

# Transportation Information Update\*

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## AIR TRANSPORTATION

### 1. WestJet reports record third quarter net earnings of \$138.4 million, up 19 per cent

WestJet announced its third quarter results for 2017, with record net earnings of \$138.4 million, or \$1.18 per fully diluted share, as compared with the net earnings of \$116.0 million, or \$0.97 per fully diluted share reported in the third quarter of 2016, up 19.4 per cent and 21.6 per cent, respectively. Its total revenue for this quarter was \$1,215.6 million, a 8.1% increase from the same quarter in 2016 (i.e. \$1,124.3). WestJet achieved its 50<sup>th</sup> consecutive quarter of profitability and flew an all-time quarterly record of 6.5 million guests. Based on twelve months, the airline achieved a return on invested capital of 10.2 per cent, up compared to the 9.8 per cent reported in the previous quarter.

### 2. WestJet profit beats estimates on record traffic, sees strong 2018

WestJet Airlines Ltd's profit beat analysts' estimates, after a record number of passengers used the carrier in the 2017 third quarter, and it makes plans to add planes to its fleet in 2018. The airline said on October 31, 2017 that it expects total capacity for its fleet, or the number of seats it has on planes, to rise between 6.5 per cent and 8.5 per cent for 2018, up from the 6 per cent increase it sees for 2017.

### 3. Cargo revenue helps Air Canada post record results

Air Canada posted record 2017 third-quarter financial results, powered by a record number of passengers and as well as a 38 per cent increase year on year in cargo-related revenue. Profit hit \$1.79-billion in the quarter or \$6.44 a share, up from \$768-million or \$2.74 a year earlier in 2016, helped in part by a \$793-million income tax recovery. Air Canada made C\$1.4bn in EBITDAR (earnings before interest, taxes, depreciation, amortisation, impairment and aircraft rent) in the third quarter of 2017, a record figure. It was a \$140m increase on last year's third-quarter EBITDAR of C\$1.25bn. Cargo-related revenue saw an increase of C\$179m. In 2016 Air Canada linked up with fellow Canadian company, freighter airline Cargojet, to launch freighter services to Latin America and Europe.

### 4. Air fares, first quarter 2017

Base air fares in Canada, domestic and international combined, averaged \$224.40 in the 2017 first quarter, down 0.6% from the same quarter in 2016 and continuing the downward trend that began in the second quarter of 2015. Base air fares do not include taxes and user fees. The average domestic fare was down 1.7% from the first quarter of 2016 to \$163.50, while the average international fare edged down 0.3% to \$278.80. Average domestic fares declined in 9 of the 10 selected Canadian cities of enplanement, with Ottawa (-7.3%), Halifax (-5.7%) and Edmonton (-4.3%) recording the largest decreases. Calgary (+0.2%) was the lone city to post an increase.

## AIR TRANSPORTATION Canada

1. WestJet reports record third quarter net earnings of \$138.4 million, up 19 per cent, October 31, 2017, [www.westJet.ca](http://www.westJet.ca)

2. WestJet profit beats estimates on record traffic, sees strong 2018, October 31, 2017, [www.globeandmail.ca](http://www.globeandmail.ca)

3. Cargo revenue helps Air Canada post record results, October 30, 2017, [www.ctl.ca](http://www.ctl.ca)

4. Air fares, first quarter 2017, November 1, 2017, [www.statcan.gc.ca](http://www.statcan.gc.ca)

5. Air Canada Expands Acceptance of Alternative Payments for International Transactions to Support Global Growth Strategy, November 1, 2017, [www.aircanada.ca](http://www.aircanada.ca)

6. The Competitive Reality in the Aviation Industry, November 1, 2017, [www.iata.org](http://www.iata.org)

7. September Air Freight Demand Slows Slightly but Still Up 9.2%, November 1, 2017, [www.iata.org](http://www.iata.org)

8. Air Freight Volumes Increase Since the Second Quarter of 2016, October 26, 2017, [www.itf-oecd.org](http://www.itf-oecd.org)

9. WestJet named Best Low-Cost Airline - the Americas, November 2, 2017, [www.wetJet.ca](http://www.wetJet.ca)

10. Air Canada Named Best Long Haul Airline in the Americas, November 2, 2017, [www.aircanada.ca](http://www.aircanada.ca)

11. Demand Shows Hurricane Hit, Slowing Growth, November 2, 2017, [www.iata.org](http://www.iata.org)

12. Transport Canada to amend Prohibited Items List for Air Passengers, November 6, 2017, [www.tc.gc.ca](http://www.tc.gc.ca)

13. WestJet reports record October load factor of 81.7 per cent, November 9, 2017, [www.wesjet.ca](http://www.wesjet.ca)

14. Air Canada Named One of Canada's Top 100 Employers for the Fifth Consecutive Year, November 7, 2017, [www.aircanada.ca](http://www.aircanada.ca)

15. Air Canada and Sky Regional Airlines Conclude 10-Year Extension to Capacity Purchase Agreement, November 7, 2017, [www.aircanada.ca](http://www.aircanada.ca)

16. Air Canada Develops Virtual Reality Experience to Showcase its

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

## 5. Air Canada Expands Acceptance of Alternative Payments for International Transactions to Support Global Growth Strategy

Air Canada on November 1, 2017 announced a partnership with Adyen that will greatly expand the range of local payment methods available to customers. Through the agreement, customers around the world will be able to use their preferred local method of payment when making purchases from the airline. Duncan Bureau, Vice President Global Sales, Air Canada said "With our global expansion, Air Canada now operates on six continents so it is important to recognize local preferences for payment methods and make it easy for customers to interact with us through their preferred method. Under our agreement with Adyen, we now can offer seamless service to our customers, wherever alternate forms of payment are available. This is an important step in our global expansion strategy as we increase our focus on selling to customers outside Canada."

## 6. The Competitive Reality in the Aviation Industry

Anyone who has run an airline wears the scars of competition. Every day is a fight to fill the planes with enough paying passengers to make a profit but not all sectors of the aviation value chain face a similar competitive reality. This study is part of IATA's preparations to discuss with the European Commission the need for stronger regulation of Europe's airports. Over the last decade air fares in real terms have fallen significantly. Surviving cut-throat competition meant a relentless search for efficiencies. But over the same period, airport charges increased. The clearest example is in passenger charges at European airports. In 2006 the average was euro 16 per passenger. By 2016 they had risen to euro 33. Even through the global financial crisis, airport charges rose unabated—a clear sign of very strong market power. Many smaller airports are hungry for business. But Europe's larger airports know the powerful combination of an attractive home market and connection traffic.

## 7. September Air Freight Demand Slows Slightly but Still Up 9.2%

The International Air Transport Association (IATA) released data for global air freight markets in September 2017 showing that demand (measured in freight tonne kilometers or FTKs), rose 9.2% compared to the same month in 2016. This was the slowest pace of growth seen in five months. However, it was still significantly higher than the five-year average growth rate of 4.4%. Freight capacity (measured in available freight tonne kilometers or AFTKs), rose by 3.9% compared to September of last year—less than half the pace of demand growth. This is positive for industry load factors, yields, and financial performance. It appears that the industry has passed a cyclical growth peak. The upward trend in seasonally-adjusted freight volumes in Q3 has eased and the inventory-to-sales ratio in the US is now trending sideways. This indicates that the period when companies look to restock inventories quickly—which often gives air cargo a boost—has ended.

## 8. Air Freight Volumes Increase Since the Second Quarter of 2016

The latest update of global freight data collected by the International Transport Forum at the OECD through July 2017 shows that: 1) International trade related air freight volumes moved back above the pre-crisis level of June 2008 both in the EU area and in the United States; 2) Exports to BRICS and Asia remained the locomotives for growth; and 3) Surface freight volumes, measured in tonne-kilometres of goods transported, showed signs of slowing down in the EU while recovering in China.

Unique Dreamliner Offering, November 9, 2017, [www.aircanada.ca](http://www.aircanada.ca)

17. Aircraft movement statistics: Small airports, July 2017, November 10, 2017, [www.statcan.gc.ca](http://www.statcan.gc.ca)

18. Cargojet Inc. announced financial results for the quarter ended September 30, 2017, November 13, 2017, [www.ctl.ca](http://www.ctl.ca)

19. IATA Calls for Valuable Lessons to be learnt from PED Ban, November 14, 2017, [www.iata.org](http://www.iata.org)

20. WestJet, Air France and KLM launch reciprocal frequent flyer redemption, November 15, 2017, [www.westjet.ca](http://www.westjet.ca)

21. Air Canada Customers Can Now Ask Alexa for Helpful Travel Information, November 14, 2017, [www.aircanada.ca](http://www.aircanada.ca)

22. Cathay Pacific to fully acquire Air Hong Kong, November 14, 2017, [www.americanshipper.com](http://www.americanshipper.com)

23. Airline Bumping Continues to Decline and Mishandled Baggage Rate Lowest in Decades, November 16, 2017, [www.dot.gov](http://www.dot.gov)

24. August 2017 U.S. Airline Traffic Data, November 16, 2017, [www.bts.gov](http://www.bts.gov)

25. IATA urges swift GAsEP implementation, November 17, 2017, [www.iata.org](http://www.iata.org)

26. September 2017 Passenger Airline Employment Data, November 18, 2017, [www.bts.gov](http://www.bts.gov)

27. AC Cargo adding service to Melbourne, November 20, 2017, [www.ctl.ca](http://www.ctl.ca)

28. NewGen ISS Approved by PAConf, Will Modernize, Transform Agent-Airline Settlements, November 23, 2017, [www.iata.org](http://www.iata.org)

29. IATA DGR for electronic flight bags takes off, November 27, 2017, [www.iata.org](http://www.iata.org)

30. Monthly civil aviation statistics, September 2017, November 27, 2017, [www.statcan.gc.ca](http://www.statcan.gc.ca)

31. WestJet introduces WestJet Link, November 24, 2017, [www.westjet.ca](http://www.westjet.ca)

32. Air Canada looks to international business travellers to boost profits, November 28, 2017, [www.glogeandmail.ca](http://www.glogeandmail.ca)

33. Air Canada to end freighter venture with Cargojet at year-end, November 28, 2017, [www.ctl.ca](http://www.ctl.ca)

34. Airline Consumer Complaints Up From Previous Year, March 2017, November 27, 2017, [www.dot.gov](http://www.dot.gov)

**9. WestJet named Best Low-Cost Airline - the Americas**

WestJet on November 2, 2017 announced that it has been recognized as Best Low-Cost Airline – The Americas for 2018 by [www.airlineratings.com](http://www.airlineratings.com). The website rates more than 425 airlines around the globe to determine its award winners.

**10. Air Canada Named Best Long Haul Airline in the Americas**

Air Canada on November 2, 2017 was named the Best Long Haul Airline in the Americas for 2018 by AirlineRatings.com, an airline safety and product rating agency that promotes excellence in the industry. AirlineRatings.com gives Air Canada its top seven-star rating for both safety and product.

**11. Demand Shows Hurricane Hit, Slowing Growth**

The International Air Transport Association (IATA) announced global passenger traffic results for September 2017 showing that demand (measured in revenue passenger kilometers, or RPKs) rose 5.7% compared to the same month in 2016. This was the slowest year-on-year increase since February 2017. Hurricanes Irma and Maria weighed heavily on the results, although growth already had been tapering. Capacity climbed 5.3% and load factor edged up 0.3 percentage points to 81.6%, which was a record for the month of September 2017. Alexandre de Juniac, IATA's Director General and CEO said "September's growth in passenger demand was healthy, notwithstanding the heavy impacts of extreme weather events on the Americas."

**12. Transport Canada to amend Prohibited Items List for Air Passengers**

Effective November 27, 2017, Transport Canada will prohibit certain powders and granular material with a volume of 350 ml (the size of a soda can) or more at all screening checkpoints in Canada. Prohibited material includes items such as bath salts, sea salt, baby powder, foot powder, cooking powder and sand. Items such as baby formula, protein powder, tea and coffee will still be permitted in any quantity. Consistent with international practice, Transport Canada will also amend the list so that very small knife blades (6 cm or less—about the size of a large paper clip) will not be prohibited on domestic or international flights. To respect our security screening agreement with the United States, knife blades of any length will remain prohibited on flights to the United States through preclearance facilities. Razor blades and box cutters of any size will remain prohibited at all screening checkpoints.

**13. WestJet reports record October load factor of 81.7 per cent**

WestJet announced on November 2017 traffic results with a record load factor of 81.7 per cent, an increase of 2.0 percentage points year over year. Revenue passenger miles (RPMs), or traffic, increased 4.5 per cent year over year, and capacity, measured in available seat miles (ASMs), grew 1.9 per cent over the same period. The airline flew a record 2.0 million guests in October 2017, a year-over-year increase of 9.4 per cent or approximately 169,000 additional guests. WestJet President and CEO Gregg Saretsky "We are very pleased with our fifth consecutive month of record load factors, as we also flew a record number of guests in October." Year-to-date results were: load factor, ASM, and RPM were 83.7%, 25.738 billion, and 21.535 billion, a change of 1.6 points, 5.5% and 7.5%.

**14. Air Canada Named One of Canada's Top 100 Employers for the Fifth Consecutive Year**

Air Canada on November 7, 2017 was named one of Canada's Top 100 Employers for the fifth consecutive year in an annual national employer survey by Mediacorp Canada Inc.

**15. Air Canada and Sky Regional Airlines Conclude 10-Year Extension to Capacity Purchase Agreement**

Air Canada and Sky Regional Airlines said on November 7, 2017 that they have concluded a 10-year extension to their existing capacity purchase agreement (CPA), effective April 1, 2017. Kevin Howlett, Senior Vice President, Regional Markets and Government Relations at Air Canada said "This 10-year extension to the existing capacity purchase agreement with Sky Regional Airlines underscores our confidence in our Air Canada Express partner to provide a seamless operation and customer experience on behalf of Air Canada in a number of our key domestic and transborder regional markets on a cost competitive basis."

**16. Air Canada Develops Virtual Reality Experience to Showcase its Unique Dreamliner Offering**

Air Canada is the first Canadian airline to use virtual reality technology to simulate the experience of flying on its Boeing 787 Dreamliner for travel agents and potential customers. Through a fully immersive, interactive experience, users can explore all three cabins of service offered on board the aircraft, including enjoying a virtual International Business Class meal complete with wine in an Executive Pod.

**17. Aircraft movement statistics: Small airports, July 2017**

Take-offs and landings at 127 Canadian airports without air traffic control towers reached 74,833 movements in July 2017. Overall, 10 airports accounted for 40% of the month's activity: Peterborough, Ontario (7,116 movements); Goose Bay, Newfoundland and Labrador (3,272); Drummondville, Quebec (3,137); Quesnel, British Columbia (2,921); Sherbrooke, Quebec (2,501); Barrie-Orillia-Lake Simcoe Regional, Ontario (2,411); Trois-Rivières, Quebec (2,190); Red Lake, Ontario (2,179); Pickle Lake, Ontario (2,053); and Muskoka, Ontario (1,967).

**18. Cargojet Inc. announced financial results for the quarter ended September 30, 2017.**

Cargojet announced its financial results for the quarter ended September 30, 2017. 1) Total Revenues were \$89.4 million, an increase of \$8.7 million or 10.8% versus the previous year; 2) Gross Margin was \$24.7 million, an increase of \$3.9 million or 18.8% versus the previous year; 3) Adjusted EBITDAR was \$25.4 million, an increase of \$0.1 million or 0.4% versus the previous year; 4) Adjusted EBITDAR was \$28.2 million, a decrease of \$1.2 million or 4.1% versus the previous year. Ajay Virmani, President and Chief Executive Officer said "We are very pleased with the financial and operating results produced during the Quarter."

**19. IATA Calls for Valuable Lessons to be learnt from PED [personal electronic devices] Ban**

The International Air Transport Association (IATA) called for aviation security to be further strengthened by addressing four key areas: 1) a closer government-to-government cooperation to eliminate the long-term challenges of extraterritorial measures; 2) the universal application of global standards; 3) a better information-sharing among governments and with industry; and 4) the efficient implementation of new and existing technology capabilities.

**20. WestJet, Air France and KLM launch reciprocal frequent flyer redemption**

WestJet, Air France and KLM on November 15, 2017 announced the redemption phase of their reciprocal frequent flyer agreement. Flying Blue Miles can now be redeemed for WestJet flights and WestJet dollars can now be redeemed for flights within the Air France and KLM global network.

**21. Air Canada Customers Can Now Ask Alexa for Helpful Travel Information**

Air Canada is offering customers additional convenience by becoming the first Canadian airline to develop a skill for Amazon's popular voice service, Alexa. Devices with Alexa will use machine learning and artificial intelligence to respond to spoken questions about such things as fare quotes and the status of Air Canada flights.

**22. Cathay Pacific to fully acquire Air Hong Kong**

Cathay Pacific will fully acquire Air Hong Kong by the end of 2018. Hong Kong-based Cathay Pacific Airways has inked an agreement to gain full control of cargo airline Air Hong Kong by selling eight freighters to DHL International and leasing them back, the company announced on November 13, 2017. Under the agreement, five of the A300-600F freighters will be sold to DHL by Dec. 31, with the remaining three sold by the end of 2018.

**23. Airline Bumping Continues to Decline and Mishandled Baggage Rate Lowest in Decades**

The U.S. Department of Transportation (DOT) on November 16, 2017 released its November 2017 *Air Travel Consumer Report* on air carrier data compiled for the month of September 2017, third quarter of 2017, and first nine months of 2017. For the third quarter of 2017, the 12 U.S. carriers who report involuntary denied boarding, or bumping, data posted a bumping rate of 0.15 per 10,000 passengers, the lowest quarterly rate based on historical data dating back to 1995 and down from both the rate of 0.69 for the third quarter of 2016 and the previous lowest quarterly rate of 0.44 posted in the second quarter of 2017.

**24. August 2017 U.S. Airline Traffic Data**

The U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported on November 16, 2017 that U.S. airlines' August systemwide (domestic and international) scheduled service passenger enplanements fell 0.4 percent in August 2017 from July 2017, falling to 71.3 million, seasonally-adjusted, after growing for seven consecutive months from December to July 2017.

**25. IATA urges swift GAsEP implementation**

The International Air Transport Association (IATA) urged the swift implementation by states of the first Global Aviation Security Plan (GAsEP) which was established this week by the Council of the International Civil Aviation Organization (ICAO).

**26. September 2017 Passenger Airline Employment Data**

U.S. scheduled passenger airlines employed 3.3 percent more workers in September 2017 than in September 2016, reaching 428,343 full-time equivalent (FTE) employees, the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported on November 18, 2017. September

2017 was the 46th consecutive month that U.S. scheduled passenger airline FTEs exceeded the same month of the previous year.

**27. AC Cargo adding service to Melbourne**

Starting December 1, 2017 Air Canada Cargo begins service to Melbourne, Australia on a Boeing 787-9 Dreamliner, four days a week. Air Canada Cargo's Melbourne station is certified to handle all specialized shipping solutions, including AC Absolute for pharmaceutical shipments and AC DGR for dangerous goods.

**28. NewGen ISS Approved by PConf, Will Modernize, Transform Agent-Airline Settlements**

The International Air Transport Association (IATA) announced that the Passenger Agency Conference (PConf), composed of IATA's member airlines, adopted Resolutions for the full implementation of the New Generation of IATA Settlement Systems (NewGen ISS) initiative. NewGen ISS represents the most extensive and ambitious modernization of the IATA Billing and Settlement Plan (BSP) since it was created in 1971 to facilitate the global distribution and settlement of funds between travel agents and airlines. Last year, the BSP processed \$219 billion in airline funds with 100% on-time settlement.

**29. IATA DGR for electronic flight bags takes off**

The International Air Transport Association (IATA) announced that Emirates Airline is the launch customer for the IATA Dangerous Goods Regulations (DGR) for Electronic Flight Bags (eFB). This important innovation brings the IATA DGR into the cockpit where flight crew make important pre- and in-flight safety decisions. Nick Careen, IATA's Senior Vice President, Airport, Passenger, Cargo and Security said "For almost 60 years IATA's DGR has been helping the industry safely transport air cargo. The DGR for eFB places the most comprehensive resource on the carriage of dangerous goods into the cockpit in a format that will assist the flight deck crew in making timely operational safety checks and decisions."

**30. Monthly civil aviation statistics, September 2017**

The six Canadian Level I air carriers flew 6.5 million passengers on scheduled and charter services in September 2017, up 5.8% from September 2016. Traffic increased 11.1% year over year to 18.6 billion passenger-kilometres in September 2017. Capacity rose 11.2% to 22.6 billion available seat-kilometres. This resulted in a slightly lower passenger load factor in 2017 September (82.2%) compared with the same month a year earlier (82.3%), as capacity growth outpaced traffic growth. The volume of turbo fuel consumed rose 7.8% to 668.5 million litres, while the number of flying hours increased 2.8% to 179,000. Total operating revenue increased 10.0% from the same month a year earlier to \$1.9 billion in September 2017.

**31. WestJet introduces WestJet Link.**

WestJet on November 24, 2017 introduced WestJet Link, a new regional air service operating under a capacity purchase agreement (CPA) with Pacific Coastal Airlines. Using Pacific Coastal Airlines' aircraft painted in WestJet colours, WestJet Link will connect the communities of Lethbridge, Lloydminster, Medicine Hat, Cranbrook and Prince George to WestJet's rapidly expanding network hub at the YYC Calgary International Airport. These new routes will add to WestJet's existing leadership position in Calgary, offering more flights and seats to more destinations than any other airline.

**32. Air Canada looks to international business travellers to boost profits**

Air Canada is stepping up its efforts to entice business travellers, targeting a growing market that offers the airline an opportunity to boost profits. Air Canada will open a new lounge at Pearson International Airport on December 1, 2017 that will be exclusive to international business passengers and also plans to expand a deal with BMW Canada Inc. that offers some of those passengers a ride to the lounge area from check-in so they can avoid crowds in the terminal.

**33. Air Canada to end freighter venture with Cargojet at year-end**

Air Canada's latest venture into the all-cargo business turned out to be short-lived. The airline has announced that its joint operation with Cargojet, which has provided the B767-300F aircraft, will terminate at the end of this year. Airline Consumer Complaints Up From Previous Year, March 2017.

**34. Airline Consumer Complaints Up From Previous Year, March 2017**

The U.S. Department of Transportation (DOT) on November 27, 2017 released its June 2017 Air Travel Consumer Report, compiling air carrier data for the month of April 2017. In April, DOT received 1,909 complaints about airline service from consumers, up 70.0 percent from the total of 1,123 filed in April 2016 and up 68.6 percent from the 1,132 received in March 2017.

## **WATER TRANSPORTATION**

### **1. National Strategy to address Canada's wrecked and abandoned vessels**

The Government of Canada recognizes that wrecked and abandoned vessels can pose hazards to the environment, public health and safety, and local economies such as fishing and tourism industries. In November 2016, the Government of Canada launched the \$1.5 billion Oceans Protection Plan, to improve marine safety and responsible shipping, protect Canada's marine environment and help advance Indigenous reconciliation. It is now introducing a strategy as part of the Plan that includes several measures: 1) Proposed *Wrecked, Abandoned or Hazardous Vessels Act* [*Nairobi International Convention on the Removal of Wrecks, 2007*]; 2) Inventory and Assessments; 3) Improving vessel owner identification; 4) Long-term funding for the removal of wrecked and abandoned vessels; 5) Abandoned Boats Program; 6) Small Craft Harbours Abandoned and Wrecked Vessels Removal Program. Collectively, these new measures aim to reduce the number of problem vessels that pose hazards in Canadian waters, and support the preservation and restoration of marine ecosystems.

### **2. Government of Canada marks the one-year anniversary of the Oceans Protection Plan and introduces the *Wrecked, Abandoned or Hazardous Vessels Act***

On October 30, 2017, Bill C-64 was introduced in Parliament. The Honourable Marc Garneau, Minister of Transport, said the proposed legislation will proactively deal with wrecked, abandoned or hazardous vessels. Bill C-64 will also bring the *Nairobi International Convention on the Removal of Wrecks, 2007* into force of law in Canada. It is one of several measures the Government of Canada has committed to delivering and implementing under the Oceans Protection Plan. The *Wrecked, Abandoned or Hazardous Vessels Act* will: 1) prohibit vessel abandonment; 2) strengthen owner responsibility and liability for hazardous vessels and wrecks, including costs for clean-up and removal; and 3) empower the Government of Canada to take proactive action on hazardous vessels before they become more costly to Canadians.

### **3. Port of NY/NJ box volumes skyrocket in September**

The Port of New York and New Jersey handled 573,458 TEUs in September 2017, a 15.2 percent year-over-year jump, the port authority reported. Auto units handled at the port totaled 45,832 units for the month, up 17.9 percent from September 2016. Meanwhile, for the first nine months of 2017, the port handled 5.01 million TEUs, up 7.6 percent year-over-year, while auto units surged 12.5 percent to 415,091 units.

### **4. Victoria Harbour cleanup contract awarded to Milestone Environmental Contracting Inc.**

On November 2, 2017, the Government of Canada awarded a \$5,343,787.94 contract to Milestone Environmental Contracting Inc. to restore the environmental health of Victoria's Middle Harbour sea bed by removing hazardous chemicals in sediments found in Transport Canada-owned harbour near the Laurel Point Park. The cleanup work will begin in November 2017 and is expected to be completed by January 2018. This involves dredging of contaminated sediment, and transporting the sediment by barge to an approved facility for treatment and disposal. The harbour bed will be backfilled with clean material.

### **5. Transport Canada issues two more fines for not respecting the**

## **WATER TRANSPORTATION Canada**

1. National Strategy to address Canada's wrecked and abandoned vessels, October 30, 2017, [www.tc.gc.ca](http://www.tc.gc.ca)
2. Government of Canada marks the one-year anniversary of the Oceans Protection Plan and introduces the *Wrecked, Abandoned or Hazardous Vessels Act*, October 30, 2017, [www.tc.gc.ca](http://www.tc.gc.ca)
3. Port of NY/NJ box volumes skyrocket in September, October 30, 2017, [www.americanshipper.com](http://www.americanshipper.com)
4. Victoria Harbour cleanup contract awarded to Milestone Environmental Contracting Inc., November 2, 2017, [www.tc.gc.ca](http://www.tc.gc.ca)
5. Transport Canada issues two more fines for not respecting the speed restriction in the Gulf of St. Lawrence, November 3, 2017, [www.tc.gc.ca](http://www.tc.gc.ca)
6. BTS Releases National Census of Ferry Operators Highlights, November 2, 2017, [www.dot.gov](http://www.dot.gov)
7. Shanghai port's September volume up 7.7pc, November 6, 2017, [www.transportweekly.com](http://www.transportweekly.com)
8. Panama Canal Expansion Hits the Big Time, November 10, 2017, [www.inboundlogistics.com](http://www.inboundlogistics.com)
9. Port of Long Beach sets October record, November 13, 2017, [www.transportweekly.com](http://www.transportweekly.com)
10. Seaway cargo up 10% as shipping season kicks up a gear, November 14, 2017, [www.ctl.ca](http://www.ctl.ca)
11. Port of Los Angeles box volumes slip in October, November 15, 2017, [www.americanshipper.com](http://www.americanshipper.com)
12. Port of Oakland sets another monthly record for container imports, November 15, 2017, [www.americanshipper.com](http://www.americanshipper.com)
13. Virginia sets new monthly record in October handling 265,490 TEU, November 16, 2017, [www.transportweekly.com](http://www.transportweekly.com)
14. Port of Metro Vancouver-Accumulated Container Traffic: January to October 2017, November 16, 2017, [www.portmetrovanancouver.com](http://www.portmetrovanancouver.com)
15. Government of Canada to improve local maritime situational awareness and reduce marine traffic congestion through the Oceans Protection Plan, November 16, 2017, [www.tc.gc.ca](http://www.tc.gc.ca)
16. HK box volume off 1.4pc in Oct, Singapore surges 17pc and Shanghai up 5.6pc, November 17, 2017, [www.transportweekly.com](http://www.transportweekly.com)
17. Transport Canada issues three more fines for not respecting the speed restriction in the Gulf of St. Lawrence, November 21, 2017, [www.tc.gc.ca](http://www.tc.gc.ca)
18. Ocean carriers fared better financially in Q3 over 2016-Q3, except HMM, November 23, 2017,

### **speed restriction in the Gulf of St. Lawrence**

In the presence of whales in the Gulf of St. Lawrence, the slow down restrictions required by the Government continues to apply. Penalties of \$6,000 have been issued to the vessels *PTI RHINE* and *NOMADIC MILDE* for alleged non-compliance with a temporary mandatory vessel slowdown. The vessel owners have 30 days to pay the penalty or to ask the Transportation Appeal Tribunal of Canada to review the facts of the violation or the amount of the penalty.

### **6. BTS Releases National Census of Ferry Operators Highlights**

The U.S. Department of Transportation's [Bureau of Transportation Statistics](#) (BTS) on November 2, 2017 released the [2016 Highlights of Ferry Operations in the United States](#). Key findings from the 163 ferry operators that responded to the 2016 National Census of Ferry Operators (NCFO) indicated that 118.7 million passengers were carried on ferries in the U.S. and its territories in 2015. The reporting ferry operators provided service through 560 terminals on 880 unique route segments in 39 states, 2 U.S. territories, and 2 non-U.S. locations, using a fleet of almost 609 active vessels.

### **7. Shanghai port's September volume up 7.7pc**

The Port of Shanghai posted a 7.7 per cent year-on-year increase in container throughput in September 2017 to 3.37 million TEU, according to the Shanghai International Port (Group) Co (SIPG). But SIPG data also showed that volume dropped 2.6 per cent in September compared to 3.46 million TEU posted in 2017 August. In the first nine months of 2017, Shanghai Port registered a total throughput of 28.87 million TEU, an increase of 4.6 per cent year on year.

### **8. Panama Canal Expansion Hits the Big Time**

Looking to 2018, the Panama Canal Authority projects it will accommodate approximately 13,000 vessels—including 2,335 Neopanamax vessels—for a record tonnage of 429.4 million Panama Canal tons. The South Atlantic Express (SAX) service of CMA CGM also uses the Panama. The SAX service is composed of 11 vessels ranging in size from 11,000 to 14,000 TEUs. Its vessels transited the expanded canal earlier in May 2017, becoming the largest capacity ships to do so.

### **9. Port of Long Beach sets October record**

The Port of Long Beach has set a new record for October 2017 cargo this year as volume jumped 15 per cent to 669,218 TEU, said the port authority. Inbound boxes increased 14.3 per cent to 339,013 TEU with exports falling 0.5 per cent to 126,150 TEU. Empties were up 28.9 per cent year on year to 204,055 TEU.

### **10. Seaway cargo up 10% as shipping season kicks up a gear**

St. Lawrence Seaway cargo volumes are up 10 per cent as the shipping season enters its busiest final months. According to The St. Lawrence Seaway Management Corporation, total cargo tonnage from March 20 to October 31 reached 28.7 million metric tons – 2.5 million metric tons more compared to the same period in 2016. “The star performers this year have been North American mined products such as iron ore and salt and high-value goods such as specialty steel imported from Europe,” said Terence Bowles, President and CEO of The St. Lawrence Seaway Management Corporation.

### **11. Port of Los Angeles box volumes slip in October**

October 2017 was the third-best October in Port of Los Angeles history in terms of container volumes, as the Southern California seaport handled nearly 749,000 TEUs for the month, according to data released by the port on Nov. 14, 2017. However, the port said that the number of units moved was actually an 8.1 percent decrease compared to last year's record-breaking October.

### **12. Port of Oakland sets another monthly record for container imports**

The Port of Oakland handled the equivalent of 76,706 TEUs of containerized cargo imports in October 2017, making it the busiest October for imports in the port's history, following a similar record performance just one month prior, the port confirmed on Nov. 14, 2017. Port officials and industry analysts have attributed the record-setting import growth across the U.S. port sector this year to a strong economy that has spurred consumer demand and spending.

### **13. Virginia sets new monthly record in October handling 265,490 TEU**

The Port of Virginia's terminals handled a record 265,490 TEU in October 2017, representing a year-on-year increase of 11.3 per cent. Total throughput volume was 7.5 per cent higher than in May 2017, the previous record-setting month. Total volume in October included 126,557 TEU of imports, up 8.1 per cent

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

19. The Port of Montreal to invest in greening its lands, November 23, 2017, [www.ctl.ca](http://www.ctl.ca)

20. ZIM turns profit in Q3, November 23, 2017, [www.americanshipper.com](http://www.americanshipper.com)

21. Port of Halifax experiences record-breaking cruise year 2017, November 24, 2017, [www.portofhalifax.ca](http://www.portofhalifax.ca)

22. Global container traffic to set new record in 2017: Drewry, November 27, 2017, [www.ctl.ca](http://www.ctl.ca)

23. Sydney overtakes Melbourne again as Australia's biggest box port, November 28, 2017, [www.transportweekly.com](http://www.transportweekly.com)

24. Port of Prince Rupert Proving to be an Engine of Growth Across Northern British Columbia, November 28, 2017, [www.rupertport.com](http://www.rupertport.com)

25. Port of NY/NJ sees record container volumes in October 2017, November 28, 2017, [www.americanshipper.com](http://www.americanshipper.com)

against the same month a year earlier; and 138,933 TEU of exports, up 14.3 per cent year on year. Total truck containers rose by 14.4 per cent to 94,304; rail containers were up 3.9 per cent at 50,441; and total barge containers at 4,850 were up 45.6 per cent.

**14. Port of Metro Vancouver– Accumulated Container Traffic: January to October 2017**

The Port Metro Vancouver Authority reported its container traffic (TEUs) for January to October 2017. Total traffic for this period was 2,685,000 TEUs a 9.8% increase from the same period in 2016 (2,444,612). Total imports for January to October 2017 were 1,414,024 TEUs a 9.1% increase from the same period in 2016 (1,295,556). Total exports for January to October 2017 were 1,270,976 TEUs a 10.6% increase from the same period in 2016 (1,149,056).

**15. Government of Canada to improve local maritime situational awareness and reduce marine traffic congestion through the Oceans Protection Plan**

As we mark the one-year anniversary of Canada's \$1.5 billion Oceans Protection Plan—the largest investment ever made to protect Canada's coasts and waterways—the Government of Canada is pleased to announce that \$63 million will be dedicated to two initiatives, Enhanced Maritime Situational Awareness and Anchorages. The former will receive \$62.5 million and the latter \$500,000.

**16. HK box volume off 1.4pc in Oct, Singapore surges 17pc and Shanghai up 5.6pc**

Hong Kong's container volume dipped 1.4 per cent in October to 1.66 million TEU compared to 1.68 million TEU in the same month last year, according to statistics from the Hong Kong Maritime and Port Board. Most of Hong Kong's volume is from the container terminals at Kwai Tsing that handled 1.31 million boxes in October, down 0.9 per cent over the same month last year. Boxes handled by the other terminals in Hong Kong dipped 3.1 per cent to 350,000 TEU compared to 361,000 TEU in October 2016.

**17. Transport Canada issues three more fines for not respecting the speed restriction in the Gulf of St. Lawrence**

To help ensure navigational safety and to protect the marine environment, Transport Canada continues to take action. Penalties of \$6,000 have been issued to the vessels *Azoresborg*, *New Shanghai* and *Jacqueline C* for alleged non-compliance with a temporary mandatory vessel slowdown. The vessel owners have 30 days to pay the penalty or to ask the Transportation Appeal Tribunal of Canada to review the facts of the violation or the amount of the penalty.

**18. Ocean carriers fared better financially in Q3 over 2016-Q3, except HMM**

The third quarter of 2017 has seen marked improvements in the financial results of shipping liners compared to the same period last year. SeaIntel Maritime Analysis said ten of the eleven carriers that published their Q3 results recorded a positive EBIT/operating profit, with only Hyundai Merchant Marine (HMM) in the red. In 2016-Q3 only Hapag Lloyd and Wan Hai reported positive figures of US\$72 million and \$10 million, respectively. In 2017-Q3 however, all the carriers except for HMM have posted positive quarterly operating results.

**19. The Port of Montreal to invest in greening its lands**

The Port of Montreal is joining forces with Soverdi and Alliance forêt urbaine to extend the canopy of greenery on its lands. As a first step, this new partnership will plant 375 trees. Accordingly, the Port of Montreal joins about a hundred private partners already active in the greening of private and institutional lands in Montreal. Planting new trees is part of the Port of Montreal's commitment to improve the quality of life of its employees and the neighbourhood, as well as to take solid action for the environment.

**20. ZIM turns profit in Q3**

ZIM handled 688,000 TEUs during the third quarter of 2017, a 10.6 percent boost from the third quarter of 2016. ZIM recorded a net profit of \$25.2 million for the third quarter of 2017, compared to a net loss of \$37.6 million for the third quarter of 2016, the Israeli ocean carrier revealed. ZIM's profit for the quarter was driven by increasing freight rates, higher volumes, and cost utilization, ZIM President and CEO Eli Glickman told American Shipper.

**21. Port of Halifax experiences record-breaking cruise year 2017**

The Port of Halifax welcomed over 292-thousand cruise guests during the 2017 cruise season. This year saw 292,722 guests arriving on 173 cruise vessels, making 2017 the busiest cruise year for the Port of Halifax so far. "It was an incredible year for cruise in Halifax," said Catherine McGrail, Vice President Operations, Interim, Halifax Port Authority. "Nova Scotia is a great place to visit. People love coming here, and we work hard with our partners to keep them coming back. The tourism operators and service providers deserve full recognition for the tremendous season, and we are looking forward to working with them again next year." This year saw an increase of 23% in overall passenger counts, and 27% in vessel calls. The cruise season in Halifax typically runs from mid-April to the end of October.

## **22. Global container traffic to set new record in 2017: Drewry**

The Drewry Global Container Port Throughput Index shows no sign of slowing down, with the latest reading for September 2017 being nearly 10 points above the same month in 2016. Ignoring the monthly fluctuations, the trend has been relentlessly positive in 2017, following on from a more muted growth pattern last year. The index figures for September 2017 reveal that growth has been widespread with all regions showing year-on-year improvement. The fastest growing regions were North America (+12.6%), Latin America (+11.1%) and China (10.3%). The slowest was Europe (4.4%).

## **23. Sydney overtakes Melbourne again as Australia's biggest box port**

Sydney has again overtaken Melbourne as Australia's biggest container port, according to the Australian Competition and Consumer Commission's (ACCC) Container Stevedoring Monitoring report 2016-17. Overall Australian box volume through its ports grew 3.7 per cent year on year to 7.2 million TEU through 2017, the highest ever achieved, says the report, posted by Russia's port.today news portal. Over the past 10 years, these two ports have been topping the rating of Australia's container ports, with Melbourne always being a little ahead.

## **24. Port of Prince Rupert Proving to be an Engine of Growth Across Northern British Columbia**

The Port of Prince Rupert generated more than \$1 billion in economic output for Northern British Columbia's economy last year, according to a study commissioned by the Prince Rupert Port Authority. Marine, terminal, rail, truck and logistics activities in the region directly supported the work of more than 3,100 people. Earnings associated with that work totalled more than \$260 million, revealing an average annual wage of more than \$80,000.

## **25. Port of NY/NJ sees record container volumes in October 2017**

The Port of New York and New Jersey handled 588,848 TEUs of containerized cargo in October 2017, an increase of 9.2 percent compared with the same month last year, the port said on November 27, 2017. The port handled a total of 334,324 containers during the month, an increase of 8.3 percent compared to the 308,605 containers in October 2016. So far this year, total container volumes have grown 7.2 percent.

## **RAIL TRANSPORTATION**

### **1. More departures between Toronto and Ottawa**

Starting November 5, 2017, VIA Rail will be offering 20 weekday departures between Toronto and Ottawa thanks to the addition of a 10<sup>th</sup> round-trip, giving Canadians even more options for their travel. As well, a new evening departure from Toronto to Kingston will be added, along with additional stops in Trenton Junction and Guildwood.

### **2. CP disappointed but not deterred by TCRC-T&E ratification results; focused on next steps**

Canadian Pacific is disappointed with the results of the Teamsters Canada Rail Conference – Train & Engine (TCRC-T&E) ratification vote, which saw a majority of those who voted choosing not to approve the proposed one-year renewal of the existing collective agreement.

### **3. Transport Canada supports the Transportation Safety Board of Canada's recommendation following the Gogama, Ontario train derailment**

On November 1, 2017, Transport Canada informed the Transportation Safety Board of Canada that the department fully supports the Board's recommendation to acquire rail surface condition data and incorporate it into its planning cycle for regulatory train track inspections. This follows the Transportation Safety Board's investigation into the March 7, 2015 main track derailment of a Canadian National Railway train carrying crude oil near Gogama, Ontario. The investigation report concluded that a broken portion of the track was the main cause of the derailment.

### **4. AAR: U.S. rail traffic rises 3.1% in October on record**

## **RAIL TRANSPORTATION**

### **Canada**

1. More departures between Toronto and Ottawa, October 31, 2017, [www.viarail.ca](http://www.viarail.ca)
2. CP disappointed but not deterred by TCRC-T&E ratification results; focused on next steps, November 2, 2017, [www.cpr.ca](http://www.cpr.ca)
3. Transport Canada supports the Transportation Safety Board of Canada's recommendation following the Gogama, Ontario train derailment, November 3, 2017, [www.tc.gc.ca](http://www.tc.gc.ca)
4. AAR: U.S. rail traffic rises 3.1% in October on record intermodal volumes, Nov. 6, 2017, [www.americanshipper.com](http://www.americanshipper.com)
5. BNSF's Third-Quarter 2017 Financial Performance: Volumes, Revenues and Expenses, October 7, 2017, [www.bnsf.com](http://www.bnsf.com)
6. BNSF quarterly, YTD revenues rise, Nov. 7, 2017, [www.americanshipper.com](http://www.americanshipper.com)
7. New shuttle service between Gaspé and Campbellton, November 9, 2017, [www.viarail.ca](http://www.viarail.ca)
8. Chair and CEO Scott Streiner addresses the Canadian Association of Railway Suppliers' National Railway Day Conference on November 9, 2017, November 9, 2017, [www.cta-otc.gc.ca](http://www.cta-otc.gc.ca)
9. Transport Canada moves forward with lawsuit against OmniTRAX Inc. over

## intermodal volumes

October 2017 was the best month for intermodal rail traffic in history, according to newly compiled data from the Association of American Railroads (AAR). U.S. railroads originated 1.1 million containers and trailers for the month, up 6.4 percent (68,328 units), from the same month last year, AAR said Nov. 1, 2017. And despite U.S. carload volumes slipping 0.1 percent year-over-year to 1 million carloads last month, total U.S. shipments rose 3.1 percent (67,108 units) to 2.2 million carloads and intermodal units, AAR statistics show. Combined U.S. carload and intermodal originations rose to 2.2 million units last month, up 3.1 percent compared to October 2016, according to data from the Association of American Railroads (AAR).

## 5. BNSF's Third-Quarter 2017 Financial Performance: Volumes, Revenues and Expenses

BNSF reported its 2017 third quarterly results in the first week of October 2017. Total revenues, operating expenses, operating income, net income and operating ratio were: \$5,314 million, \$3,361 million, \$1,953 million, \$1.042 million and 62.2 points, representing a change of 3%, 2%, 4%, 2% and 0.5 points compared to the same quarter in 2016. Year-to-date (first nine months of 2017) results were \$15,749 million, \$10,415 million, \$5,334 Million, \$2,838 million and 65.2%, representing a change of 8%, 8%, 9%, 10% and 0.4 points compared to the same period in 2016.

## 6. BNSF quarterly, YTD revenues rise

Operating income for Burlington Northern Santa Fe (BNSF) railway during the third quarter of 2017 was \$2.0 billion, an increase of \$73 million (4 percent), compared to the same three months in 2016, according to the latest financial statements from the Berkshire Hathaway-owned Class I railroad. Additionally, BNSF reported that for the first nine months of 2017, operating income grew 9 percent (\$462 million) year-over-year to \$5.3 billion.

## 7. New shuttle service between Gaspé and Campbellton

From December 20, 2017, to January 4, 2018, the Régie intermunicipale de transport Gaspésie – Îles-de-la-Madeleine (RÉGÎM) will offer a new shuttle service connecting Gaspé and the VIA Rail station in Campbellton. This additional service will allow passengers travelling to or from Montréal on the *Ocean* train to make transfers toward municipalities on the south coast of the peninsula, between Nouvelle and Gaspé.

## 8. Chair and CEO Scott Steiner addresses the Canadian Association of Railway Suppliers' National Railway Day Conference on November 9, 2017

Steiner spoke about the importance of rail to Canada, the roles of the Canadian Transportation Agency, legislative change, regulatory modernization and service. **Regarding legislative change** he said the Bill was tabled in the House of Commons in May 2017 and recently passed third reading in the House and first reading in the Senate. If adopted in its current form, its rail-related provisions will: 1) require railway companies to submit more data and the CTA to publish performance information online; 2) allow for freight rail rates established through final offer arbitration to apply for two years, rather than just one, at a shipper's request; 3) raise the threshold for expedited, summary final offer arbitrations from \$750,000 in total freight charges to \$2 million; 4) confirm the CTA's previously temporary authority to make regulations on the operational terms that will be considered during freight rail service level arbitrations; 5) allow for reciprocal penalties to be included in arbitrated freight rail service terms; 6) reduce the timeframe for a service level adjudication from 120 to 90 days; 7) create a list of factors the CTA should consider when determining if service provided by a railway company meets the long-standing "adequate and suitable" standard; and 8) provide for the CTA to issue annual decisions setting interswitching rates.

**Regarding regulatory modernization** he spoke about the goals of regulatory modernization initiative (RMI): 1) Ensuring that industry's obligations are clear, predictable, and relevant to a range of existing and emerging business practices; 2) Ensuring that the demands associated with compliance are only as high as necessary to achieve the regulations' purposes; and 3) Facilitating the efficient and effective identification

Churchill rail line, November 14, 2017, [www.tc.gc.ca](http://www.tc.gc.ca)

10. Rail company files complaint in dispute over broken northern Manitoba rail line, November 14, 2017, [www.ctl.ca](http://www.ctl.ca)

11. Ontario Hosts International Symposium on Hydrogen-Powered Rail, November 16, 2017, [www.mto.gov.on.ca](http://www.mto.gov.on.ca)

12. CP and Canadian Pacific Police Association reach tentative five-year agreement, November 17, 2017, [www.cpr.ca](http://www.cpr.ca)

13. Ottawa says Fairfax Financial Holdings interested in broken Churchill rail line, November 17, 2017, [www.ctl.ca](http://www.ctl.ca)

14. Canadian Pacific Railway Limited declares dividend, November 22, 2017, [www.cpr.ca](http://www.cpr.ca)

15. Railway carloadings, September 2017, November 28, 2017, [www.statcan.gc.ca](http://www.statcan.gc.ca)

and correction of instances of non-compliance. These goals are in the interests of transportation companies, shippers and travellers, and the national economy as a whole.

**9. Transport Canada moves forward with lawsuit against OmniTRAX Inc. over Churchill rail line**

On behalf of Transport Canada, the Attorney General of Canada filed a Statement of Claim against the company for breach of contract on November 14, 2017. This legal action follows the notice of default Transport Canada sent OmniTRAX Inc. on October 13, 2017, which demanded that it complete all railway repairs and resume rail service within 30 days.

**10. Rail company files complaint in dispute over broken northern Manitoba rail line**

The owners of a broken rail line in northern Manitoba that has cut off the subarctic town of Churchill served notice on November 14, 2017 that they plan to file a complaint against the federal government under the North American Free Trade Agreement. Omnitrax said Ottawa's decision to end the Canadian Wheat Board's monopoly on western wheat and barley in 2012 drastically cut grain shipments along the Hudson Bay Railway and through the Port of Churchill because the open market allowed producers to use southern rail lines and ports, which are Canadian-owned.

**11. Ontario Hosts International Symposium on Hydrogen-Powered Rail**

The province of Ontario is moving forward with concept design work for hydrogen-powered trains and is hosting experts from around the world to explore the potential of hydrail, as Ontario transforms the GO network into a rapid-transit system that will provide faster and more frequent service for commuters and families.

**12. CP and Canadian Pacific Police Association reach tentative five-year agreement**

Canadian Pacific (CP) and the Canadian Pacific Police Association (CPPA) announced on November 17, 2017 a tentative, forward-looking five-year agreement. "CP is proud to announce another long-term agreement with a valued union partner, this time the Canadian Pacific Police Association," said Keith Creel, CP President and Chief Executive Officer. "I give credit to the negotiation teams on both sides for demonstrating outstanding leadership and a commitment to collaboration in coming to this progressive, long-term agreement well in advance of the upcoming deadline."

**13. Ottawa says Fairfax Financial Holdings interested in broken Churchill rail line**

The federal government says a Toronto-based holding company is interested in becoming a new partner in a possible deal for a takeover of the broken rail line that runs to Churchill in northern Manitoba. Natural Resources Minister Jim Carr says Fairfax Financial Holdings Inc. has expressed interest in the Hudson Bay Rail line, the Port of Churchill and other associated assets

**14. Canadian Pacific Railway Limited declares dividend**

The Board of Directors of Canadian Pacific Railway Limited on November 22, 2017 declared a quarterly dividend of \$0.5625 per share on the outstanding Common Shares. The dividend is payable on January 29, 2018.

**15. Railway carloadings, September 2017**

The volume of rail freight carried in Canada totalled 31.9 million tonnes in September 2017, up 6.9% from September 2016. Freight originating in Canada increased 4.6% from the same month last year to 28.5 million tonnes. Non-intermodal freight rose 2.8% to 304,000 carloads in September 2017. The amount of freight loaded into these cars totalled 25.4 million tonnes, up 4.0% from September 2016. Intermodal freight loadings rose 9.8% to 208,000 units from September 2016 to September 2017. The gain was attributable to a 10.0% increase in containers-on-flat-cars and a 3.0% decrease in trailers-on-flat-cars. In terms of weight, intermodal traffic increased 9.5% to 3.1 million tonnes. Freight traffic received from the United States rose 31.2% to 3.4 million tonnes, due to a 35.7% increase in non-intermodal freight and a 12.3% decline in intermodal freight from the United States.

## HIGHWAY TRANSPORTATION

### 1. Monthly Passenger Bus and Urban Transit, August 2017

Total operating revenues (excluding subsidies) for urban transit companies were \$303.5 million in August 2017. Ridership was 132.2 million passenger trips over the same period.

### 2. Shipping conditions will worsen in 2018: FTR

Fuel cost increases following Hurricanes Harvey and Irma, and increased logistic costs for shippers, caused shipping conditions in the United States full-load market to take a negative turn for the month of August 2017, according to analysts at FTR Intelligence. Although the increased fuel costs are temporary, the group says it expects the increase in logistics costs to continue into 2018. Spot prices continue to rise as the labor market tightens, leaving fleets with no excess capacity. This labor pressure isn't expected to ease anytime soon, FTR said, which will keep shipping conditions down in the new year. Jonathan Starks, chief operating officer at FTR, said the decrease in available trucks is leaving shippers in a tough position.

### 3. UPS quarterly profit off 0.5pc, but revenue's up 7pc

Atlanta's United Parcel Service (UPS) saw 2017 third quarter net profit slip 0.5 per cent year on year to US\$1.2 billion despite revenues rising seven per cent to \$15.9 billion, according to Shipping Gazette. Revenues rose in all segments and major product categories. Operating profits stood at \$2 billion, driven by strong performance in its Supply Chain and Freight segment, which saw revenues and operating profits increase by 13.4 per cent and 9.7 per cent, respectively. UPS's international operating profit grew eight per cent as daily export volumes surged 19 per cent. US domestic revenues were up 3.9 per cent due to higher package demand and yields.

### 4. IANA: Intermodal growth continues in Q3 2017

The North American intermodal industry grew 6.3 percent in the third quarter of 2017 compared to the same period a year prior, marking the strongest growth rate in over three years, according to the latest Intermodal Market Trends and Statistics report from the Intermodal Association of North America (IANA). International intermodal volume increased by 8.2 percent while the domestic container market grew by 3.8 percent.

### 5. OTA: The Road Ahead for Continued Improvement on Truck Safety

Following several high profile commercial vehicle collisions, public and media attention has focused on the issue of truck safety. In response, the Ontario Trucking Association (OTA) says the key to commercial vehicle safety is improving on the human element of truck safety performance: According to the Ontario Ministry of Transportation, mechanical fitness is a factor in less than 2 percent of fatal collisions involving trucks. When examining those same collisions, the driver of the truck was shown to be driving properly 70 percent of the time.

### 6. Shipping conditions will worsen in 2018: FTR

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## HIGHWAY TRANSPORTATION Canada

1. Monthly Passenger Bus and Urban Transit, August 2017, October 31, 2017, [www.statcan.gc.ca](http://www.statcan.gc.ca)
2. Shipping conditions will worsen in 2018: FTR, October 31, 2017, [www.todaystrucking.com](http://www.todaystrucking.com)
3. UPS quarterly profit off 0.5pc, but revenue's up 7pc, November 1, 2017, [www.transportweekly.com](http://www.transportweekly.com)
4. IANA: Intermodal growth continues in Q3 2017, November 1, 2017, [www.americanshipper.com](http://www.americanshipper.com)
5. OTA: The Road Ahead for Continued Improvement on Truck Safety, November 1, 2017, [www.ontruck.ca](http://www.ontruck.ca)
6. Shipping conditions will worsen in 2018: FTR, October 31, 2017, [www.todaystrucking.com](http://www.todaystrucking.com)
7. Major New Transit Hub in Toronto Takes Next Step Forward, October 31, 2017, [www.mto.gov.ca](http://www.mto.gov.ca)
8. Technician Shortage Worse Than Thought, November 3, 2017, [www.ctl.ca](http://www.ctl.ca)
9. Trucking M&A's Accelerating, November 6, 2017, [www.ontruck.ca](http://www.ontruck.ca)
10. September 2017 Freight Transportation Services Index (TSI), November 8, 2017, [www.dot.gov](http://www.dot.gov)
11. Feds looking to ready infrastructure for autonomous vehicles, November 8, 2017, [www.ctl.ca](http://www.ctl.ca)
12. Canada Cartage buys Doyle Transportation, November 8, 2017, [www.ctl.ca](http://www.ctl.ca)
13. North American freight market continues strong growth in September, November 8, 2017, [www.americanshipper.com](http://www.americanshipper.com)
14. Deutsche Post DHL ups Q3 profits, revenues, November 9, 2017, [www.americanshipper.com](http://www.americanshipper.com)
15. Energy Union: Commission takes action to reinforce EU's global leadership in clean vehicles, November 8, 2017, [www.europa.eu](http://www.europa.eu)
16. Leading indicator of cross-border traveller volume, October 2017, November 10, 2017, [www.statcan.gc.ca](http://www.statcan.gc.ca)
17. DHL profit up 1.7pc to US\$777.6 million as sales rise 5.7pc, November 13, 2017, [www.transportweekly.com](http://www.transportweekly.com)
18. U.S. Department of Transportation Publishes Drug Testing Rule to Enhance Safety While Combating the Opioid Epidemic, November 13, 2017, [www.dot.gov](http://www.dot.gov)
19. Day & Ross acquires REI Logistics and Korten Quality Systems, November 14, 2017, [www.ctl.ca](http://www.ctl.ca)
20. Trucking conditions growing stronger: FTR, Nov. 16, 2017, [www.todaystrucking.com](http://www.todaystrucking.com)
21. Volvo Group unveils new autonomous transport solution, November 16, 2017, [www.ctl.ca](http://www.ctl.ca)
22. Mexico's Q3 container imports rise amid drop in exports, November 20, 2017, [www.americanshipper.com](http://www.americanshipper.com)
23. GTA Gridlock Increases Trucking Costs; Consumers Billed \$650M Year, November 20, 2017, [www.ontruck.ca](http://www.ontruck.ca)

prices continue to rise as the labor market tightens, leaving fleets with no excess capacity. This labor pressure isn't expected to ease anytime soon, FTR said, which will keep shipping conditions down in the new year. Jonathan Starks, chief operating officer at FTR, said the decrease in available trucks is leaving shippers in a tough position.

### **7. Major New Transit Hub in Toronto Takes Next Step Forward**

Ontario is making it easier for commuters and families to get around the Greater Toronto and Hamilton Area (GTHA) by redeveloping Kipling Station into a major new transit hub that connects subway, regional rail, and inter-regional bus services within a single station. Ontario is integrating the subway, GO train and local and regional bus services, including GO, TTC, and MiWay services, into a single mobility hub that will include a new terminal and better access for drivers, cyclists, and pedestrians. The new hub is part of the largest rail project in Canada as Ontario transforms GO from a commuter transit system to a regional rapid transit system. Weekly trips across the entire GO rail network will grow from about 1,500 to nearly 6,000 by 2024-25, with more frequent rush-hour service coming to the Milton line.

### **8. Technician Shortage Worse Than Thought**

In a new report, the TechForce Foundation is predicting that demand for new vehicle technicians from 2016 to 2026 will be three times higher than was previously projected for the 2014 to 2024 period. The [TechForce Foundation](#), a nonprofit that supports technical education, has released its Transportation Technician New Entrant Demand report, which reveals the severity of the technician shortage, reports Heavy Duty Trucking. Based on analysis of Bureau of Labor Statistics data, the report focuses on technicians that are joining the field, rather than on experienced technicians who move around but don't add to the overall trained workforce.

### **9. Trucking M&A's Accelerating**

The consolidation of the U.S. trucking industry is picking up speed, with big trucking companies and private equity funds scooping up smaller firms, according to data compiled by Thomson Reuters.

### **10. September 2017 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, reached an all-time monthly high in September 2017, 0.2 percent higher than the previous highest level reached one month earlier in August 2017, according to the U.S. Department of Transportation's Bureau of Transportation Statistics' (BTS). The September 2017 index level (129.2) was 36.3 percent above the April 2009 low during the most recent recession

### **11. Feds looking to ready infrastructure for autonomous vehicles**

Under the Trade and Transportation Corridors Initiative, \$1.725 million is being made available over four years through grants and contributions from Transport Canada's Program to Advance Connectivity and Automation in the Transportation System. Transport Canada will fund research, studies and technology evaluations; the development of codes, standards, and guidance materials; and, professional capacity building that will help Canadian jurisdictions prepare for connected and automated vehicles.

### **12. Canada Cartage buys Doyle Transportation**

Canada Cartage has announced its acquisition of Doyle Transportation. Doyle provides dedicated fleet outsourcing, full truckload, and less than truckload services to customers, both domestically and cross-border. The company has a 20,000 sq.-ft. facility in Guelph, which includes four cross-dock doors, warehouse space, and truck maintenance bays. Canada Cartage says it is bringing on all 60 Doyle Transportation employees.

### **13. North American freight market continues strong growth in September**

The North American freight market showed continued strong volumes and stronger pricing in September 2017, with shipments increasing 3.2 percent and expenditures increasing 4.6 percent year-over-year, according to the latest Cass Freight Index Report. The 3.2 percent year-over-year increase in the index is another data point which confirms that the first positive indication in October 2016 was a change in trend.

### **14. Deutsche Post DHL ups Q3 profits, revenues**

24. September 2017 North American Freight Numbers, November 21, 2017, [www.bts.gov](http://www.bts.gov)

25. Rise in Oct. tonnage means a happy holiday: ATA, November 21, 2017, [www.todaystrucking.com](http://www.todaystrucking.com)

26. FedEx expects to handle record 400m packages during holiday period, November 21, 2017, [www.transportweekly.com](http://www.transportweekly.com)

27. ATA: Truck tonnage ticks up 3.3% in October, November 22, 2017, [www.americanshipper.com](http://www.americanshipper.com)

28. Ontario Improving Transit for Commuters and Families in York Region, November 21, 2017, [www.mto.gov.on.ca](http://www.mto.gov.on.ca)

29. Intermodal rates inch up in October, November 22, 2017, [www.americanshipper.com](http://www.americanshipper.com)

30. Analyst: 2018 a 'Trucker's Market', November 27, 2017, [www.ontruck.ca](http://www.ontruck.ca)

31. Older Drivers Set Record For Second Year, November 27, 2017, [www.dot.gov](http://www.dot.gov)

32. Fortigo Freight Services Becomes First Dedicated Fleet Company in Canada To Reserve Tesla Semi Trucks, November 27, 2017, [www.fortigofreight.com](http://www.fortigofreight.com)

33. Cass: North American freight shipments up nearly 3% in October, November 28, 2017, [www.americanshipper.com](http://www.americanshipper.com)

Deutsche Post DHL Group closed out the 2017 3<sup>rd</sup> quarter with 521,987 employees. Deutsche Post DHL Group had consolidated net profits of 669 million euros (U.S. \$777.6 million) for the third quarter of 2017, ticking up 1.7 percent from the third quarter of 2016, according to the company's latest financial statements. The Bonn, Germany-based parcel carrier and logistics provider recorded group revenues of 14.6 billion euros for the quarter, up 5.6 percent year-over-year.

**15. Energy Union: Commission takes action to reinforce EU's global leadership in clean vehicles**

The Commission proposes new targets for the EU fleet wide average CO<sub>2</sub> emissions of new passenger cars and vans to help accelerate the transition to low- and zero emission vehicles. The Commission on November 8, 2017 took a decisive step forward in implementing the EU's commitments under the Paris Agreement for a binding domestic CO<sub>2</sub> reduction of at least 40% till 2030. At the same time as the international climate conference takes place in Bonn, the Commission is showing that the EU is leading by example.

**16. Leading indicator of cross-border traveller volume, October 2017**

Data indicating the number of US residents entering Canada by automobile in October 2017 through land ports equipped with the automated Integrated Primary Inspection Line (IPIL) system are now available upon request. Data are available by the visitors' state of residence and by province of entry into Canada. The data provide counts of US residents entering Canada through IPIL ports in automobiles licensed in the United States. A traveller's state of residence is estimated from the licence plate of the automobile used to enter Canada.

**17. DHL profit up 1.7pc to US\$777.6 million as sales rise 5.7pc**

Bonn-based Deutsche Post DHL's third quarter net profit increased 1.7 per cent year on year to EUR669 million (US\$777.6 million), drawn on revenues of EUR14.6 billion, up 5.7 per cent, according to Shipping Gazette. For the first nine months of 2017 consolidated net profit increased 3.8 per cent year on year to EUR2 billion, drawn on revenues of EUR44.3 billion, an increase of 5.8 per cent.

**18. U.S. Department of Transportation Publishes Drug Testing Rule to Enhance Safety While Combating the Opioid Epidemic**

The U.S. Department of Transportation (DOT) on November 13, 2017 issued a final rule that expands the Department's current drug testing panel to include certain semi-synthetic opioids (i.e., hydrocodone, hydromorphone, oxycodone, and oxycodone) to its drug testing panel for DOT-regulated industries. This is a direct effort to enhance safety, prevent opioid abuse and combat the nation's growing opioid epidemic. The DOT currently requires drug testing of safety-sensitive employees in the transportation industries.

**19. Day & Ross acquires REI Logistics and Korten Quality Systems**

As a key part of its strategic growth plan, Day & Ross Transportation Group announced the U.S. acquisition of REI Logistics and Korten Quality Systems, Ltd. in Romeo, Michigan. These two businesses will operate as Day & Ross Dedicated Logistics USA, a division of Day & Ross USA Inc. under the leadership of Shawn McMahan, President Day & Ross Dedicated Logistics. "Day & Ross Dedicated Logistics Canada has rapidly expanded in automotive logistics as well as other dedicated verticals over the past five years. This acquisition will allow us to continue this expansion program in U.S. markets," said Shawn McMahan, President Day & Ross Dedicated.

**20. Trucking conditions growing stronger: FTR**

Trucking conditions were up again in September 2017 according to analysts at FTR Intelligence. Conditions showed growth of more than 3% month-over-month.

**21. Volvo Group unveils new autonomous transport solution**

The self-driving truck, driving autonomously from one hub to another, is part of a development project exploring how automation can contribute to increased productivity, enhanced safety and lower environmental impact. It has for the first time been demonstrated to a broader audience in conjunction with the Volvo Group Innovation Summit in Beijing on Nov 15, 2017, and underscores the company's position as innovating pioneers of the transport solutions of tomorrow.

**22. Mexico's Q3 container imports rise amid drop in exports**

Total Mexican container imports for the third quarter of 2017 increased 14 percent from a year prior thanks to a boost in electronics, auto parts and white products from Asia and Europe, according to A.P. Moller-Maersk's Q3 2017 trade report for Mexico. However, Mexico's maritime container exports slipped 3 percent year-over-year during the quarter.

**23. GTA Gridlock Increases Trucking Costs; Consumers Billed \$650M Year**

A new report by Toronto Region Board of Trade says gridlock in the GTA results in higher fuel and trucking costs, and production shutdowns. The delays end up costing \$500 million to \$650 million per year in higher prices for goods nationally. The highway delays also cost GTA households about \$125 per year, according to the study, which included Toronto, Waterloo, Hamilton, Oshawa and Guelph Census Metropolitan Areas (CMAs). “Congestion remains the Toronto-Waterloo Corridor’s most pressing economic and lifestyle challenge, but it’s also costing our businesses and residents millions each year in higher prices,” according to the board, which is scheduled to release the report on November 20, 2017. One million tonnes — \$3 billion worth of goods — are trucked through the region every day, but gridlock is slowing down deliveries, resulting in expensive fixes, the costs of which are being passed on to consumers.

#### **24. September 2017 North American Freight Numbers**

**U.S.-NAFTA** freight totaled \$94.4 billion as three out of five major transportation modes carried more freight by value with North American Free Trade Agreement (NAFTA) partners Canada and Mexico in September 2017 compared to September 2016, according to the TransBorder Freight Data released on November 21, 2017 by the U.S. Department of Transportation’s Bureau of Transportation Statistics (BTS). The 3.6 percent rise from September 2016 is the 11th consecutive month in which the year-over-year value in current dollars of U.S.-NAFTA freight increased from the same month of the previous year. The value of commodities moving by vessel increased 28.6 percent, pipeline by 9.1 percent, and truck by 2.9 percent. Trucks carried 64.3 percent of U.S.-NAFTA freight. The value of **U.S.-Canada** freight flows increased by 5.0 percent to \$48.5 billion, Comparing September 2016 to September 2017, as the value of freight on four major modes increased from a year earlier. The value of freight carried on vessel increased by 52.4 percent due in part to an increase in the unit value and a 23.9 percent increase in the volume of mineral fuels traded. Pipeline increased by 11.1 percent, truck by 3.1 percent, and rail by 2.4 percent. Air decreased by 5.0 percent due to a notable decrease of 13.5 percent in the value of pearls and stones transported. Trucks carried 58.6 percent of the value of the freight to and from Canada.

#### **25. Rise in Oct. tonnage means a happy holiday: ATA**

For-hire truck tonnage was up in October 2017, suggesting a happy holiday season is to come, according to the American Trucking Associations (ATA). The ATA’s seasonally adjusted for-hire truck tonnage index rose 3.3% from the month before, after they posted a decline of 1.9% was in September 2017. That number was later adjusted to a decline of 0.9%. The index showed tonnage was up year-over-year with an increase of 9.9% from October 2016. The ATA says it’s the largest year-over-year increase since December 2013. The index is up for 2017 overall, showing a 3.1% increase from the same 10-month period in 2016.

#### **26. FedEx expects to handle record 400m packages during holiday period**

US multinational courier delivery services provider FedEx is expected to see a record number of packages shipped through its global network over the upcoming peak holiday by handling between 380 and 400 million packages between November 24, 2017 and December 2, 2017 according to Shipping Gazette. The growth of cross-border e-commerce, where consumers shop and ship from e-tailers outside their home country, is turning the peak shipping season into a truly global phenomenon.

#### **27. ATA: Truck tonnage ticks up 3.3% in October**

Domestic truck tonnage in October ticked up 3.3 percent from the previous month, following a 1.9 percent monthly decline in September, according to the American Trucking Associations’ (ATA) advanced seasonally adjusted For-Hire Truck Tonnage Index. The seasonally adjusted index equaled 147.6 in October 2017, up from 142.9 in September 2017.

#### **28. Ontario Improving Transit for Commuters and Families in York Region**

Ontario is moving forward with improvements to the Rutherford GO Station, to create more transit options for commuters and families in York Region. Steven Del Duca, Minister of Transportation, was at Rutherford GO Station to announce that the province is moving forward to design, build and finance the Rutherford GO Station project. The project includes: 1) A new multi-level parking structure with 1,200 new spaces; 2) An integrated station building and pedestrian bridge to the new rail platform; 3) Re-design of the surface parking, kiss and ride, bus loop and pedestrian access; 4) Rail/road grade separation on Rutherford Road; 5) New rail platforms; and 6) A second heavy rail track and provision for future third express centre track.

#### **29. Intermodal rates inch up in October**

North American intermodal rates in October 2017 inched up 1.9 percent from 12 months prior, according to the latest Cass Intermodal Price Index, which measures all-in per-mile costs. Cass Information Systems Inc., a logistics payment solutions provider and transportation intelligence analyst, said the index stood at

132.8 in October. Overall, October 2017 marked the thirteenth consecutive month of year-over-year increases.

### **30. Analyst: 2018 a ‘Trucker’s Market’**

A “trucker’s market” is due to finally arrive in 2018, says Stifel Nicolaus trucking analyst John Larkin, although he cautions that supply and demand is tight across the industry as the domestic economy continues to grow at a slow, steady pace. “The primary driver of the supply/demand tightness is the economy-wide shortage of skilled, blue collar labour,” he says.” Larkin notes that on December 18, 2017 the Electronic Logging Devices (ELD) mandate will be fully implemented, and that this may “add insult to injury,” further compressing an already tight market.

### **31. Older Drivers Set Record For Second Year**

The Federal Highway Administration (FHWA) published new data showing a record-high 221.7 million licensed drivers in the U.S. in 2016, including 41.7 million – or almost one in five – who are 65 years or older. This age group is growing faster than any other, and is far outpacing their teenage counterparts. The largest single-year percentage increase in licensed drivers that year was among those who are between 75-79 years old, increasing by 4.98 percent over the previous year.

### **32. Fortigo Freight Services Becomes First Dedicated Fleet Company in Canada To Reserve Tesla Semi Trucks**

Fortigo Freight Services Inc, one of Canada’s largest dedicated fleet management companies, on November 27, 2017 announced that it has confirmed an order for Tesla’s Semi electric trucks, becoming the first dedicated fleet company in the country to invest in the new electric models. The announcement follows Tesla’s unveiling of its all-electric line last week to further innovate the transportation and trucking industry.

### **33. Cass: North American freight shipments up nearly 3% in October**

Freight shipments in North America were 2.9 percent higher in October 2017 than they were during the same month in 2016, according to the latest edition of the Cass Freight Index Report, which measures both freight volumes and expenditures. Both the shipments and expenditures indexes extended runs of positive year-over-year comparisons, Cass said in its October 2017 report, which was released Nov. 27, 2017.

## **GENERAL TRANSPORTATION**

### **Canada**

#### **1. Why the explosive growth of e-commerce could mean more jobs**

The surge in e-commerce has required the rapid build-out of a vast network of warehouses and delivery systems that include both robots and human workers. The robots didn’t take jobs from people, because many of the jobs didn’t exist before. “We’re not looking to do the same work with half the people,” said Rick Zumpano, vice-president for distribution at Boxed. “Since we’re growing, we need everyone.” Newer robotic technologies do loom as a threat to some e-commerce jobs. But the explosion of e-commerce and the ease of automation are leading e-commerce companies to build more warehouses. So even if each warehouse employs fewer workers, the proliferation of new warehouses is projected to generate hiring across the industry.

#### **2. NTL Launches New Public Access Repository ROSA P**

The U.S. Department of Transportation’s National Transportation Library (NTL) in the Bureau of Transportation Statistics (BTS) has launched ROSA P (Repository and Open Science Access Portal), a new public repository for NTL’s collection of over 30,000 items. Members of the transportation community and the general public can use ROSA P for all the open data and publications NTL acquires, manages and preserves for their benefit. ROSA P offers NTL users a better, more useful and more reliable experience.

### **Canada**

1. Why the explosive growth of e-commerce could mean more jobs, November 1, 2017, [www.ctl.ca](http://www.ctl.ca)
2. NTL Launches New Public Access Repository ROSA P, November 3, 2017, [www.bts.gov](http://www.bts.gov)
3. U.S. transportation employment rises in October, November 6, 2017, [www.americanshipper.com](http://www.americanshipper.com)
4. Urban Logistics: You Can’t Fight City Haul, November 7, 2017, [www.inboundlogistics.com](http://www.inboundlogistics.com)
5. Tabling of the Agency’s 2016-2017 Departmental Results Report, November 9, 2017, [www.cta-otc.gc.ca](http://www.cta-otc.gc.ca)
6. Traveller Accommodation Services Price Index, third quarter 2017, November 10, 2017, [www.statcan.gc.ca](http://www.statcan.gc.ca)
7. New publications from the OECD, November 13, 2017, [www.itd-oecd.org](http://www.itd-oecd.org)
8. WTO forecasts ‘moderate’ trade growth at year’s end, November 13, 2017, [www.americanshipper.com](http://www.americanshipper.com)
9. Characteristics of international overnight travellers, 2016, November, 16, 2017, [www.statcan.gc.ca](http://www.statcan.gc.ca)
10. Highest number of US travellers to

### 3. U.S. transportation employment rises in October

United States transportation and logistics companies added another 8,400 jobs for the month in October 2017, according to the latest preliminary data from the U.S. Department of Labor's Bureau of Labor Statistics (BLS). Job gains in the sector during October 2017 were led by the courier, warehousing and air transportation segments, which grew employment by 5,700; 3,100; and 3,500 jobs, respectively, from the previous month. Rail also saw a slight increase of 300 jobs.

### 4. Urban Logistics: You Can't Fight City Haul

The impact of urbanization—population increases in cities and towns as opposed to rural areas—on business growth and sustainability

concerns nearly all companies surveyed in *The Road to Sustainable Urban Logistics*, a new report by UPS and GreenBiz Group. However, only 47 percent feel prepared to address the associated business challenges, according to the survey. Further, respondents cite air quality (58 percent) and traffic congestion (53 percent) as top concerns over other urban challenges. And 65 percent of respondents say insufficient collaboration across sectors, including government, is a key barrier to well-managed logistic operations in urban areas.

### 5. Tabling of the Agency's 2016-2017 Departmental Results Report

The Canadian Transport Agency has tabled its Annual report for 2016-2017 in the House of Commons on November 9, 2017. It can be found on the Agency's website

### 6. Traveller Accommodation Services Price Index, third quarter 2017

The Traveller Accommodation Services Price Index (TASPI) increased 12.1% in the third quarter compared with the previous quarter. The growth was the result of gains among both leisure (+12.3%) and business (+11.8%) clients. The increase reflected high seasonal demand for accommodation services, something observed in the third quarter of every year since 2001. Prices are typically highest in the third quarter, and hit a record high this year. This coincided with the celebrations for Canada's 150th anniversary.

### 7. New publications from the OECD

- a. Measuring Connectivity in London, Presentation, slides, speech, 31 October 2017, Simon Cooper, Transport for London, City Planning, [www.itd-oecd.org](http://www.itd-oecd.org)
- b. The Inaccessibility Index: Advantages and Potential for Improving Transport Planning and Investment, Presentation, slides, speech, 31 October 2017, Florida Di Ciommo, Polytechnic University of Catalonia (UPC), [www.itd-oecd.org](http://www.itd-oecd.org)
- c. Benchmarking Accessibility to Services Across Cities, Presentation, slides, speech, 31 October 2017, Aimée Aguilar Jaber, Nicolas Wagner and Dimitrios Papaioannou, International Transport Forum, [www.itd-oecd.org](http://www.itd-oecd.org)

### 8. WTO forecasts 'moderate' trade growth at year's end

While trade volumes are expected to continue increasing through the rest of the year, the World Trade Organization (WTO) forecasts that the pace of this growth will be slower than at the start of 2017. Specifically, the WTO Indicator (WTOI) for the fourth quarter of 2017 has registered at 102.2 signals, down from the trade body's last reading of 102.6 signals in August.

### 9. Characteristics of international overnight travellers, 2016

The number of overnight travellers to Canada rose in 2016 to its highest level since 2002. Travellers from abroad made 19.8 million overnight trips to Canada in 2016, spending \$19.6 billion. This was 11.0% more overnight trips than 2015.

### 10. Highest number of US travellers to Canada in the month of September in a decade

The number of US travellers to Canada remained above the 2.0-million mark in September 2017, little changed (-0.3%) from August 2017 after accounting for normal seasonal variation. This was still a 1.5% increase compared with the same month last year, and the highest number of US travellers to Canada in September in 10 years. More than 3.6 million Canadian residents travelled to the United States in September 2017, up from both the previous month (+1.9%), and September 2016 (+2.6%). This occurred as the Canadian dollar peaked at \$0.82 US, its highest level in two years. Car travel by Canadians to the United States increased as well, rising 1.4% from September and 0.3% higher compared with September 2016. Overseas residents made 541,000 trips to Canada in September 2017, almost the same as both August (+0.1%), and the previous September (-0.1%). Compared with August 2017, and after accounting for seasonal variation, the number of trips was up from every region of the world except Europe, where the total was down by 4.5%. More than 1.1 million Canadian residents returned from

Canada in the month of September in a decade, November 21, 2017, [www.statcan.gc.ca](http://www.statcan.gc.ca)

11. Using KPIs to Optimize Transportation Data, November 18, 2017, [www.inboundlogistics.com](http://www.inboundlogistics.com)

12. EU funding for alternative fuel deployment, November 21, 2017, [www.europa.eu](http://www.europa.eu)

13. Despite quarterly loss, Canada Post anticipates profitable 2017 largely due to parcel growth, November 24, 2017, [www.ctl.ca](http://www.ctl.ca)

overseas countries in September 2017, the highest figure on record for the month. It was also a 1.9% increase from August 2017, and 7.4% more than in September 2016. The number of Canadians returning from overseas countries in the month of September has increased every year since the 1990s.

#### **11. Using KPIs to Optimize Transportation Data**

Here's a list of five KPIs (key performance indicators) you can utilize to improve supply chain visibility, cut transportation costs, and enhance parcel shipping service. 1. Ground/air ratio: Are you using the right service? 2. Average zone: Are your distribution centers (DCs) located in the best area? Are you using the right DCs to ship to your customers? 3. Packages per shipment: Do you have multiple packages going to the same destination? 4. Accessorial spend compared to total spend. Accessorial spend can be as much as 30 percent of the total shipping cost. Can you eliminate some of these charges? 5. Year-over-year spend increase (not the announced general rate increase, but the real one). Measure its true impact.

#### **12. EU funding for alternative fuel deployment**

In November 2017, the Commission took decisive steps forward in implementing the EU's commitments under the Paris Agreement for a binding domestic CO2 reduction of at least 40% till 2030. Among others the so-called "Clean Mobility Package" included an action plan and investment solutions for the trans-European deployment of alternative fuels infrastructure. The aim is to support national policy frameworks, by supporting investments in the transport network (the trans-European transport network or "TEN-T") and in urban areas. This will ensure availability of alternative fuels for road users. Charging an alternative-fuel vehicle along the motorway should become as easy as filling up on petrol today.

#### **13. Despite quarterly loss, Canada Post anticipates profitable 2017 largely due to parcel growth**

The Canada Post segment lost \$62 million before tax in the 2017 third quarter, traditionally the postal service's slowest period of the year, while parcels revenue jumped nearly 40 per cent. Year-to-date, the Canada Post segment is reporting a profit of \$13 million before tax heading into the holiday season when millions of Canadians are expected to make an unprecedented number of purchases online. The Canada Post segment's \$62-million loss before tax in the 2017 third quarter, which ended September 30, 2017, compares to a loss before tax of \$60 million for the third quarter of 2016. For the first three quarters of 2017, Canada Post reports a profit before tax of \$13 million, compared to a loss before tax of \$15 million for the same period in 2016.