21. BTS Statistics Release: July 2016 Passenger Airline Employment Data

U.S. scheduled passenger airlines employed 4.3 percent more workers in July 2016 than in July 2015, the U.S. Department of Transportation’s Bureau of Transportation Statistics (BTS) reported on September 21, 2016. July was the highest monthly total (413,746) since June 2008 and was the 33rd consecutive month that U.S. scheduled passenger airline full-time equivalent (FTE) employment exceeded the same month of the previous year.

22. FedEx Q1 FY2017 earnings beat expectations

FedEx Corp.’s earnings for first quarter of its fiscal year 2017, which ended Aug. 31, beat consensus analyst expectations, according to the company’s most recent financial statements. The Memphis, Tenn.-based integrator posted a net income of \$715 million on revenues of \$14.7 billion for the quarter, year-over-year increases of 3.3 percent and 19.5 percent, respectively.

23. Air Canada to Launch Non-Stop Montreal-Shanghai Flights

Air Canada on September 23, 2016 announced the introduction of daily year-round flights from Montreal to Shanghai, China beginning February 16, 2017. This marks Air Canada’s first direct service to China from Montreal as well as the introduction of state-of-the-art Boeing 787-8 Dreamliner aircraft on flights departing from Montreal.

24. WestJet, Hainan Airlines announce code-share

WestJet announced on September 22, 2016 that it has entered into a code-share agreement allowing Hainan Airlines to place its HU code on WestJet-operated flights. The two carriers are building on an existing interline agreement that has been in place since 2013. Hainan will be marketing HU code-shared flights to and from Calgary, Toronto, Vancouver, Victoria, Kelowna, Prince George, Edmonton, Regina, Winnipeg, Ottawa, Montreal and Halifax. All code-share sales are offered through Hainan Airlines and its global distribution network.

25. Air Canada Announces Pricing of C\$1.25 Billion Refinancing

Air Canada announced on September 26, 2016 that it has priced a private offering of senior secured notes and received commitments from lenders for a new credit facility in connection with its C\$1.25 billion refinancing transaction. The transaction would: 1. reduce outstanding indebtedness by approximately C\$355 million; 2. generate annualized interest expense savings of approximately C\$60 million; and 3. increase unencumbered assets by C\$650 million to approximately C\$2 billion.

26. EU to push for first global scheme to curb aviation CO2 emissions at the Assembly of the UN's civil aviation body

EU Commissioner for Transport Violeta **Bulc** will lead the EU delegation at the [39th Assembly of the International Civil Aviation Organisation](#) (ICAO) which starts on September 27, 2016 in Montreal, Canada. Held until 7 October, this triennial Assembly brings together all 191 aviation authorities of the world. The main agenda item will be the reduction of carbon emissions in the aviation sector. After years of work the Assembly is set to adopt a Global Market-Based Measure (GMBM) to curb CO₂ emissions in the sector. This would be the first ever globally binding deal to tackle emissions in an entire economic sector. In line with its climate policy, the European Union will be pushing for the most ambitious outcome with the aim of achieving carbon neutral growth in international aviation as of 2020. The position of the European Union can be found on its website.

27. Air Canada Circles the World adding Six New Destinations to its Expanding International Network

Air Canada on September 28, 2016 announced the addition of six new destinations to its international network. The destinations include: 1. Toronto to Mumbai and Berlin; 2. Montreal to Algiers and Marseille; and 3. Vancouver to Taipei and Nagoya. These new non-stop routes will begin in mid 2017.

28. Quarterly civil aviation statistics, fourth quarter 2015

Total operating revenue for the 25 largest Canadian air carriers was \$4.9 billion in the 2015 fourth quarter, down 0.3% from the same quarter in 2014. Total operating expenses declined 2.4% to \$4.6 billion, largely because of lower fuel costs. As a result, net operating income rose 44.5% to \$311.3 million. This gain,

combined with a net non-operating loss of \$365.5 million, produced a net loss of \$54.2 million, which was 37.0% larger than the net loss recorded in the same quarter in 2014. These airlines recorded a negative profit margin (net income divided by operating revenue) (-1.1%). In other words, every dollar of service sold in the fourth quarter resulted in a loss of 1.1 cents for the carriers.

29. Minister Garneau encourages international cooperation in advancing ambitious standards at 39th ICAO Assembly

The Honourable Marc Garneau, Minister of Transport, on September 27, 2016 addressed over 1,500 delegates from Member States and representatives from international organizations at the 39th Session of the International Civil Aviation Organization (ICAO) Assembly, which runs from September 27 to October 7, 2016. At this triennial event, hosted at ICAO headquarters in Montréal, Minister Garneau stressed the importance of working closely with international partners to promote the safety, security, and environmentally sustainable growth of global aviation. The Minister also reaffirmed Canada's commitment to ICAO as proud host country since 1947.

30. Remarks of Alexandre de Juniac at the opening of the 39th ICAO Assembly

On September 27, 2016, Alexandre de Juniac addressed the 39th ICAO Assembly. He indicated that the discussion of a global market-based measure to manage aviation's carbon emissions is the most pressing matter of the day. The proposal on the table is called CORSIA (Carbon Offset and Reduction Scheme for International Aviation). The airlines support its adoption by governments. Further, IATA's member airlines have called on governments to adopt a mandatory, global carbon offset scheme. Furthermore, a market-based measure to complete our four pillar strategy on climate change is needed. That strategy is aimed at delivering some well-publicized goals: 1. Carbon-neutral growth from 2020; and 2. Net 2050 emissions to half the 2005 level. He stressed that CORSIA is a practical solution and political compromise. ICAO's input into that process rests on a few key principles: 1. It must not create competitive distortions; 2. It should focus on funding emissions cuts (not raising revenues for governments); 3. It must make some consideration for new and fast-growing airlines as well as for those which have already made significant investments to improve sustainability; and 4. Its coverage should be as broad as possible.

31. Collaboration needed to stem unruly passenger incidents

The International Air Transport Association (IATA) released figures showing that reports of unruly passenger incidents onboard aircraft increased in 2015. Some 10,854 unruly passenger incidents were reported to IATA by airlines worldwide last year. This equates to one incident for every 1,205 flights, an increase from the 9,316 incidents reported in 2014 (or one incident for every 1,282 flights). The increase in reported incidents tells us that more effective deterrents are needed. IATA Director General and CEO encouraged more governments to ratify the Montreal Protocol 2014" (it covers unruly behaviour).

32. Monthly civil aviation statistics, July 2016

The six Canadian Level I air carriers flew 7.1 million passengers on scheduled and charter services in July 2016, up 10.9% from July 2015. Together, these six airlines carried more passengers in July 2016 than the entire Canadian airline industry carried in 1965 as a whole (6.8 million passengers). Traffic increased 15.1% to 19.9 billion passenger-kilometres, while capacity rose 15.5% to 23.1 billion available seat-kilometres. This resulted in a slightly lower passenger load factor in July 2016 (86.1%) than in the same month a year earlier (86.4%), as capacity growth outpaced traffic growth. Total operating revenue was \$2.1 billion in July 2016, up 7.5% from the same month the previous year.

WATER TRANSPORTATION

1. COSCO posts \$1.1b loss in first half 2016

China COSCO Holdings Co. reported a net loss of 7.21 billion yuan renminbi (U.S. \$1.1 billion, based on the exchange rate on August 30, 2016) in the first half of 2016 compared with a 1.97 billion yuan renminbi profit in the same 2015 period, according to the company's most recent financial statements to the Shanghai Stock Exchange. The Chinese shipping conglomerate is in the midst of a merger with fellow state-run line China Shipping that will make it the fourth largest container carrier worldwide and the biggest in Asia by far.

2. Terminal operators' profits squeezed by lower volume, excess capacity

All but loss-proof container terminal operators are now struggling with shrinking revenue and throughput growth as well as excess capacity, reports IHS Media. Adding to their woes, container shipping lines are pushing for a reduction in terminal handling charges, which could dent their usually healthy profits they have enjoyed for decades. Operators are said to be concerned over business prospects in the short-to-medium term, while fears of overexposure to world regions where there is a high probability of overcapacity cloud the longer term.

3. Top North America box traffic turns negative through July

The first two months of 2016 showed signs of continued growth in container throughput in the top North America seaports, but not since. Box volumes in the major seaports of North America increased from 2013 through 2015. Growth during 2013 was below two per cent, but 2014 saw 4.5 per cent growth while 2015 witnessed a five per cent increase. Some of the most high-growth seaports during 2015 including New York/New Jersey, Savannah, Charleston and Houston have continued to witness a complete reversal with negative TEU growth during the first seven months of 2016, the Seeking Alpha reported.

4. Commerce initiates port community systems competition

The U.S. Commerce Department said it has launched a nationwide technology competition to help the country's seaports and users to develop efficient port information-sharing technologies. Leading this effort is the department's industry-based Advisory Committee on Supply Chain Competitiveness (ACSCC), which will provide recommendations on which maritime cargo status data elements should be used to improve information-sharing at the port-level.

5. Container demand needs to grow in the third and fourth quarter

Container demand needs to grow in the third and fourth quarter for the full year to balance out between supply and demand growth, according to BIMCO. But demand has been slow in the first half. Part of the idle fleet has been reactivated and the number of new ships arriving has surpassed the number being scrapped, reports Rotterdam's World Maritime News. Overall container demand rose two per cent in second quarter over the same period last year. In the key trade lanes into Europe, mainly from East Asia, demand was up by 1.4 per cent in the first five months of the year. The weak demand growth in Europe impacted spot freight rates on the transatlantic, but more importantly hit services out of Shanghai, which was hit hard during the first four months of 2016.

6. Quijano: Panama Canal won't engage in 'price war' with Suez

The Panama Canal will not raise tolls (or lower tolls) despite primary competitor the Suez Canal reportedly slashing its fees by more than half, according to Jorge Luis Quijano, chief executive officer of the Panama Canal Authority (ACP). The Central American waterway on June 26, 2016 opened its expanded third lane, which can accommodate

WATER TRANSPORTATION

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1. COSCO posts \$1.1b loss in first half 2016, August 30, 2016, www.americanshipper.com
2. Terminal operators' profits squeezed by lower volume, excess capacity. September 2, 2016, www.transportweekly.com
3. Top North America box traffic turns negative through July, September 6, 2016, www.transportweekly.com
4. Commerce initiates port community systems competition, September 7, 2016, www.americanshipper.com
5. Container demand needs to grow in the third and fourth quarter, September 9, 2016, www.transportweekly.com
6. Quijano: Panama Canal won't engage in 'price war' with Suez, September 13, 2016, www.americanshipper.com
7. HK competition regulator wants five-year block exemption for liner shipping, September 13, 2016, www.joc.com
8. Analyst: Hanjin insolvency could boost 3PL earnings, September 13, 2016, www.americanshipper.com
9. Canadian ports conference reviews wide spectrum of challenges, September 13, 2016, www.ctl.ca
10. Port of Prince Rupert looks into handling new types of cargo, September 14, 2016, www.americanshipper.com
11. LinerGrid projects new carrier alliances will lead to big savings, September 14, 2016, www.americanshipper.com
12. Great Lakes-St. Lawrence Seaway general cargo traffic declines, September 15, 2016, www.joc.com
13. Great Lakes iron ore trade ticks up in August, September 15, 2016, www.americanshipper.com
14. Shore-Based Radar System Enhances Marine Safety as Prince Rupert Vessel Traffic Grows, September 15, 2016, www.rupertport.com
15. Port of Halifax receives top-rated cruise destination award, September 19, 2016, www.portofhalifax.ca
16. Port of Vancouver: Accumulated Container Statistics Y-T-D August 2016, September 22, 2016, www.portmetrovancooover.com
17. Port of Vancouver: Cruise Statistics Y-T-D August 2016, September 22, 2016, www.portmetrovancooover.com
18. Port of New York/New Jersey experiences busy August, September 23, 2016, www.americanshipper.com

containerships of up to 14,000 TEUs, nearly three times the previous limit of 5,000 TEUs, to commercial vessel traffic. The Suez Canal, however, can accommodate the largest containerships currently on the water, the up to 22,500-TEU behemoths deployed on the trade between Asia and Europe. Ships on the return voyage from the United States East Coast to Asia are beginning to use the Suez because of deep price cuts, Quijano recently told reporters with news outlet *Agencia EFE*. “When we were about to launch our expansion, Suez began with a 35 percent discount. Later, they raised the discount to 50 percent and the latest is they've lowered prices by as much as 65 percent,” he said. “We're not going to enter a price war.”

7. HK competition regulator wants five-year block exemption for liner shipping

The proposed block exemption for liner shipping in Hong Kong is off for public consultation.

8. Analyst: Hanjin insolvency could boost 3PL earnings

Hanjin Shipping's insolvency could be a boon to third-party logistics providers like Expeditors International of Washington, Inc., according to analysts with investment fund William Blair Equity Research's Global Industrial Infrastructure group. Expeditors have traditionally benefited from periods of increased volatility in the shipping market due to its high service levels, William Blair said in a recent client note. Hanjin recently filed for bankruptcy protection.

9. Canadian ports conference reviews wide spectrum of challenges

The 58th annual conference of the Association of Canadian Port Authorities (ACPA) staged at Ontario's Lake Superior Port of Thunder Bay on Sept. 7-9, 2016 covered a broad range of subjects from the challenges of reducing costs to maritime innovation and new channels of communication in a digital world. “Sea the Superior Way” was the overall theme of the conference.

10. Port of Prince Rupert looks into handling new types of cargo

The Port of Prince Rupert said on September 14, 2016 that it has signed a feasibility assessment agreement with SSA Marine and its wholly-owned subsidiary Western Stevedoring to explore the viability of a breakbulk and bulk import/export terminal located on Kaien Island at the Port of Prince Rupert. Port of Prince Rupert President and CEO Don Krusel said, “Ongoing cargo diversification is one of the highest priorities for the Port of Prince Rupert.”

11. LinerGrid projects new carrier alliances will lead to big savings

The new Copenhagen-based company LinerGrid, which is a cloud-based optimization tool aimed at enhancing networks in liner shipping, is suggesting that the two new ocean carrier alliances that are scheduled to commence operations next spring, the OCEAN Alliance and THE Alliance, will have a combined global cost savings potential in excess of \$1 billion. LinerGrid also published a white paper analyzing the transpacific liner shipping network of the G6 Alliance.

12. Great Lakes-St. Lawrence Seaway general cargo traffic declines

Despite strong steel and project shipments in several ports, general cargo volume on the Great Lakes St. Lawrence Seaway System during the first half of the system's 2016 navigation system declined.

13. Great Lakes iron ore trade ticks up in August

Iron ore shipments on the Great Lakes and St. Lawrence Seaway totalled 6.05 million tons in August 2016, a 2.9 percent increase from August 2015, according to the Lake Carriers' Association. Shipments from U.S. ports rose 7.7 percent year-over-year to 5.3 million tons, while loadings from Canadian ports tumbled 23 percent year-over-year to 709,000 tons. Overall, 32.85 million tons of iron ore have been shipped on the Great Lakes and St. Lawrence Seaway in 2016, a 2 percent decline from the same period during last year's shipping season on the lakes. Meanwhile, several ports along the Great Lakes have highlighted their success throughout the 2016 shipping season.

14. Shore-Based Radar System Enhances Marine Safety as Prince Rupert Vessel Traffic Grows

The Port of Prince Rupert on September 15, 2016 announced the commissioning of a new shore-based radar regime designed to safely accommodate the port's growth in vessel traffic and international trade. Shore-based radar builds on the existing vessel traffic service that provides active vessel monitoring and navigational information to vessels at the Port of Prince Rupert. Transmitting data from three tower sites across the port's coastal shores, the system provides coverage ranging from the northeast of Haida Gwaii to the Alaskan border.

15. Port of Halifax receives top-rated cruise destination award

The Port of Halifax has been recognized as a top rated Canada-US cruise destination by Cruise Critic. The 2016 Cruisers' Choice Destination Awards announced by Cruise Critic list the Port of Halifax as one of the top five Canada-US cruise destinations. The awards are based entirely on ratings submitted with reviews published on CruiseCritic.com. A link to the announcement can be found here: <http://www.cruise critic.com/memberreviews/destination-awards/us-canada/>. A recent economic impact

report released by the Halifax Port Authority found the cruise industry in Halifax is worth an estimated \$104.3 million in economic benefit for the local economy. This includes passenger spending on tourism-related activities as well as provisioning associated with cruise vessels. Halifax is a full-service port that is able to offer a full range of goods and services across the entire marine industry.

16. Port of Vancouver: Accumulated Container Statistics Y-T-D August 2016

The Port of Vancouver released its container statistics in terms of TEUs (twenty-foot equivalent units) on September 22, 2016. Total container traffic declined by 5.7% for the period January to August 2016 (i.e. to 1,935,653 from 2,051,705 TEUs). Total imports declined by 4.1% for the period January to August 2016 (i.e. to 1,021,228 from 1,064,537 TEUs). Total exports declined by 7.4% for the period January to August 2016 (i.e. to 914,425 from 987,168 TEUs)

17. Port of Vancouver: Cruise Statistics Y-T-D August 2016

The Port of Vancouver released its cruise statistics in terms of total revenue passengers on September 22, 2016. Total cruise traffic increased by 4.6% for the period January to August 2016 (i.e. to 666,084 from 636,984). Total number of passenger cruise vessels increased 1.1% to 184 from 182 for this period.

18. Port of New York/New Jersey experiences busy August

The Port Authority of New York and New Jersey reported that its marine terminals saw high volumes of cargo in August 2016. So the agency's commissioners voted to award a \$3.4 million contract to develop a long range maritime master plan for future growth on September 22, 2016. Hatch Associates Consultants Inc. will develop a plan covering more than 3,000 acres of cargo facilities in order to better evaluate and plan for future growth, improve operations, and enhance revenue and job creation opportunity.

RAIL TRANSPORTATION

1. CP third-quarter 2016 results: Conference call with financial community on October 19, 2016

Canadian Pacific (CP) will release its third-quarter financial and operating results at 8:30 a.m. eastern time (6:30 a.m. mountain time) on October 19, 2016. CP will discuss its results with the financial community in a conference call beginning at 11 a.m. eastern time (9 a.m. mountain time) on October 19, 2016.

2. Railway carloadings, June 2016

The volume of rail freight carried in Canada totalled 27.8 million tonnes in June 2016, down 7.5% from the same month last year. From June 2011 to June 2016, the total volume of rail freight carried in Canada increased by 9.2%. In June 2016, freight originating in Canada decreased 6.5% from June 2015 to 25.4 million tonnes. These shipments are composed of both non-intermodal and intermodal freight. Intermodal freight loadings edged up 0.4% year over year to 185,000 units. In terms of weight, intermodal traffic rose 0.7% to 2.8 million tonnes as a result of an increase in containers on flat cars. Freight traffic received from the United States fell 17.3% to 2.4 million tonnes, as a result of a 19.4% decrease in non-intermodal freight, while intermodal freight from the United States increased 7.1%.

3. STB proposes 'streamlined' small rate dispute process

The U.S. Surface Transportation Board has issued an Advance Notice of Proposed Rulemaking (ANPR) proposing a new "streamlined" procedure to resolve small rate disputes between shippers and Class I railroads. STB said in a statement the proposed rules aim to make the board's rate case procedures more fair and accessible to grain shippers, but also for small rate disputes, regardless of commodity.

4. CP appoints new directors to Board; announces resignation of Bill Ackman

Canadian Pacific Railway Limited (CP) on September 6, 2016 announced changes to its Board of Directors, including the appointment of Jill Denham and William R. Fatt, and the resignation of Bill Ackman, effective immediately.

5. CSX projects weaker Q3 as domestic coal volumes decline

Jacksonville, Fla.-based Class I railway CSX announced on September 7, 2016 that it expects third quarter earnings per share to decline slightly from last quarter due to high single-digit volume reductions from the

same period a year ago. A big part of the volume drop is from coal, with total tonnage for 2016 now expected to decline between 20 percent and 25 percent, from a declining base in recent years.

6. Parliamentary Secretary to the Minister of Transport to make funding announcement at VIA Rail's London station

Kate Young, Parliamentary Secretary to the Minister of Transport will be joined by Yves Desjardins-Siciliano, President and Chief Executive Officer of VIA Rail Canada, for an announcement concerning infrastructure improvements at VIA Rail's London and Sarnia stations.

7. CN recognized as a transportation industry sustainability leader

CN said on September 12, 2016 that its sustainability practices have earned it a place on the Dow Jones Sustainability World Index (DJSI). This marks the fifth consecutive year that CN has been listed on the DJSI World Index and the eighth consecutive year that CN has been listed on the DJSI North America Index.

8. AAR: U.S. rail traffic continues to decline despite grain gains

United States-based freight railroads in August 2016 saw their volumes drop 5.7 percent compared with the same 2015 period despite continued strong gains in grain shipments, according to data from the Association of American Railroads (AAR). Total carload traffic dropped 6.6 percent year-over-year for the month to 1.35 million carloads, while intermodal volumes slipped 4.8 percent to 1.33 million containers and trailers.

RAIL TRANSPORTATION Canada

1. CP third-quarter 2016 results: Conference call with financial community on October 19, 2016, August 30, 2016, www.cpr.ca
2. Railway carloadings, June 2016, August 31, 2016, www.statcan.gc.ca
3. STB proposes 'streamlined' small rate dispute process, September 2, 2016, www.americanshipper.com
4. CP appoints new directors to Board; announces resignation of Bill Ackman, September 6, 2016, www.westjet.ca
5. CSX projects weaker Q3 as domestic coal volumes decline, September 7, 2016, www.americanshipper.com
6. Parliamentary Secretary to the Minister of Transport to make funding announcement at VIA Rail's London station, September 9, 2016, www.tc.gc.ca
7. CN recognized as a transportation industry sustainability leader, September 12, 2016, www.cn.ca
8. AAR: U.S. rail traffic continues to decline despite grain gains, September 12, 2016, www.americanshipper.com
9. CP responds to TSB report on LVVR implementation, calls on Minister of Transport to do more, September 19, 2016, www.cpr.ca
10. Rail shipments of oil will grow without new pipelines, NEB says, September 21, 2016, www.globeandmail.ca
11. Minister Garneau welcomes Transportation Safety Board study on locomotive voice and video recorders, September 20, 2016, www.tc.gc.ca
12. CP showcases emergency response training and outreach with new webpage, cpr.ca/HazMat, September 26, 2016, www.cpr.ca
13. Railway Carloadings, July 2016, September 27, 2016, www.tc.gc.ca

9. CP responds to TSB report on LVVR implementation, calls on Minister of Transport to do more
Canadian Pacific (CP) on September 19, 2016 joined the Transportation Safety Board (TSB) in calling for the Minister of Transport to implement Locomotive Voice and Video Recorders (LVVR) as soon as possible. CP reiterates, however, that the true value in LVVR technology lies in shaping behaviour and preventing accidents before they happen. The TSB released a study, *Expanding the use of locomotive voice and video recorders in Canada*, in which Kathy Fox, Chair of the TSB, noted that LVVR data should be "used in the context of a pro-active, non-punitive safety management system" as that would help "railways identify and mitigate risks before accidents occur."

10. Rail shipments of oil will grow without new pipelines, NEB says

Daily oil-by-rail shipments are set to climb tenfold within 25 years if no new major pipelines are built to help move Western Canadian oil to domestic refineries and international markets, the National Energy Board told a Senate standing committee studying the transport of crude.

11. Minister Garneau welcomes Transportation Safety Board study on locomotive voice and video recorders

The Honourable Marc Garneau, Minister of Transport, issued the following statement on September 20, 2016 on the Transportation Safety Board of Canada's report regarding onboard locomotive voice and video recorders: "The release of the Transportation Safety Board of Canada's study on locomotive voice and video recorders is a positive development for rail safety. "The benefits of voice and video recorders are well known, as they can provide an unparalleled understanding of how the crew communicated and acted immediately before an accident." As Minister of Transport, I believe that the use of these devices onboard help better protect Canadians, their families, and the communities along Canada's rail corridors.

12. CP showcases emergency response training and outreach with new webpage, cpr.ca/HazMat

As the safest Class 1 railway in North America, Canadian Pacific (CP) is committed to the safe transportation of goods across its network and the more than 1,100 communities in which it operates. That commitment is outlined in full on a new webpage, cpr.ca/HazMat, which showcases CP's dangerous goods response capabilities, training available to first responders and other online resources.

13. Railway Carloadings, July 2016

The volume of rail freight carried in Canada totalled 27.9 million tonnes in July 2016, down 7.9% from the same month last year. From July 2011 to July 2016, the total volume of rail freight carried in Canada increased by 7.7%. In July 2016, freight originating in Canada decreased 6.4% from the same month last year to 25.4 million tonnes. These shipments were composed of both non-intermodal and intermodal freight. Intermodal freight loadings edged down 0.5% year over year to 190,000 units. In terms of weight, intermodal traffic fell 0.4% to 2.8 million tonnes, as a result of a decrease in loadings on trailers on flat cars. Freight traffic received from the United States fell 20.8% to 2.5 million tonnes in July 2016, as a result of a 23.2% decrease in non-intermodal freight. Intermodal freight from the United States increased 11.8%.

HIGHWAY TRANSPORTATION

1. Couriers and Messengers Services Price Index, July 2016

The Couriers and Messengers Services Price Index (CMSPI) rose 0.8% in July 2016. Both the couriers (+1.0%) and the local messengers and local delivery (+0.1%) components increased. The CMSPI rose 3.1% in July compared with the same month a year earlier. The couriers component increased 3.8%, while the local messengers and local delivery component declined 0.5%.

2. C.H. Robinson reaches \$225m agreement for APC Logistics

C.H. Robinson, a top five global third-party logistics provider, on August 31, 2016 said it has reached agreement to acquire Melbourne, Australia-based freight forwarder and customs broker APC Logistics for about \$225 million in cash. The move is part of the Minneapolis-based company's strategic expansion into the international transportation market, which began four years ago with the acquisition of Phoenix International.

3. NAFTA trade decline continues in June

The total value of cross-border trade between the United States and its partners in the North American Free Trade Agreement (NAFTA) Canada and Mexico declined for the 18th consecutive month in June 2016. NAFTA freight value for the month fell 6.4 percent to \$92.7 billion compared with June 2016 after slipping 3.1 percent year-over-year in May 2016, according to the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS).

4. C.H. Robinson expands Global Network, acquires APC Logistics

C.H. Robinson has entered into a definitive agreement to acquire APC Logistics, a provider of freight forwarding and customs brokerage services in Australia and New Zealand. The two companies have had a long-standing exclusive agent relationship for business in Australia and New Zealand. The agreement is subject to certain customary closing conditions, including regulatory approval, said the release.

5. GE acquires ShipXpress to expand digital rail offerings

GE Transportation announced its acquisition of ShipXpress, provider of cloud-based software solutions that enable transportation, industrial, and commodities businesses to efficiently operate with supply chain partners. The deal extends GE Transportation's portfolio of solutions into the logistics value chain, giving it new offerings for shippers, and expanding its ability to deliver information and transaction services for railroad customers around the world.

6. UPS to raise delivery rates 4.9%

UPS announced on September 1, 2016 that rates for its U.S. Ground, U.S. Air and international package services, as well as for air freight between the United States, Canada and Puerto Rico, will increase by an average of 4.9 percent, effective Dec. 26, 2016. UPS Freight rates will go up the same amount, effective Sept. 19, 2016.

7. How a 3D-printed, self-driving bus is bringing a level of humanity to the automated experience

Local Motors Inc. has come up with a little bus called Olli that can talk to passengers like it's one of them. Olli is the result of a partnership between IBM Corp. and Phoenix-based Local Motors, which makes 3D-printed vehicles using a process it calls co-creation

HIGHWAY TRANSPORTATION Canada

1. Couriers and Messengers Services Price Index, July 2016, August 31, 2016, www.statcan.gc.ca

2. C.H. Robinson reaches \$225m agreement for APC Logistics, September 1, 2016, www.americanshipper.com

3. NAFTA trade decline continues in June, September 1, 2016, www.americanshipper.com

4. C.H. Robinson expands Global Network, acquires APC Logistics, September 2, 2016, www.ctl.ca

5. GE acquires ShipXpress to expand digital rail offerings, September 2, 2016, www.ctl.ca

6. UPS to raise delivery rates 4.9%, September 2, 2016, www.americanshipper.com

7. How a 3D-printed, self-driving bus is bringing a level of humanity to the automated experience, September 6, 2016, www.nationalpost.ca

8. Inaugural FASTLANE Grants Leverage \$3.6 Billion to Support Transportation Infrastructure, September 7, 2016, www.dot.gov

9. New Queen West service marks final milestone of the \$285 million Brampton Zum project, September 9, 2016, www.tc.gc.ca

10. Passenger Travel Facts and Figures 2016 Released, September 9, 2016, www.dot.gov

11. Innovative 'Freight Shuttle System' unveiled in Texas, September 9, 2016, www.americanshipper.com

12. CRST buys Gardner Trucking, September 12, 2016, www.americanshipper.com

13. OTA weighs in on Ottawa tension between trucks, bikes, September 14, 2016, www.todaystrucking.com

14. July 2016 Freight Transportation Services Index (TSI), September 14, 2016, www.bts.gov

15. In battling XPO, Teamsters broaden supply-chain organizing, September 15, 2016, www.joc.com

16. FMA to hold seminar on resolving price and service disputes with carriers, September 15, 2016, www.ctl.ca

17. McLeod integrates project44 APIs for LTL, September 19, 2016, www.americanshipper.com

18. TransCore Link Logistics announces technology partnership and integration with McLeod Software, September 19, 2016, www.ctl.ca

19. CEVA to operate European Distribution Center for Vermeer, September 19, 2016, www.transportweekly.com

20. Forta opens Toronto office, September 19, 2016, www.ctl.ca

21. FTR Conference: Trucking Drives Toward the Future, September 21, 2016, www.cantruck.ca

22. Cass: North American freight market 'persistently weak', September 21, 2016, www.americanshipper.com

23. Large Urban Transit, July 2016, September 23, 2016, www.statcan.gc.ca

24. July 2016 North American Freight

— essentially, partnering with anyone who has a good idea or technology to contribute, whether they're engineers, suppliers, designers, gearheads or tech giants like IBM. Olli, a 3D-printed, self-driving, electric vehicle that can carry up to 12 passengers, is the first vehicle in the world to use the cognitive computing abilities of IBM's Watson, best known for winning the game show Jeopardy! To keep passengers at ease, it can even talk to them and answer questions.

8. Inaugural FASTLANE Grants Leverage \$3.6 Billion to Support Transportation Infrastructure

U.S. Transportation Secretary Anthony Foxx on September 7, 2016 announced 18 infrastructure projects across the country that will receive federal grants as part of the new Fostering Advancements in Shipping and Transportation for the Long-term Achievement of National Efficiencies ([FASTLANE](#)) program. The grants, totaling nearly \$800 million, will be combined with other funding from federal, state, local, and private sources to support \$3.6 billion in infrastructure investment in 15 states and the District of Columbia.

9. New Queen West service marks final milestone of the \$285 million Brampton Züm project

Brampton Transit's launch of the Züm Queen West service has marked the final project milestone of an ongoing partnership between the Government of Canada, the Province of Ontario and the City of Brampton. Government officials were on hand at the Mount Pleasant GO station, the terminus for the new 561 Züm Queen West route. With the completion of the Züm routes, the remaining project work will include the purchase of buses, completion of the Sandalwood Facility and the installation of automated vehicle maintenance systems on each bus.

10. Passenger Travel Facts and Figures 2016 Released

The U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) on September 9, 2016 released Passenger Travel Facts and Figures 2016, a report detailing the characteristics and trends of personal travel in the United States; the network over which passenger travel takes place; and the related economic, safety, and environmental implications.

11. Innovative 'Freight Shuttle System' unveiled in Texas

Texas Gov. Greg Abbott on September 9, 2016 helped unveil a new mode of transportation and applauded the partnership of university research and industry investment that made it possible. The developers said the so-called "Freight Shuttle System (FSS)" was conceived to resolve one of freight transportation's most pressing needs, moving goods 500 miles or less.

12. CRST buys Gardner Trucking

CRST International, a large cross-country trucking company based out of Cedar Rapids, Iowa, has acquired Ontario, Calif.-based Gardner Trucking. Gardner is considered to be the largest California-based truckload carrier and a significant provider of specialized regional truckload services, logistics, drayage and warehouse services for bulk markets. In addition to California, Gardner has facilities in Oregon, Washington, Arizona and Texas.

13. OTA weighs in on Ottawa tension between trucks, bikes

Tensions have risen between cyclists and the trucking community in Montreal and Ottawa, following the recent deaths of two cyclists struck by dump trucks. David Bradley, CEO of the Ontario Trucking Association (OTA) says urban populations are growing rapidly, creating more traffic and leaving many city dwellers dependant on bicycles to get around. "The inclusion of bike lanes and the promotion of cyclist-friendly strategies is a reality that truck and passenger vehicle operators must respect when travelling in urban locations," says Bradley. "But also, cyclists must understand and learn that sharing the road with commercial vehicles on urban streets requires special consideration."

14. July 2016 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 1.6 percent in July 2016 from June 2016, rising for the fourth consecutive month, according to the U.S. Department of Transportation's Bureau of Transportation Statistics.

15. In battling XPO, Teamsters broaden supply-chain organizing

Numbers, September 22, 2016, [www.bts.gov](#)

25. Livingston International acquires Affiliated Customs Brokers, September 26, 2016, [www.ctl.ca](#)

26. FedEx to increase shipping rates for express, ground and freight services, September 26, 2016, [www.ctl.ca](#)

27. 18 Sure-Fire Ways to Save on LTL Shipments, September 26, 2016, [www.inboundlogistics.com](#)

28. UPS begins testing drone deliveries in remote areas, September 26, 2016, [www.todaystrucking.com](#)

29. Labour Costs Surpass Fuel Costs, says ATRI, September 27, 2016, [www.cantruck.ca](#)

30. New Brunswick funds APTA to solve trucking labor shortage, September 27, 2016, [www.todaystrucking.com](#)

31. Senate committee studying connectivity visits Alberta, September 27, 2016, [www.todaystrucking.com](#)

Truck drivers and warehouse workers at two XPO facilities are the latest to call for a union representation vote in a Teamster campaign that includes ports, warehouses and truck terminals.

16. FMA to hold seminar on resolving price and service disputes with carriers

The Freight Management Association of Canada is presenting a briefing session on resolving price and service disputes with carriers, using the Canada Transportation Act. The event takes place October 12, 2016, at the International Center in Mississauga, Ontario, and runs as a precursor event to the annual Surface Transportation Summit.

17. McLeod integrates project44 APIs for LTL

The logistics technology provider project44 said on September 19, 2016 that it has set up an integration with transportation management systems (TMS) provider McLeod Software to enable application programming interface (API) connectivity to McLeod's freight broker users. APIs are an alternative system-to-system communication method to electronic data interchange (EDI), long the standard in the transportation and logistics industry.

18. TransCore Link Logistics announces technology partnership and integration with McLeod Software

TransCore Link Logistics and McLeod Software have announced a technology partnership that will combine best-in-class software for carriers and brokers. This integration empowers LoadMaster and PowerBroker users to post loads and trucks seamlessly to Loadlink.

19. CEVA to operate European Distribution Center for Vermeer

CEVA Logistics, one of the world's largest supply chain management companies has won a three year contract for the European distribution of spare parts for Vermeer – the family-owned, world-leading brand in agricultural and industrial equipment. The new European distribution center (EDC) will operate from CEVA's Roosendaal facility in the Netherlands.

20. Fortna opens Toronto office

Fortna is continuing its global expansion with the opening of its first Canadian office, in Toronto. Established to support growth opportunities in Canada, the new Toronto location follows the opening of offices in both London and Santiago earlier this year. Fortna's growth is driven by the need for companies to invest in their distribution operations to meet growing consumer demands for greater value and convenience. Fortna's comprehensive model manages all phases of a project – from strategy and design to implementation and support – to ensure long-term success and taking total project and financial accountability for budget, timeline, go live, adoption and support.

21. FTR Conference: Trucking Drives Toward the Future

Drones, self-driving trucks, so-called "Uber" freight, the "internet of things" are among the emerging factors vying to reshape the North American trucking landscape, according to Steve Sashihara, CEO of the information technology and management firm Princeton Consultants. Speaking at the recent FTR Transportation Conference, Sashihara said it will be less than 10 years before the industry sees those technologies – which have the power to disrupt current, traditional methods of moving freight – in common real-world applications.

22. Cass: North American freight market 'persistently weak'

The North American freight market remained "persistently weak" in August 2016 despite rebounding slightly from the previous month, according to the latest Cass Freight Index Report. Shipment volumes for the month were flat compared with July 2016, inching up just 0.4 percent, but expenditures slipped 3.3 percent and both still remained well below 2015 levels. Cass noted shipments and expenditures fell 1.1 percent and 6.3 percent, respectively, compared with August 2015.

23. Large Urban Transit, July 2016

Total operating revenues (excluding subsidies) for 10 of Canada's largest urban transit systems rose 1.4% year over year in July 2016 to \$278.8 million. Over the same period, ridership decreased 6.1% to 123.5 million passenger trips.

24. July 2016 North American Freight Numbers

All transportation modes except rail carried less cross-border freight by value in July 2016 compared to July 2015 resulting in a 10.0 percent decrease to \$83.7 billion in the total current dollar value of freight moved. The \$83.7 billion in July 2016 cross-border freight is the lowest monthly amount since February 2011, which had \$76.7 billion in cross-border freight. July 2016 was the 19th consecutive month that the total value of U.S. freight with North American Free Trade Agreement (NAFTA) partners Canada and Mexico declined from the same month of the previous year, according to the TransBorder Freight Data released September 22, 2016 by the U.S. Department of Transportation's Bureau of Transportation

Statistics (BTS). From July 2015 to July 2016, the value of **U.S.-Canada** freight flows fell 10.7 percent to \$42.4 billion as all modes of transportation carried a lower value of U.S.-Canada freight than a year earlier. Lower crude oil prices contributed to a year-over-year decrease in the value of freight moved between the U.S. and Canada. Crude oil is a large share of freight carried by pipeline and vessel, which were down 28.0 percent and 37.1 percent respectively year-over-year. Trucks carried 59.7 percent of the value of the freight to and from Canada.

25. Livingston International acquires Affiliated Customs Brokers

Livingston International Inc., has acquired Affiliated Customs Brokers including its operations in Canada and the U.S., in an effort to expand its brokerage and freight forwarding offering in Quebec. The acquisition will strengthen Livingston's service offerings in both Canada and the U.S., adding particular strength in the Quebec marketplace. Affiliated brings particularly strong expertise in the energy, printing, pharmaceuticals, automotive, capital equipment and food industries.

26. FedEx to increase shipping rates for express, ground and freight services

FedEx Express, FedEx Ground and FedEx Freight, subsidiaries of FedEx Corp. will increase shipping rates effective January 2, 2017. FedEx Express will increase shipping rates by an average of 3.9% for U.S. domestic, U.S. export and U.S. import services. FedEx Ground and FedEx Home Delivery will increase shipping rates by an average of 4.9%. FedEx SmartPost rates will also change.

27. 18 Sure-Fire Ways to Save on LTL Shipments

While many shippers believe that the best way to save money on transportation is to negotiate lower rates with carriers, trucking companies and third-party logistics (3PL) providers acknowledge there are better and more effective ways to cut trucking expenses, particularly for less-than-truckload (LTL) shipments. Carriers and 3PLs reveal 18 road-tested secrets for cutting trucking costs.

28. UPS begins testing drone deliveries in remote areas

UPS has begun testing the use of drones to make commercial deliveries of packages to remote or difficult-to-access locations. Delivery testing began on September 22, 2016 when the companies staged a mock delivery of urgently needed medicine from Beverly, Mass. to Children's Island, which is about three miles off the Atlantic coast. In the mock scenario, the drone successfully carried an asthma inhaler to a child at a camp on the island, which is not reachable by automobile.

29. Labour Costs Surpass Fuel Costs, says ATRI

The American Transportation Research Institute (ATRI) says due to lower fuel prices, the trucking industry's operational costs declined in 2015. And, for the first time, driver costs represent a higher percentage of overall costs than fuel. Releasing the findings from the 2016 update to 'An Analysis of the Operational Costs of Trucking', the ATRI said the average marginal cost per mile in 2015 was US\$1.59, a 6% decrease from the US\$1.70 in 2014.

30. New Brunswick funds APTA to solve trucking labor shortage

New Brunswick is giving up to \$200,000 to the Atlantic Provinces Trucking Association to fund an investigative committee tasked with finding solutions to the trucking industry's labor shortage.

31. Senate committee studying connectivity visits Alberta

Members of Canada's [Senate Committee on Transport and Communications](#) visited the University of Alberta's Centre for Smart Transportation in Edmonton on September 27, 2016 to learn about connected vehicles capable of communicating with each other about basic information like traffic and weather conditions — as well as about potentially life-saving information like proximity to dangerous, collision-prone areas. The senators said they intend to study the subject of vehicle connectivity and release a report on the issue in March 2017.

GENERAL TRANSPORTATION

Canada

1. Retail Logistics: When Fast Isn't Fast Enough

For retailers and other shippers, time is not on their side. That's why they turn to smart supply chain management strategies and 3PL partnerships to meet ever-accelerating consumer demands. This issue (Inbound Logistics – August 2016) reveals how companies and their logistics partners win at the retail game of beat the clock, whip supply chain complexity to deliver meal kits, and set the stage for shows on tour.

2. Canada Post, Canadian Union of Postal Workers reach agreements

Canada Post announced it has reached tentative short-term agreements with the Canadian Union of Postal Workers (CUPW). These agreements are for a period of two years, rather than the typical four-year contracts negotiated in the past.

3. National Transit Map Data

The U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) on September 1, 2016 released National Transit Map data, a geospatial database containing the information from 270 transit agencies that provides open, machine-readable data about their stops, routes, and schedules.

4. Trade groups urge more coordinated EU customs policy

The European Union needs to better coordinate border management among member states, and integrate customs policy with economic and trade policy to enhance economic competitiveness in the region, industry leaders meeting at a conference in Brussels said September 7, 2016. The forum took a look at the modernized Union Customs Code that entered into force in May 2016 and how it could be improved in coming years.

5. Leading indicator of cross-border traveller volume, August 2016 (preliminary)

Data on the number of United States travellers entering Canada by car in August 2016 are now available upon request from Statistics Canada. Data are available by visitors' state of residence and province of entry into Canada. Determining the number of travellers entering Canada is a key economic indicator of international trade and tourism growth. Most foreign travellers entering the country on any given day are from the United States and use the car as their mode of transportation. On an average day, 300,000 travellers enter Canada.

6. Throne Speech Announces Electricity Cost Relief, New Child Care Spaces

The Ontario Throne Speech to help build people in their daily life, highlights electricity cost relief and provisions for new child care. It also committed it self to "Continuing to make historic infrastructure investments in schools, hospitals, roads, bridges and transit".

7. Canada Post needs major overhaul to become financially sustainable: report

Canada Post should consider resuming the phaseout of home delivery, but will still need a radical overhaul to stay financially viable, a federal task force report says. Options offered to the federal government in a 94-page discussion paper released on September 12, 2016 include charging for home delivery, reducing the number of delivery days and hiking the price of stamps.

8. Britain doesn't need EU trade deal to enjoy huge European sales

Europe needs Britain more than Britain needs Europe in trade because EU countries sell twice as much to the UK as the UK sells back, according to the pro-Brexit founder of the JD Wetherspoon Plc, the public

Canada

1. Retail Logistics: When Fast Isn't Fast Enough, August 2016, www.inboundlogistics.com
2. Canada Post, Canadian Union of Postal Workers reach agreements, August 31, 2016, www.ctl.ca
3. National Transit Map Data, September 1, 2016, www.bts.gov
4. Trade groups urge more coordinated EU customs policy, September 8, 2016, www.americanshipper.com
5. Leading indicator of cross-border traveller volume, August 2016 (preliminary), September 9, 2016, www.statcan.gc.ca
6. Throne Speech Announces Electricity Cost Relief, New Child Care Spaces, September 12, 2016, www.ctl.ca
7. Canada Post needs major overhaul to become financially sustainable: report, September 12, 2016, www.globeandmail.ca
8. Britain doesn't need EU trade deal to enjoy huge European sales, September 14, 2016, www.transportweekly.com
9. International Forum Research: Discussion Papers, September 18, 2016, www.itf-oecd.org
10. Travel between Canada and other countries, July 2016, September 20, 2016, www.stacan.gc.ca
11. OECD sees growth flounder as 'globalization stalls', September 21, 2016, www.globeandmail.ca
12. Canada Post, Shopify partner on shipping solution, September 22, 2016, www.ctl.ca
13. Minister Garneau participates in the G7 Transport Ministers' Meeting in Japan, September 25, 2016, www.tc.gc.ca
14. National tourism indicators, second quarter 2016, September 29, 2016, www.statcan.gc.ca

house chain. Therefore, the trading bloc isn't as important to the UK as the UK is for the EU, said Wetherspoon chairman Tim Martin in a Bloomberg TV interview after a glowing report.

9. International Forum Research: Discussion Papers

The International Transport Forum released three Discussion Papers on September 18, 2016: 1. [Competitive Tendering in Local and Regional Public Transport in the Netherlands](#); 2. [High Speed Rail Competition in Italy](#); and 3. [Deregulation, Franchising, Outsourcing and Corporatisation in Local Public Transport](#).

10. Travel between Canada and other countries, July 2016

Travel to Canada by residents of overseas countries increased 4.3% from June 2016 to 538,000 trips in July 2016. United States residents made 2.0 million trips to Canada in July, up 1.8% from June. Travel by Canadian residents to overseas countries rose 2.3% from June to 982,000 trips in July. Canadian residents made 3.4 million trips to the United States in July, up 0.1% compared with the previous month.

11. OECD sees growth flounder as 'globalization stalls'

Global economic growth will flounder this year and next at rates not seen since the financial crisis as the march of globalization grinds to a halt, the OECD warned on September 2, 2016. Long a motor for the global economy, trade growth is set to lag growth in the broader world economy this year, the Organisation for Economic Co-operation and Development said in an update of its main economic forecasts. As a result, the OECD estimated the global economy would muster growth of only 2.9 percent this year, down from a forecast of 3.0 percent in its last estimates in June and the lowest rate since the global financial crisis of 2008-2009. Some suggests that this could be a backlash to free trade. It expects the Canadian economy to grow by 1.2 per cent this year, half a percentage point lower than its outlook in June.

12. Canada Post, Shopify partner on shipping solution

Canada Post and Shopify have announced a strategic partnership. With this new partnership, Shopify merchants are able to purchase shipping labels at up to 40% off the usual Canada Post rates when buying labels through Shopify, a cloud-based, multichannel commerce platform designed for small and medium-sized businesses.

13. Minister Garneau participates in the G7 Transport Ministers' Meeting in Japan

Canada showcased its leadership in automotive research, development and demonstration facilities, as well as in the information and communications technology sector to promote Canadians' interests abroad. This work is part of the Government of Canada's efforts to grow the economy and create jobs for middle class Canadians. The G7 Transport Ministers adopted two joint declarations on: 1. the development and widespread use of advanced technology for automobiles and roads; and 2. strategies for new and aging transport infrastructure.

14. National tourism indicators, second quarter 2016

Tourism spending in Canada rose 1.1% in the 2016 second quarter, following a 1.2% gain in the first quarter. Increased tourism spending by Canadians at home and by international visitors in Canada contributed to the overall growth. This was the 13th consecutive quarterly increase in tourism spending in Canada. Tourism spending by Canadians in Canada increased 1.1% in the 2016 second quarter, more than twice the pace recorded in the previous quarter. The gain in the second quarter was the largest since the first quarter of 2014. The increase was mainly attributable to passenger air transport (+3.0%) and, to a lesser extent, accommodation (+1.3%) and vehicle fuel (+1.0%). Tourism spending on non-tourism goods and services (+1.0%), such as groceries and clothing, was also higher.