

Transportation Information Update*

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AIR TRANSPORTATION

1. WestJet inaugurates Halifax and Dublin nonstop

WestJet on April 30, 2019 began its new non-stop service between Halifax Stanfield. WestJet has the most transatlantic flights from Halifax,

2. Quarterly civil aviation statistics, fourth quarter 2018

The number of air carriers decreased from 26 in 2017 to 25 in 2018, as one Level II air carrier was reclassified to Level IV. Total operating revenue for the 25 largest Canadian air carriers increased 10.6% from the fourth quarter of 2017 to \$6.3 billion in the fourth quarter of 2018. This growth was driven primarily by increases in both passenger (+12.6%) and goods (+18.5%) revenue. Passenger revenue accounted for 87.6% of the total operating revenue, while goods revenue comprised 7.2% of the total. Total operating expenses grew 11.9% to \$6.1 billion, mainly driven by higher fuel prices year over year and by the increase in capacity. As a result, the operating ratio for the largest airlines—operating expenses expressed as a proportion of operating revenue—was 0.98 in the 2018 fourth quarter, a slight increase from 0.96 in the fourth quarter of 2017. Overall, this means that these airlines incurred expenses of roughly 98 cents to generate one dollar in revenue.

3. Aircraft movement statistics: Major airports, February 2019

Aircraft take-offs and landings at Canadian airports with NAV CANADA air traffic control towers and flight service stations decreased 3.8% in February 2019. There were 90 airports that combined to reach 351,838 movements, compared with 91 airports totalling 365,673 movements in February 2018. Effective January 3, 2019, Toronto/Buttonville Municipal Airport in Ontario no longer has an air traffic control tower, reducing the number of Canadian airports with NAV CANADA air traffic control towers and flight service stations from 91 to 90.

4. Aeroplan's Growing Popularity Recognized with Prestigious Prize in Freddie Awards for Leading Global Loyalty Programs

Aeroplan, Air Canada's loyalty program, was recognized as upcoming and trending in the Americas in a survey of global frequent fliers by the Freddie Awards, an international award that recognizes top loyalty programs. Mark Nasr, Vice President, Loyalty and eCommerce, Air Canada said "We're thrilled to receive this acknowledgment that Aeroplan is among the best at engaging members and delivers some unbeatable value."

5. WestJet ratifies five-year agreement with WestJet Encore pilots

WestJet on May 2, 2019 announced that 92 per cent of WestJet Encore pilots represented by the Airline Pilots Association (ALPA) voted in favour of a five-year agreement. The vote represents 90 per cent of the 505 WestJet Encore pilots. The agreement starts January 1, 2019 and expires on January 1, 2024.

6. Air Canada Reports First Quarter Results

Air Canada on May 6, 2019 reported first quarter 2019 EBITDA (earnings before interest, taxes, depreciation, amortization and impairment) of \$583 million compared to first quarter 2018 EBITDA of \$504 million. The airline

AIR TRANSPORTATION Canada

1. WestJet inaugurates Halifax and Dublin nonstop, April 30, 2019, www.westjet.ca
2. Quarterly civil aviation statistics, fourth quarter 2018, April 30, 2019, www.statcan.gc.ca
3. Aircraft movement statistics: Major airports, February 2019, April 30, 2019, www.statcan.gc.ca
4. Aeroplan's Growing Popularity Recognized with Prestigious Prize in Freddie Awards for Leading Global Loyalty Programs, April 30, 2019, www.aircanada.ca
5. WestJet ratifies five-year agreement with WestJet Encore pilots, May 2, 2019, www.westjet.ca
6. Air Canada Reports First Quarter Results, May 6, 2019, www.aircanada.ca
7. WestJet statement on certification of Encore cabin crew, May 3, 2019, www.westjet.ca
8. WestJet reports a 33.4% increase in first quarter net earnings, May 7, 2019, www.westjet.ca
9. Higher passenger traffic helps WestJet beat profit estimates, May 7, 2019, www.globeandmail.ca
10. Cargojet breaks even in first quarter compared with a profit a year ago, May 6, 2019, www.ctl.ca
11. 2018 Annual and 4th Quarter U.S. Airline Financial Data, May 6, 2019, www.bts.gov
12. Weak trade activity pulls down air cargo demand in Asia Pacific, May 7, 2019, www.transportweekly.com
13. WestJet and WestJet Encore flight dispatchers reach tentative agreements, May 7, 2019, www.westjet.ca
14. Co-signed letter to party leaders on labour shortage in aviation, May 7, 2019, www.cacairports.ca
15. March Passenger Demand Growth Slows on Later Easter Holiday, May 8, 2019, www.iata.org
16. Weak Air Freight Demand Continues, May 7, 2019, www.iata.org
17. Air Canada Receives Final Court Approval to Increase Permitted Foreign Ownership Levels to the Levels Permitted under Canada Transportation Act, May 8, 2019, www.aircanada.ca

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

reported first quarter 2019 operating income of \$127 million compared to first quarter 2018 operating income of \$86 million. Adjusted pre-tax income amounted to \$24 million in the first quarter of 2019 compared to an adjusted pre-tax loss of \$32 million in the first quarter of 2018. On a GAAP basis, the airline reported net income of \$345 million in the first quarter of 2019 compared to a net loss of \$203 million in the first quarter of 2018. Calin Rovinescu, President and Chief Executive Officer of Air Canada said "I am pleased to report excellent first quarter results for Air Canada, despite several challenges in the quarter. We set records of \$4.453 billion in operating revenue and \$6.877 billion in liquidity for the period and delivered on a system yield improvement of 5.0 per cent over last year's first quarter." Its revenue passenger miles for the first quarter of 2019 was \$21,293 million compared to \$20,440 million for the same period a year ago, a 4.2% increase. Its available seat miles increased 4.6% to 26,016 million from 24,862 million in the 2018 first quarter and its load factor decreased 0.4 points to 81.8% from 82.2% in the 2018 first quarter.

7. WestJet statement on certification of Encore cabin crew

WestJet on May 3, 2019, received a certification order from the Canadian Industrial Relations Board confirming the Canadian Union of Public Employees (CUPE) as the certified bargaining agent for WestJet Encore cabin crew members. Jeff Martin, WestJet Chief Operations Officer said "WestJet respects the individual rights of our employees to choose their representation. We will work jointly with CUPE to ensure we continue to deliver on our strategy of becoming a global network airline."

8. WestJet reports a 33.4% increase in first quarter net earnings

WestJet on May 7, 2019 announced its first quarter results for 2019, with net earnings of \$45.6 million, or \$0.40 per fully diluted share compared with net earnings of \$34.2 million, or \$0.30 per fully diluted share reported in the first quarter of 2018. Total revenue was \$1,257.7m for the first quarter of 2019 compared to \$1,191.7m. a year ago, a 5.5% increase. Ed Sims, WestJet President and CEO said "We remain confident in our strategic direction and continue to see positive trends as a result of our prudent growth and the strategic initiatives we are undertaking. I want to thank all of our guests for their continued loyalty and all WestJetters for their on-going commitment to providing an award-winning service through a busy first quarter."

9. Higher passenger traffic helps WestJet beat profit estimates

WestJet Airlines Ltd reported a quarterly profit that beat analysts' estimates on May 7, 2019, as the carrier flew more passengers to the United States and other overseas destinations. The Calgary-based carrier said traffic rose 5.3 per cent in the first quarter ended March 31, 2019 while available seat miles, a measure of passenger carrying capacity, ticked up at the same level. WestJet has been eyeing to capture a major chunk of higher-paying premium passengers.

10. Cargojet breaks even in first quarter compared with a profit a year ago

Cargojet Inc. broke even for the 2019 first quarter compared with a profit of \$4.5 million a year ago as its revenue grew by 11.3 per cent. The company provides time sensitive overnight air cargo services. Revenue for the three months ending March 31, 2019 totalled \$110.4 million, up from \$99.2 million in the first three months of 2018.

11. 2018 Annual and 4th Quarter U.S. Airline Financial Data

U.S. scheduled passenger airlines reported a 2018 after-tax net profit of \$11.8 billion, the sixth consecutive annual after tax profit, and a pre-tax operating profit of \$17.6 billion, the 10th consecutive annual pre-tax profit. The net Profit was down from \$21.4 billion in 2017. Total operating revenue was \$187.5 billion (\$139.0 billion from fares or 74.2%; \$4.9 billion from baggage

18. Thriving in the Age of Data and Digital Transformation, May 9, 2019, www.iata.org

19. WestJet to become official airline partner of the Calgary Stampede, May 9, 2019, www.westjet.ca

20. Aircraft movement statistics: Small airports, January 2019, May 9, 2019, www.statcan.gc.ca

21. Government of Canada investing in safety at the Prince Albert (Glass Field) Airport, May 10, 2019, www.tc.gc.ca

22. Government of Canada investing in safety at the Northern Rockies Regional Airport, May 10, 2019, www.tc.gc.ca

23. Government of Canada investing in safety at the Northwest Regional Airport, May 10, 2019, www.tc.gc.ca

24. WestJet to be Acquired by Onex, May 13, 2019, www.westjet.ca

25. Onex's WestJet deal to shake up airline industry — and Air Transat may be its next target, May 14, 2019, www.nationalpost.ca

26. Moody's looks to downgrade WestJet as CEO reassures on jobs, headquarters, May 15, 2019, www.nationalpost.ca

27. World air cargo reverses downturn with 0.1pc growth, May 15, 2019, www.transportweekly.com

28. New project to strengthen Alberta's airport infrastructure resilience to climate change, May 15, 2019, www.tc.gc.ca

29. U.S. Secretary of Transportation Elaine L. Chao Announces \$779 Million in Funding for Airport Infrastructure, May 15, 2019, www.dot.gov

30. March 2019 U.S. Passenger Airline Employment Data, May 15, 2019, www.bts.gov

31. Air Canada to purchase Transat, May 16, 2019, www.cbcnews.ca

32. Air Canada enters into Exclusive Agreement with Transat A.T. Inc. to pursue a Combination of the two Companies. May 16, 2019, www.aircanada.ca

33. Why Transat's best bet is Air Canada's offer to buy it for \$520 million, May 16, 2019, www.nationalpost.ca

34. Aircraft movement statistics: Major airports – Annual report, 2018, May 16, 2019, www.statcan.gc.ca

35. Estimated April 2019 U.S. Airline Traffic Data, May 16, 2019, www.bts.gov

36. Air Canada's takeover of Transat would sharply reduce competition on key overseas routes. May 19, 2019, www.globeandmail.ca

37. Gamsahabnida! Air Canada Marks 25 Years of Service to Seoul, South Korea, May 17, 2019, www.aircanada.ca

38. WestJet ratifies three-year agreement with WestJet flight dispatchers, May 18, 2019, www.westjet.ca

39. WestJet continues Dreamliner momentum with Calgary-Paris inaugural, May 17, 2019, www.westjet.ca

40. European airports see 1.8pc cargo decline, May 20, 2019, www.transportweekly.com

41. Toronto gets on board the WestJet Dreamliner to London this winter, May 21, 2019, www.westjet.ca

42. WestJet gives Calgary more Dreamliner.

fees or 2.6%; and \$2.7 billion from reservation change fees or 1.4%). Total operating expenses were \$169.8 billion (fuel costs accounted for \$34.5 billion or 20.3%; and labor costs accounted for \$56.1 billion or 33.0%).

12. Weak trade activity pulls down air cargo demand in Asia Pacific

Air cargo markets contracted for the fifth month in a row, with air cargo demand measured in freight tonne kilometres (FTK) falling by 3.2 per cent in March 2019 compared to the same month last year, according to traffic figures released by the Association of Asia Pacific Airlines (AAPA). The March 2019 decline was attributed to ongoing weakness in demand for intermediate goods and a corresponding fall in new business orders affecting air cargo shipments, reported London's Air Cargo News.

13. WestJet and WestJet Encore flight agreements

WestJet on May 7, 2019 announced that tentative agreements have been reached between both WestJet and the Canadian Airline Dispatchers Association (CALDA) and WestJet Encore and CALDA. Jeff Martin, WestJet Chief Operations Officer said "We are pleased that fair and balanced solutions have been reached between the company and both of our flight dispatch groups. We thank WestJet and WestJet Encore CALDA leadership for their continued commitment and dedication to achieving agreements that benefit both of our valued flight dispatch groups and the company as a whole."

14. Co-signed letter to party leaders on labour shortage in aviation

National Aviation Associations (ATAC, CAC, CBAA, COPA, HAC, and NACC) have jointly signed a letter seeking each parties' (Liberal, Conservative and New Democratic Party) position on the labour shortage in our industry. Letters were addressed to the Prime Minister, leader of the Canadian Progressive Conservative and leader of the New Democratic Party. It stated "Of those challenges, the most immediate for the largest segment of the industry is an unprecedented labour shortage. The international consensus

is that air travel will continue to grow, bringing increases in the required number of flight crews and maintenance personnel worldwide. In Canada, across all employment categories, such as pilots, maintenance engineers and technicians, flight attendants, air traffic controllers, ramp attendants and others, the shortage of qualified candidates is expected to reach close to 18,000 by 2025. The demand for experienced pilots is already outpacing the available national supply, with projections showing a shortage of close to 6,000 pilots by 2025. The industry also has a growing need for experienced aircraft maintenance engineers, with a projected need for a minimum of 5,300 new aircraft maintenance personnel by 2025 to keep up with growth and attrition. **15. March Passenger Demand Growth Slows on Later Easter Holiday**

The International Air Transport Association (IATA) announced global passenger traffic results for March 2019 showing that demand (measured in revenue passenger kilometers, or RPKs) rose 3.1%, compared to the same month a year ago, which was the slowest pace for any month in nine years. This largely was owing to the timing of the Easter holiday, which fell nearly a month later than in 2018. On a seasonally-adjusted basis, the underlying growth rate has been relatively steady since October 2018 at a 4.1% annualized pace. Capacity (available seat kilometers or ASKs) for the month of March 2019 grew 4.2% and load factor dropped 0.9 percentage point to 81.7%.

16. Weak Air Freight Demand Continues

The International Air Transport Association (IATA) released data for global air freight markets showing that demand, measured in freight tonne kilometers (FTKs), increased 0.1% in March 2019, compared to the same period in 2018. While this is a significant improvement on the 4.9% contraction in February 2019, in seasonally adjusted terms, demand is still down 1.5% over the past year. Freight capacity, measured in available freight tonne kilometers (AFTKs), rose by 3.1% year-on-year in March 2019. Capacity growth has now outstripped demand growth for 11 out of the last 12 months. Demand for air cargo continues to face significant headwinds. Alexandre de Juniac, IATA's Director General and CEO said "Year-on-year demand for air freight edged back into positive territory in March with 0.1% growth. After four consecutive months of contraction, this is an encouraging development. But the headwinds from weakening global trade, growing trade tensions and shrinking order books have not gone away."

17. Air Canada Receives Final Court Approval to Increase Permitted Foreign Ownership Levels to the Levels Permitted under Canada Transportation Act

May 21, 2019, www.westjet.ca

43. More than 30% of Canadian economy protected from foreign competition: Fraser Institute, May 22, 2019, www.ctl.ca

44. WestJet ratifies three-year agreement with WestJet Encore flight dispatchers, May 23, 2019, www.westjet.ca

45. Canadians to benefit from new Air Passenger Protection Regulations, May 24, 2019, www.tc.gc.ca

46. Air Passenger Protection Regulations finalized, May 24, 2019, www.cta-otc.gc.ca

47. Federal government announces new rules on airline passenger protection, compensation, May 24, 2019, www.nationalpost.ca

48. Federal government announces new rules on airline passenger protection, compensation, May 24, 2019, www.nationalpost.ca

49. Federal government announces new rules on airline passenger protection, compensation, May 24, 2019, www.nationalpost.ca

50. WestJet guests now boarding for beautiful Barcelona, May 24, 2019, www.westjet.ca

51. Air Canada Rouge Pops Up in Toronto with Multi-Sensory Experience, May 24, 2019, www.aircanada.ca

52. Ground Handling Priorities: Safety, Global Standards and Modernization, May 27, 2019, www.iata.org

53. Air Canada Renews Normal Course Issuer Bid and Automatic Share Purchase Plan, May 29, 2019, www.aircanada.ca

54. Air Cargo Demand Continues Negative 2019 Trend, May 29, 2019, www.iata.org

55. Solid Passenger Demand Growth in April, May 29, 2019, www.iata.org

Air Canada is pleased to announce that the Quebec Superior Court issued on May 8, 2019 a final order approving the previously announced plan of arrangement under the Canada Business Corporations Act effecting amendments to Air Canada's articles of incorporation to align the permitted level of non-Canadian ownership and control of its voting shares within its articles with those prescribed by the new definition of "Canadian" under the Canada *Transportation Act* (CTA) as amended in June 2018. Prior to the CTA amendments, no more than 25% of the voting interests of a Canadian air carrier could be owned or controlled by non-Canadians. The Government of Canada's stated purpose in implementing the CTA amendments is to attract more foreign investment and encourage growth in the aviation sector by increasing, from 25% to 49%, the permitted level of foreign ownership of Canadian air carriers. At the same time, the CTA amendments introduced two new limitations on voting ownership and control, by capping the voting rights of single non-Canadians and of the aggregate of non-Canadian air carriers at 25%.

18. Thriving in the Age of Data and Digital Transformation

The International Air Transport Association (IATA) announced that supporting airlines' ability to thrive in the coming age of data and digital transformation will be the focus of the 2019 [Aviation Data Symposium](#). IATA's Director General and CEO Alexandre de Juniac, who will deliver remarks at the symposium said "Air travel demand is expected to double by 2037. Accommodating that growth safely and efficiently while meeting rising passenger expectations for a more personalized experience, depends on our ability to better integrate data and embrace digital transformation in our industry."

19. WestJet to become official airline partner of the Calgary Stampeders

WestJet and the Calgary Stampeders on May 9, 2019 set into a motion a proposed three-year partnership between the two Calgary-based companies. As part of the proposed agreement, WestJet will become the official airline partner for the Stampeders and will charter the defending 2018 Grey Cup Champions to all away games through the 2021 season across Canada. Airline will charter the team for all away games with branding and gameday promotions to run at McMahon Stadium.

20. Aircraft movement statistics: Small airports, January 2019

Take-offs and landings at 132 Canadian airports without air traffic control towers reached 31,867 movements in January 2019. Ten airports accounted for 36.2% of the month's activity: Peterborough, Ontario (2,049 movements); Goose Bay, Newfoundland and Labrador (1,813); Red Lake, Ontario (1,333); Pickle Lake, Ontario (1,180); Collingwood, Ontario (934); Comox, British Columbia (927); Island Lake, Manitoba (916); St. Theresa Point, Manitoba (822); Barrie-Orillia-Lake Simcoe Regional, Ontario (807); and Moosonee, Ontario (742).

21. Government of Canada investing in safety at the Prince Albert (Glass Field) Airport

The Honourable Marc Garneau, Minister of Transport, on May 10, 2019 announced a Government of Canada investment of \$719,205 for two safety improvement projects at the Prince Albert (Glass Field) Airport in Prince Albert, Saskatchewan: the purchase of a grader and the rehabilitation of airside edge lighting, signage and the airfield lighting control system. The grader, valued at \$353,440 will assist with the essential clearing of ice and snow from runways, taxiways and the apron. The rehabilitation project, valued at \$365,765, includes replacing airside lighting with LED lights for clearer visibility.

22. Government of Canada investing in safety at the Northern Rockies Regional Airport

The Honourable Marc Garneau, Minister of Transport, on May 10, 2019 announced a Government of Canada investment of \$356,680 for the purchase of a grader at the Northern Rockies Regional Airport in Fort Nelson, British Columbia. This equipment will assist with the essential clearing of ice and snow from runways, taxiways and the apron.

23. Government of Canada investing in safety at the Northwest Regional Airport

The Honourable Marc Garneau, Minister of Transport, on May 10, 2019 announced a Government of Canada investment of \$214,008 for the purchase of a grader at the Northwest Regional Airport in Terrace, British Columbia. This equipment will assist with the essential clearing of ice and snow from runways, taxiways and the apron.

24. WestJet to be Acquired by Onex

WestJet Airlines Ltd. ("WestJet") announced on May 13, 2019 that it has entered into a definitive agreement that provides for its acquisition in an all-cash transaction. Under the terms of the agreement, Onex Corporation ("Onex") and its affiliated funds will acquire all outstanding shares of WestJet for \$31.00 per share, after which WestJet will operate as a privately-held company. The purchase price represents a 67% premium to May 10th's closing share price and a 63% premium to WestJet's 20-day volume-weighted average trading price. The transaction value is approximately \$5 billion including assumed debt. "Since our first flight in 1996, WestJet has been singularly focused on providing better options for the Canadian travelling public and this transaction retains that commitment," said Clive Beddoe, WestJet's Founder and Chairman. "I am particularly pleased that WestJet will remain headquartered in Calgary and will continue to build on the success that our 14,000 WestJetters have created. Onex' aerospace experience, history of positive employee relations and long-term orientation makes it an ideal partner for WestJetters, and I am excited

about our future."

25. Onex's WestJet deal to shake up airline industry — and Air Transat may be its next target

Onex Corp.'s \$5-billion acquisition could reshape Canada's airline industry and bring in Air Transat in its fold at a later date, according to analysts. Toronto-based private equity giant and asset manager Onex is taking Calgary's WestJet Airlines Ltd. private in a deal worth \$31 per share or \$5 billion, including debt, that represents a massive 63 per cent premium over WestJet's share price over the last 20 days. WestJet's stock shot up 60 per cent on the news to \$29.66 on the Toronto Stock Exchange. "We are delighted to continue the journey of building an airline based on a growing network, providing competitive airfares and more choice to, from and within Canada, for communities large and small," WestJet president and CEO Ed Sims said in a release.

26. Moody's looks to downgrade WestJet as CEO reassures on jobs, headquarters

WestJet Airlines Ltd. president and CEO Ed Sims downplayed but didn't deny on May 14, 2019 that his recently acquired company could look to buy Montreal's Air Transat. "Our strategy is what we call an organic strategy. I'm not going to comment on potential speculation on consolidation opportunities or otherwise," Sims said, adding the company is focused on expanding its fleet of wide-body Dreamliner planes, expanding its ultra low-cost carrier Swoop and joint ventures with Delta Air Lines, Inc. and Air France KLM SA. "Onex has bought into the strategy. They've bought into the vision of the business and now we intend to deliver on that strategy, that vision," Sims said, emphasizing again the company is looking to grow organically.

27. World air cargo reverses downturn with 0.1pc growth

The International Air Transport Association (IATA) statistics show that air cargo demand in freight tonne kilometres increased by 0.1 per cent in March 2019, reports *London's Air Cargo News*. This is an improvement on February's 4.9 per cent decline, but demand for the first quarter is two per cent down from a year ago. Meanwhile, freight capacity for the month was 3.1 per cent up on a year ago meaning that capacity growth has now outstripped demand for 11 of the last 12 months.

28. New project to strengthen Alberta's airport infrastructure resilience to climate change

Mr. Kent Hehr, Member of Parliament for Calgary Centre, on behalf of the Honourable Marc Garneau, Minister of Transport, on May 15, 2019 announced funding that will help us understand how climate change affects federal transportation assets. Through the Transportation Assets Risk Assessment Program, the Government of Canada is investing over \$290,000 in Alberta's airports to strengthen the transportation system and address the various stressors caused by climate and extreme weather events. With the funding, Calgary Airport Authority will develop a screening process to evaluate the potential disruptions extreme weather could cause to the daily operations of Calgary International Airport and Springbank Airport.

29. U.S. Secretary of Transportation Elaine L. Chao Announces \$779 Million in Funding for Airport Infrastructure

U.S. Transportation Secretary Elaine L. Chao on May 15, 2019 announced the intent to award \$779 million in supplemental funding for infrastructure grants to 127 airports in all 50 states and Puerto Rico. "This supplemental funding allows us to invest in important infrastructure needs at the nation's airports, especially those serving smaller and rural communities," said U.S. Secretary of Transportation Elaine L. Chao.

30. March 2019 U.S. Passenger Airline Employment Data

The 21 U.S. scheduled passenger airlines employed 2.5% more workers in March 2019 than in March 2018. March's 444,967 full-time equivalents (FTE) was the highest March employment total since March 2003 (458,598 FTEs). March was the 65th consecutive month that FTEs exceeded the same month of the previous year.

31. Air Canada to purchase Transat

Air Canada has entered into an agreement to purchase Transat, according to a news release from Air Canada. The proposed transaction is valued at approximately \$520 million. "A combination with Transat represents a great opportunity for stakeholders of both companies," Calin Rovinescu, president and CEO of Air Canada, said in the statement.

32. Air Canada enters into Exclusive Agreement with Transat A.T. Inc. to pursue a Combination of the two Companies

Air Canada announced on May 16, 2019 that it has entered into an exclusive agreement with Transat A.T. Inc. (Transat) regarding the proposed purchase by Air Canada of all issued and outstanding shares of Transat and its combination with Air Canada. The proposed transaction, valued at approximately \$520 million or \$13.00 per share of Transat (on a fully-diluted basis), will create a Montreal-based global travel services company in leisure, tourism and travel distribution operating across Canada and internationally. Air Canada has all the necessary funding required to complete the transaction which is accordingly not subject to financing conditions. The three major features of this agreement are: 1) The purchase of all outstanding Transat A.T. Inc. shares at \$13 per share, subject to confirmatory due diligence, regulatory and shareholder approvals and final documentation; 2) A combination of two respected Quebec-based

aviation and travel brands to create Montreal-based global leader in leisure, tourism and travel distribution offering Canadians choices to more destinations and promoting two-way tourism; and 3) A made-in-Quebec solution to maintain high-quality head office jobs and key functions in Montreal as well as provide a platform for future growth and employment.

33. Why Transat's best bet is Air Canada's offer to buy it for \$520 million

Holiday travel company Transat AT Inc. decided the best way to keep its operations alive in a turbulent time is to sell its business to Air Canada, which has offered to buy its Montreal-based rival for \$520 million. Air Canada's stock soared to a record high on May 16, 2019 after the companies announced they had entered a 30-day period of exclusive talks to finalize a deal that would combine Transat with the country's largest airline. If approved, the merger will reduce the number of competitors in Canada's airline industry, particularly on summertime routes to Europe. Air Canada pitched the deal as a "made-in-Quebec solution" to Transat's troubles. But a sale wasn't Transat's first choice. Transat tried to save its business with a turnaround strategy after reporting a net loss of \$24.5 million in 2018 amid increased competition from Air Canada Rouge, WestJet Vacations and Sunwing. But it continued to lose money in the winter, and its plan to invest \$750 million to build hotels in destinations such as Mexico was deemed risky by analysts who noted it would take years to materialize.

34. Aircraft movement statistics: Major airports – Annual report, 2018

The number of aircraft take-offs and landings at the 91 Canadian airports with NAV CANADA air traffic control towers and flight service stations totalled 5.7 million in 2018, up 3.2% compared with 2017. Toronto/Lester B. Pearson International, Ontario (475,775 movements), Vancouver International, British Columbia (339,441), and Calgary International, Alberta (244,029), were the busiest airports in 2018, representing 18.4% of the total movements at major airports.

35. Estimated April 2019 U.S. Airline Traffic Data

U.S. airlines carried an estimated 75.3 million systemwide (domestic and international) scheduled service passengers in April 2019, seasonally-adjusted, according to the Bureau of Transportation Statistics' (BTS) first estimate, up 0.3% from the March second estimate and 1.8% up year-over-year.

36. Air Canada's takeover of Transat would sharply reduce competition on key overseas routes

Kevin Bryan, Ambarish Chandra and Mara Lederman from the Toronto Rotman School of Management believe that the larger competitive landscape in the Canadian airline industry would not benefit from the Air Canada and Air Transat merger. Many Canadian travellers would be hurt by the elimination of a low-cost competitor which will almost certainly result in fewer route options and higher airfares. They believe this takeover should be carefully scrutinized by the Canadian Competition Bureau. Canada's airline industry is already heavily concentrated, especially for domestic flights. This merger would increase Air Canada's market share to 63 per cent from 43 per cent on European routes and to nearly 50 per cent on routes to Florida and the Caribbean. One may think that international air travel is more competitive, as foreign airlines generally have the right to fly to and from (but not within) Canada. In fact, though, Air Canada's dominance on domestic routes, together with key alliances with foreign airlines on major international routes, leaves travellers very few options. As a result, Canadian air travellers pay considerably more than citizens of other countries on comparable routes. Our research has shown that Canadians are less likely to travel by air than Americans, for example, likely due to such punitive fares.

37. Gamsahabnida! Air Canada Marks 25 Years of Service to Seoul, South Korea

Air Canada is excited to mark 25 years of non-stop service between Canada and Seoul, South Korea. To celebrate this milestone, Air Canada has a special promotion featuring fares from Vancouver to Seoul return, from as low as \$1,325 CDN all in, and from Toronto to Seoul return, from as low as \$1,525 CDN all in. These celebratory fares are available until May 20, 2019 and are available for purchase now on aircanada.com and via travel agents. Air Canada inaugurated three times weekly flights in 1994 onboard Boeing 747 Combi aircraft; and the flights today are daily onboard Boeing 777 and 787 Dreamliners from both YVR and Toronto Pearson

38. WestJet ratifies three-year agreement with WestJet flight dispatchers

WestJet on May 18, 2019 announced that WestJet flight dispatchers, represented by the Canadian Airline Dispatchers Association (CALDA), voted 90 per cent in favour of a three-year agreement. The vote does not include WestJet Encore. The agreement starts May 18, 2019 and expires May 18, 2022.

39. WestJet continues Dreamliner momentum with Calgary-Paris inaugural

With the departure of flight 10, WestJet on May 17, 2019 became the only airline to operate a non-stop route between Paris and Calgary. The airline's newest route, along with its codeshare partnership with Air France, provides historic new access between Western Canada and Europe. Canadian business and leisure travellers now can fly to and from 11 cities in greater Europe including Rome, Venice, Athens and Lisbon through WestJet's Air France codeshare partnership from Paris. This flight is the second of three 787-dreamliner inaugurals that are central to WestJet's global strategy and selection of Calgary as its initial Dreamliner hub.

40. European airports see 1.8pc cargo decline

Cargo volume at Europe's airports fell 1.8 per cent during the 2019 first quarter, but freighter-friendly Liege enjoyed 12.5 per cent year-on-year growth. The latest report by Brussels-based Airports Council International (ACI) Europe, said: "The decline in freight traffic in Q1 was all down to the European Union (EU) market (-2.6 per cent) as non-EU airports remained positive (+1.8 per cent). However, March saw freight traffic across Europe improving slightly (-0.2 per cent) compared to preceding months, with both non-EU (+3.3 per cent) and EU (-1.2 per cent) posting better results."

41. Toronto gets on board the WestJet Dreamliner to London this winter

WestJet on May 21, 2019 revealed its winter 787-9 Dreamliner schedule, announcing the state-of-the-art aircraft will be operating its Toronto-London (Gatwick) route. The addition of the WestJet Dreamliner to this route gives Eastern Canada the opportunity to experience a new Business and Premium service between two large financial and tourism centres.

42. WestJet gives Calgary more Dreamliner

WestJet on May 21, 2019 revealed its winter 787-9 Dreamliner schedule, announcing the state-of-the-art aircraft will now fly between Calgary and Maui and will operate an additional day to London (Gatwick) this winter. As part of the schedule release, WestJet also announced the 787-9 Dreamliner will be operated daily service between Toronto and London (Gatwick) starting October 23, 2019.

43. More than 30% of Canadian economy protected from foreign competition: Fraser Institute

Governments in Canada restrict or prevent foreign competition in 30.6 per cent of Canada's economy, including key sectors such as air transportation and telecommunications, which means almost one of every three dollars of the total value of all goods and services produced in Canada is shielded from competition, finds a new study released by the *Fraser Institute*, an independent, non-partisan Canadian public policy think-tank. "When governments in Canada protect industries, Canadian consumers pay higher prices, have less choice and/or less innovations compared to consumers in other countries," said Vincent Geloso, Fraser Institute senior fellow and author of *Walled from Competition*. The study measures Canadian protectionism—barring foreign companies from operating in Canada, restricting foreign ownership, requiring key employees to be Canadian citizens, etc.—and protectionism in other developed countries, with a spotlight on specific industries.

44. WestJet ratifies three-year agreement with WestJet Encore flight dispatchers

WestJet on May 23, 2019 announced that WestJet Encore flight dispatchers, represented by the Canadian Airline Dispatchers Association (CALDA), have successfully ratified a three-year agreement. This ratified agreement starts May 22, 2019 and expires on May 22, 2022. John Aaron, WestJet Vice-President and General Manager, Encore said "We are pleased with today's outcome and believe that this agreement recognizes the hard work and valuable contributions of our WestJet Encore dispatchers."

45. Canadians to benefit from new Air Passenger Protection Regulations

The Honourable Marc Garneau, Minister of Transport, on May 24, 2019 announced that Canadians will begin to benefit from new Air Passenger Protection Regulations starting on July 15, 2019. The Canadian Transportation Agency's final regulations are available now on their website. The *Transportation Modernization Act*, which received Royal Assent in May 2018, mandated the Agency to develop regulations for air travellers that would be clear, consistent, transparent and fair. After months of public and stakeholder consultations, Canadians will soon be covered by robust new regulations that apply to all air carriers flying to, from and within Canada. These new regulations will require air carriers to proactively offer standards of treatment. Additionally, in some cases, carriers will be required to issue compensation to passengers within strict timelines. Passengers will not need to first complain to the Canadian Transportation Agency; instead, recourse is first dealt directly with the airline. Air carriers will be required to follow these regulations and could face fines of up to \$25,000 per incident of non-compliance.

46. Air Passenger Protection Regulations finalized

The Canadian Transportation Agency (CTA) announced on May 24, 2019 that the Air Passenger Protection Regulations are now finalized. The regulations will come into effect in two stages. Beginning July 15, 2019, airlines will have to: 1) communicate to passengers in a simple, clear way information on their rights and recourses and regular updates in the event of flight delays and cancellations; 2) provide compensation of up to \$2,400 for bumping a passenger for reasons within their control; 3) ensure passengers receive standards of treatment during all tarmac delays and allow them to leave the airplane, when it's safe to do so, if a tarmac delay lasts for over three hours and there's no prospect of an imminent take-off; 4) provide compensation for lost or damaged baggage of up to \$2,100 and a refund of any baggage fees; and 5) set clear policies for transporting musical instruments. Beginning December 15, 2019, airlines will have to: 1) provide compensation of up to \$1,000 for flight delays and cancellations within an airline's control that are not safety-related; 2) rebook or refund passengers when flights are delayed, including, in some cases, using a competing airline to get passengers to their destination; 3) provide food, drink and accommodation when passengers' flights are

delayed; and 4) facilitate the seating of children under 14 years in close proximity to an accompanying adult, at no extra charge.

47. Federal government announces new rules on airline passenger protection, compensation

The new regulations announced on May 15, 2019 will be launched in two phases. Some regulations come into force on July 15, 2019 while others will not take effect until December 15, 2019. Transport Minister Marc Garneau said in a statement. "Our goal was to provide a world-leading approach to air passenger rights that would be predictable and fair for passengers while ensuring our air carriers remain strong and competitive. After a long and thorough consultation process, I am proud to say these new regulations achieve that balance and will give air travellers the rights and treatment they pay for and deserve." The regulations will apply to all flights to, from and within Canada, including connecting flights. Large airlines, those that have serviced two million passengers or more in the last two years, will have a slightly different regulatory regime than smaller airlines in some cases. Smaller airlines, for example, will have to pay less compensation for delays or cancellations that are within the airline's control but are not related to safety issues. Broadly, flight disruptions — tarmac delays, flight cancellations, and denials of boarding — that are within an airline's control require compensation be paid, standards of treatment be upheld and the passenger's itinerary be completed. Flight disruptions within an airline's control but required for safety reasons will not require compensation but airlines will have to maintain a standard of treatment and complete a passenger's itinerary. Situations outside an airline's control that cause a flight disruption will only require the airline to ensure the passenger's itinerary is completed. Airline passengers could be entitled to hefty compensation for delays, lost bags. Canadians will weigh in on compensation for bumped flights, lost bags. Situations within an airline's control include overbooking and scheduled maintenance. Delays within an airline's control due to safety include mechanical problems and safety calls made by the pilot. Disruptions outside an airline's control include a wide range of possibilities such as political instability, weather, natural disasters and security threats.

48. Airline passenger protection, compensation - Rules in place by July 15, 2019

Rules in place by July 15, 2019 - Phase one: The first set of rules lays out the regulations and compensation regime related to delays on the tarmac, denied boarding, lost and damaged luggage and the transportation of musical instruments. Tarmac delays: During a delay on the tarmac all passengers must have access to working toilets, the aircraft must be properly ventilated and kept either cool or warm depending on the time of year. Passengers will also have to be provided food and drink and the ability to communicate with people outside of the plane free of charge, if possible. Planes that have been on the tarmac for three hours will be required to return to the gate so people can get off. The only exception is when a departure is likely within the first 45 minutes after the three-hour time. In that case, the plane can remain where it is. Overbooking: Passengers who are prevented from boarding an aircraft because of overbooking will be compensated financially depending on the length of time they are delayed from reaching their final destination. Overbooking delays of less than six hours will require a minimum \$900 payment, delays between six and nine hours mean a minimum \$1,800 payment and delays longer than nine hours will see passengers compensated a minimum of \$2,400. Damaged baggage: An airline will be liable for \$2,100 for the lost bag and will also have to refund any baggage fees paid for the lost bag. Musical instruments: Airlines are also going to have to include terms and conditions for the transportation of musical instruments whether they are taken as a carry on or are checked into the cargo hold.

49. Airline passenger protection, compensation - Rules in place by December 15, 2019

Rules in place by December 15, 2019 - Phase two: The rules and compensation for cancelled flights and delays are part of phase two of the rollout. Delayed or cancelled flights: As of December 15, airlines will have to provide compensation to passengers for delayed or cancelled flights depending on the size of the airline. Delayed arrival at a final destination of between three to six hours will cost large airlines \$400 and for small airlines \$125. Delays of between six to nine hour will cost large airlines \$700 and small airlines \$250. Delays greater than nine hours will cost large airlines \$1,000 and smaller airlines half that amount. The regulations do not only require an airline ensure the passenger gets to their final destination, but that they do so in the same class of service. If an airline cannot rebook a passenger on their own airline and the delay is longer than nine hours, the airline has to book the passenger on a competing airline. If the passenger decides the delay has rendered the trip useless they will get a refund and the required financial compensation. Children's seating: Children under the age of five will have to be provided a seat next to their parent or guardian, children aged five to 11 in the same row and no more than one seat away from their parent or guardian and children aged 12 or 13 are no more than one row away. Penalty: Airlines that don't adhere to the new standards can be fined up to \$25,000 per incident by the Canadian Transport Agency.

50. WestJet guests now boarding for beautiful Barcelona

WestJet on May 24, 2019 opened greater access to both Europe and Canada with its inaugural flight between Barcelona-El Prat Airport (BCN) and Toronto Pearson Airport (YYZ). The airline's new route is its first to Spain and gives European business and leisure travellers access to the greater WestJet network through the airline's Toronto hub.

51. Air Canada Rouge Pops Up in Toronto with Multi-Sensory Experience

Air Canada Rouge will open an immersive and photo-ready pop-up on Friday, May 24 at the Toronto Eaton Centre to showcase its industry leading products through larger-than-life installations and multi-sensory rooms. Visitors will be able to enjoy a range of experiences, including walking the 'Rouge' carpet in front of the cameras at their very own Hollywood movie premiere. They will also have a chance each day to win a pair of tickets to any one of the more than 70 destinations to which Air Canada Rouge flies around the world.

52. Ground Handling Priorities: Safety, Global Standards and Modernization

The International Air Transport Association (IATA) called on the ground handling industry to focus on three priorities to effectively accommodate the expanding demand for air travel and air cargo. The three priorities are: 1) Continuing to put safety first; 2) Implementing global standards; and 3) Accelerating the speed of innovation and process modernization.

53. Air Canada Renews Normal Course Issuer Bid and Automatic Share Purchase Plan

Air Canada on May 29, 2019 announced that it has renewed its normal course issuer bid for its Class A variable voting shares and Class B voting shares (collectively the "Shares"), authorizing, between May 31, 2019 and May 30, 2020, the purchase of up to 24,130,551 Shares, representing 10 per cent of the public float of 241,305,518 Shares as at May 17, 2019 (the "Issuer Bid"). Air Canada received approval from the Toronto Stock Exchange for the renewal of its Issuer Bid.

54. Air Cargo Demand Continues Negative 2019 Trend

The International Air Transport Association (IATA) released data for global air freight markets showing that demand, measured in freight tonne kilometers (FTKs), fell 4.7% in April 2019, compared to the same period the year before. This continued the negative trend in year-on-year demand that began in January 2019. Freight capacity, measured in available freight tonne kilometers (AFTKs), grew by 2.6% year-on-year in April 2019. Capacity growth has now outpaced that of demand for the last 12 months. Air cargo volumes have been volatile in 2019, due to the timing of Chinese New Year and Easter, but the trend is clearly downwards, with volumes around 3% below the August 2018 peak.

55. Solid Passenger Demand Growth in April

The International Air Transport Association (IATA) announced global passenger traffic results for April 2019 showing that demand (revenue passenger kilometers or RPKs) rose by 4.3% compared to April 2018. April capacity (available seat kilometers or ASKs) increased by 3.6%, and load factor climbed 0.6 percentage point to 82.8%, which was a record for the month of April 2019, surpassing last year's record of 82.2%. Regionally, Africa, Europe and Latin America posted record load factors. Comparisons between the two months are distorted owing to the timing of the Easter holiday, which occurred on 1 April in 2018 but fell much later in the month in 2019.

WATER TRANSPORTATION

1. Canadian ports led by Prince Rupert outperform USWC rivals

The volume of cargo handled via Canada's west coast ports grew at a faster rate than that achieved by their American counterparts between 2017 and 2018. The port of Prince Rupert's Fairview terminal registered a 12 per cent rise in containers moved in 2018 compared with 2017, making it one of North America's fastest-growing container ports. The port of Vancouver achieved a three per cent increase in container throughput in 2018, handling 3,396,449 TEU compared with 3,252,220 TEU in 2017. Total tonnage rose by 3.5 per cent to 147 million tonnes, up from 142 million tonnes, reported *Business in Vancouver*.

2. OOCL acquisition boosts COSCO

COSCO Shipping Holdings reported an increase in 2019 first-quarter revenue and profit, reflecting its acquisition last year of a majority stake in Orient Overseas (International) Ltd., the parent company of Orient Overseas Container Line, in July 2018. COSCO said it had net profit of 687 million Chinese yuan renminbi in the first quarter of 2019 compared with 181 million RMB in the first quarter of 2018. During the first quarter of 2019, revenue totaled 35.1 billion RMB (\$5.2 billion) compared to 21.9 billion RMB in the same 2018 period, nearly a 60 percent increase. The company benefited from increased volumes and revenue in its liner business. It also saw an increase in

WATER TRANSPORTATION Canada

1. Canadian ports led by Prince Rupert outperform USWC rivals, April 30, 2019, www.transportweekly.com
2. OOCL acquisition boosts COSCO, April 29, 2019, www.americanshipper.com
3. Minister Garneau announces additional navigation restrictions and flooding measures, April 30, 2019, www.tc.gc.ca
4. Canada joins the Nairobi International Convention on the Removal of Wrecks, 2007, to address shipwrecks and ensure owner accountability, May 1, 2019, www.tc.gc.ca
5. New Montreal port efforts aim to cut truck turn times, April 30, 2019, www.joc.com
6. Alberta's new premier urges Senate committee to scrap oil tanker ban bill, May 1, 2019, www.cfl.ca
7. Orient Overseas (International) Limited announces the sale of Long Beach Container Terminal to a consortium led by Macquarie Infrastructure Partners, April 30, 2019, www.ajot.com

containers handled at its container terminals.

3. Minister Garneau announces additional navigation restrictions and flooding measures

On April 30, 2019, the Honourable Marc Garneau, Minister of Transport, issued a new Interim Order expanding areas in which navigation is prohibited in specific areas of flooding in order to protect the safety of people and vessels, and to help first responders do their jobs in flooding conditions. In addition, the public is urged to stay off all flooded waterways in Quebec, Ontario and New Brunswick (including those not currently subject to restrictions) to ensure navigational safety, and prevent damage to infrastructure and the environment.

4. Canada joins the Nairobi International Convention on the Removal of Wrecks, 2007, to address shipwrecks and ensure owner accountability

On May 1, 2019, Canada took another step in removal of wrecks by acceding to the *Nairobi International Convention on the Removal of Wrecks, 2007*. The Convention establishes a framework for hazardous wrecks resulting from marine incidents. The Convention was incorporated into domestic law through the *Wrecked, Abandoned or Hazardous Vessels Act*, which received Royal Assent on February 28, 2019. This allows Canada to now accede to the Convention alongside France, the United Kingdom, and 40 other countries. Adopting the Convention into law in Canada makes vessel owners strictly liable, with no limitation of liability, for hazardous wrecks in Canadian waters. Owners of large vessels (300 gross tonnage or larger) will now be required to maintain insurance or other financial security to cover the potential costs of wreck removal.

5. New Montreal port efforts aim to cut truck turn times

The Port of Montreal's primary container terminals are developing programs that will cut turn times by allowing truckers to process container documentation before they arrive at the port in an effort to cope with rising cargo volumes.

6. Alberta's new premier urges Senate committee to scrap oil tanker ban bill

Alberta's new premier says the province will launch a constitutional challenge against a federal government bill to ban tankers off British Columbia's northern coast if it goes ahead. The Senate's committee on transport and communications was in Edmonton on April 30, 2019 for a public hearing on Bill C-48. Premier Jason Kenney said the bill represents a grave threat to the economic interests of Alberta and Canada.

7. Orient Overseas (International) Limited announces the sale of Long Beach Container Terminal to a consortium led by Macquarie Infrastructure Partners

Orient Overseas (International) Limited (OOIL) and Macquarie Infrastructure Partners (MIP) on May 1, 2019 announced that OOIL's wholly-owned subsidiaries, OOCL LLC and Long Beach Container Terminal, Inc., have entered into a Sale and Purchase Agreement to sell 100% of Long Beach Container Terminal (LBCT) LLC to a consortium led by MIP, for US\$1.78 billion. LBCT LLC operates the LBCT in the Port of Long Beach, California, United States. The sale is undertaken pursuant to the National Security Agreement entered into by OOIL, Faulkner Global Holdings Limited, a subsidiary of COSCO SHIPPING Holdings Co., Ltd, and the U.S. Department of Homeland Security and the U.S. Department of Justice on July 6, 2018, under which OOIL committed to divest its ownership of the Long Beach Container Terminal business.

8. Global container growth forecast to rebound

Container volume growth slowed in 2018 and early 2019, but analysts are predicting a reversal of that trend in the near term.

8. Global container growth forecast to rebound, May 1, 2019, www.joc.com
9. Government of Canada supports a new maritime information system pilot project in partnership with the Tuktoyaktuk Hunters and Trappers Committee, May 2, 2019, www.tc.gc.ca
10. Government of Canada announces a new maritime information system pilot project in partnership with the Ekalukutiak Hunters and Trappers Organization, May 2, 2019, www.tc.gc.ca
11. Carrier alliances have grown but competition remains, May 2, 2019, www.americanshipper.com
12. ONE aims for 2019 net profit of US\$85m, May 3, 2019, www.transportweekly.com
13. Container traffic drives Port of Montreal to another record year, May 5, 2019, www.ctl.ca
14. Port of Trois-Rivières reports a record year, May 5, 2019, www.ctl.ca
15. Port of NY/NJ posts box volume gains of 4pc in March, May 7, 2019, www.transportweekly.com
16. Singapore develops its first remote-controlled autonomous tug, May 8, 2019, www.transportweekly.com
17. PSA International to acquire Halterm, Penn Terminals, May 6, 2019, www.americanshipper.com
18. High cruise passenger numbers expected at Canada Place terminal at the Port of Vancouver throughout May and June, May 2, 2019, www.metroportvancouver.com
19. Seaspan quarterly profit soars 321pc, May 9, 2019, www.transportweekly.com
20. Oakland reports busiest April in history, May 9, 2019, www.americanshipper.com
21. Cosco to acquire four container making units from PIL's Singamas, May 9, 2019, www.transportweekly.com
22. Marine industry and government sign five-year commitment to continue voluntary measures to protect Southern Resident killer whales, May 10, 2019, www.portmetrovancover.com
23. April container volumes break record at Port of Los Angeles, May 10, 2019, www.ajot.com
24. Best Ever April at Port of Long Beach, May 10, 2019, www.ajot.com
25. Prince Rupert Port Authority Container Terminal Master Planning Confirms Potential to Develop in Excess of 6 million TEUs of Capacity, Second Terminal identified as Next Phase of Development, May 13, 2019, www.rupertport.com
26. Port contributes nearly \$2B in economic output to Halifax and province, May 13, 2019, www.ctl.ca
27. Hapag-Lloyd posts Q1 net profit of US\$109m, May 14, 2019, www.transportweekly.com
28. Minister Garneau announces changes to navigation restrictions related to flooding, May 14, 2019, www.tc.gc.ca
29. ILWU authorizes strike in British Columbia, May 14, 2019, www.americanshipper.com
30. WESTAC'S membership moves inland

9. Government of Canada supports a new maritime information system pilot project in partnership with the Tuktoyaktuk Hunters and Trappers Committee

On May 2, 2019, Michael McLeod Member of Parliament for the Northwest Territories on behalf of the Honourable Marc Garneau, Minister of Transport, announced the funding of \$506,683 for the Tuktoyaktuk Hunters and Trappers Committee to enable participation in a pilot project to develop, test, and evaluate a new maritime awareness information system. This national system is a key component of the Oceans Protection Plan's Enhanced Maritime Situational Awareness Initiative.

10. Government of Canada announces a new maritime information system pilot project in partnership with the Ekaluktutiak Hunters and Trappers Organization

On May 2, 2019, the Honourable Marc Garneau, Minister of Transport, announced the funding of \$341,987 for the Ekaluktutiak Hunters and Trappers Organization to enable participation in a pilot project to develop, test, and evaluate a new maritime awareness information system. This national system is a key component of the Oceans Protection Plan's Enhanced Maritime Situational Awareness Initiative.

11. Carrier alliances have grown but competition remains

Staff members from the Federal Maritime Commission's Office of Economics and Competition Analysis say that despite the growing market share of some carrier alliances, they are not seeing evidence of diminished competition among liner carriers. In a presentation to the four FMC commissioners on May 1, 2019, Anthony Homan, director of FMC's Office of Economic Completion Analysis, said the world containership capacity has grown faster than cargo volumes and there is "ample capacity to serve industry." Freight rates, as measured by the Shanghai Containerized Freight Index and Chinese Containerized Freight Index (for spot and contract rates, respectively) are lower than in the past, especially when adjusted for inflation, he said. "It's been a good time for shippers the last few years," he added, if not so good for the container carriers.

12. ONE aims for 2019 net profit of US\$85m

With the teething problems now behind and a steadily improving performance through the year after a shaky 2019 first quarter, Ocean Network Express (ONE) expects to return to profitability in 2019. The trio of Japanese carriers, NYK, MOL and "K" Line, sailing under the ONE flag said in a joint statement that it was targeting a net profit of US\$85 million for 2019 after reporting a net loss of \$586 in its first year in operation. The three shipping lines will be happy to see the back of their first year of operation, during which merger setup costs and launch problems hurt earnings, reports *IHS Media*.

13. Container traffic drives Port of Montreal to another record year

Container growth highlighted the Montreal Port Authority's (MPA) annual operating results, presented by President and CEO Sylvie Vachon at their annual meeting. The container sector was among the fastest growing sectors at the Port of Montreal in 2018, up 9% over 2017 with close to 1.7 million twenty-foot equivalent units (TEUs) transiting through all five terminals. Market diversification and the positive impact of the Comprehensive Economic and Trade Agreement are among the key elements in this success. Attesting to this vitality in the container sector in 2018, Maersk launched a new service connecting Montreal to Mediterranean ports, and Hamburg Süd joined the international container shipping lines serving the Port. This trend is continuing in 2019 with the arrival of COSCO Shipping Lines in Montreal.

14. Port of Trois-Rivières reports a record year

Reporting on its annual general meeting, the Trois-Rivières Port Authority

with Ashcroft terminal as newest member, May 14, 2019, www.westac.com

31. DP World acquires another British Columbia terminal, May 16, 2019, www.americanshipper.com

32. MARAD bill includes \$600 million for port, intermodal work, May 16, 2019, www.americanshipper.com

33. Charleston April boxes up 10pc, May 17, 2019, www.transportweekly.com

34. Minister Garneau marks the start of North American Safe Boating Awareness Week, May 17, 2019, www.tc.gc.ca

35. Canada to acquire two new ferries for the Eastern Canada Ferry Services, May 17, 2019, www.tc.gc.ca

36. Vancouver works to head off rising port trucker tension, May 17, 2019, www.joc.com

37. Prince Rupert Port Authority Assists Lax Kw'alaams Rescue Society Upgrade Marine Search and Rescue Equipment, May 19, 2019, www.rupertport.com

38. Larger ships with bigger payload call NY-NJ port, May 20, 2019, www.transportweekly.com

39. Prospects and impacts of commercial navigation along the Northern Sea Route, April 17, 2019, www.itf-oecd.org

40. Port of Montreal, Accumulated container traffic: January to April 2019, May 21, 2019, www.portofmontreal.ca

41. Port of Metro Vancouver, Accumulated container traffic: January to April 2019, www.portofvancouver.ca

42. Port of Prince Rupert, Accumulated container traffic: January to April 2019, www.rupertport.com

43. Prince Rupert to top Montreal as Canada's No 2 port, May 21, 2019, www.transportweekly.com

44. DP World buys Vancouver's Fraser Surrey Docks from Macquarie, May 22, 2019, www.transportweekly.com

45. Port officials say P3s spur infrastructure investment, May 21, 2019, www.americanshipper.com

46. Mega ships bring mega risks and mega losses, insurers' seminar told, May 22, 2019, www.transportweekly.com

47. Minister Garneau announces funding to organizations that promote safe boating practices, May 22, 2019, www.tc.gc.ca

48. North American port rankings: Mexican ports grow fastest, May 22, 2019, www.joc.com

49. More Antwerp port terminals expand hours to handle growth, May 22, 2019, www.joc.com

50. European ports are a strategic partner in building a sustainable, competitive and smart Europe, May 24, 2019, www.transportweekly.com

51. New funding will support research to develop recycling solutions for fibreglass, May 24, 2019, www.tc.gc.ca

52. Minister Garneau announces the lifting of some restrictions to navigation related to flooding, May 24, 2019, www.tc.gc.ca

53. Longshore workers issues strike notice for Monday at two Vancouver

(TRPA) stated that over the past year, the Port accommodated 256 vessels, including 24 cruise ships, and set a new handling record of 3.9 million metric tonnes of cargo, bringing its net income to \$3.4 million.

15. Port of NY/NJ posts box volume gains of 4pc in March

Container volume through the Port of New York and New Jersey increased four per cent in March 2019 from the previous month to 585,083 TEU. Port officials said the March 2019 cargo growth was bolstered by a 12-per cent year-on-year increase in export containers. The port set a new March record for cargo handled by rail, as well, moving 58,877 containers, up 11 per cent compared with the year-ago period.

16. Singapore develops its first remote-controlled autonomous tug

Singapore's shipbuilder Keppel Offshore & Marine (Keppel O&M) has started developing an autonomous tug that is expected to come to market in the fourth quarter of 2020. Keppel Singmarine Pte Ltd will develop the tug, which will be operated by Keppel Smit Towage, with a grant of up to SGD2 million (US\$1.48 million) from the Maritime and Port Authority of Singapore (MPA) under its Maritime Innovation and Technology Fund.

17. PSA International to acquire Halterm, Penn Terminals

PSA International said it has finalized an agreement to acquire Halterm Container Terminal in the Port of Halifax in Canada and Penn Terminals on the Delaware River in Philadelphia from Macquarie Infrastructure Partners, a fund managed by Macquarie Infrastructure and Real Assets. The price was not disclosed. PSA, is owned by Temasek, the sovereign wealth fund of Singapore.

18. High cruise passenger numbers expected at Canada Place terminal at the Port of Vancouver throughout May and June

With a high volume of cruise passengers expected at and around Canada Place cruise ship terminal throughout May and June 2019, travelers and locals should plan ahead to prepare for crowds and increased traffic in surrounding areas. On these days, a large number of embarking and disembarking cruise passengers is expected between 7:00 a.m. and 5:00 p.m. at Canada Place. As a result, higher than normal traffic volumes are anticipated in the downtown core, along with increased demand for taxis and public transportation. In preparation for the busy cruise ship days, the Vancouver Fraser Port Authority and Canada Place Operations are offering the following tips to cruise passengers to prepare for their visit to Canada Place.

19. Seaspan quarterly profit soars 321pc

Hong Kong's non-operating containership owner Seaspan Corporation has declared a 321 per cent year-on-year first quarter net profit increase to US\$285.3 million. No revenue figures were provided. According to *Shipping Gazette*, the most recent quarter included a \$227 million payment from one of Seaspan's top-five charterers. It paid the fee to redeliver seven vessels ahead of schedule. Those vessels were then re-chartered to other Seaspan customers. Seaspan chief commercial officer Peter Curtis said "In the first quarter, we saw stabilising rates in the smaller vessel segments and increasing rates in the post-Panamax size classes."

20. Oakland reports busiest April in history

The Port of Oakland said on May 9, 2019 that "on the eve of threatened tariff increases," its import business is still growing and reported a 7% year-over-year increase in containerized import volume in April 2019. The port said it was the busiest April in its 92-year history. The port said the trade numbers predated U.S. warnings of increased tariffs on Chinese goods that could take effect on May 10, 2019. The Trump administration has threatened to boost tariffs on \$200 billion of Chinese imports from 10% to 25%. China is Oakland's largest trading partner and a tariff hike could dampen import demand while also prompting retaliatory levies on U.S. exports, port officials said.

21. Cosco to acquire four container making units from PIL's Singamas

Hong Kong-headquartered Singamas Container Holdings will sell four of its container manufacturing units in China to Cosco Shipping Financial Holdings for US\$562 million, confirming an announcement in March of such a sale, reports Singapore's *Splash 247*. Singamas is also a unit of Singapore's Pacific International Lines (PIL). SS Teo is chairman and CEO, having recently taken over from his father Chang Yun Chung, aged 99, and reckoned to be the world's oldest billionaire.

22. Marine industry and government sign five-year commitment to continue voluntary measures to protect Southern Resident killer whales

On May 10, 2019, the marine transportation industry entered into a conservation agreement with the Government of Canada to support ongoing recovery efforts for the Southern Resident killer whale population that frequents the B.C.

terminals, May 24, 2019, www.ctl.ca

54. Longshore union stalls full scale strike, begins overtime ban at Vancouver port, May 27, 2019, www.ctl.ca

55. Government of Canada issues Interim Order and signs agreement with whale watching association to further support recovery of Southern Resident killer whales, May 27, 2019, www.tc.gc.ca

56. Port of Québec announces deal to develop new \$775M container terminal, May 28, 2019, www.ctl.ca

57. AltaGas Charts a New Course for Canadian Energy With First Cargo and Grand Opening of Ridley Island Propane Export Terminal, May 28, 2019, www.rupertport.com

58. Employers to lock out ILWU Canada members Thursday, May 29, 2019, www.americanshipper.com

59. Vancouver Fraser Port Authority renders decision on the Pattullo Bridge replacement project, May 29, 2019, www.portmetrovancover.com

60. Chinese ports handle 4.3 billion tonnes of cargo, May 30, 2019, www.transportweekly.com

coast. There are nine signatories to the agreement, including the Vancouver Fraser Port Authority, the Chamber of Shipping of British Columbia, the Shipping Federation of Canada, Cruise Lines International Association, the Council of Marine Carriers, the International Ship Owners Alliance of Canada, the Pacific Pilotage Authority, Transport Canada and Fisheries and Oceans Canada.

23. April container volumes break record at Port of Los Angeles

The Port of Los Angeles handled 736,466 Twenty-Foot Equivalent Units (TEUs) in April 2019, the busiest April in the Port's 112-year history. The volumes reflect growth of 4.4 percent compared to last April and is 3 percent more than the previous April record in 2017. For the first four months of 2019, Port volumes have increased 4.5 percent compared to the same period last year.

24. Best Ever April at Port of Long Beach

Cargo volumes handled in April 2019 at the Port of Long Beach eclipsed a record set 13 years ago. Dockworkers at marine terminals moved 628,121 twenty-foot equivalent units (TEUs) in April 2019. The previous high was 619,512 TEUs in April 2006. Imports in April 2019 rose 1.8% to 317,883 TEUs compared to last year. Exports decreased 12.7% to 123,804 TEUs, while empties rose 13.5% to 186,435 TEUs. Total container volume was up 1.6% over April 2018.

25. Prince Rupert Port Authority Container Terminal Master Planning Confirms Potential to Develop in Excess of 6 million TEUs of Capacity, Second Terminal identified as Next Phase of Development

The Prince Rupert Port Authority (PRPA) announced on May 13, 2019 the completion of a container terminal master plan that outlines the potential of future container terminal capacity and sequencing of development at the Port of Prince Rupert. The planning work identifies the long-term potential to develop 6 – 7 million TEUs of capacity through the development of multiple terminals at the Port of Prince Rupert. The plan's research was completed with the assistance of AECOM, a global leader in infrastructure planning and development.

26. Port contributes nearly \$2B in economic output to Halifax and province

The Port of Halifax contributed \$1.97 billion to the economy of Halifax and Nova Scotia from operations in 2017-18, up 15 per cent from the previous year, according to a new economic impact report produced by Chris Lowe Planning and Management Group. Through the Port of Halifax in 2017, Nova Scotia container exporters contributed over \$2.58 billion to the province's gross output. Combined with port operations, the total impact of the Port of Halifax on Nova Scotia's gross output is \$4.56 billion with the direct portion being \$2.5 billion.

27. Hapag-Lloyd posts Q1 net profit of US\$109m

Transnational German shipping giant Hapag-Lloyd closed the first quarter of 2019 with a net profit of US\$109 million, up from a year-earlier loss of \$42 million, on the back of higher transport volumes and better freight rates. Revenues in the first quarter increased from \$3.22 billion in the same period last year to \$3.47 billion. Transport volume rose 2 per cent to 2.93 million TEU (Q1 2018: 2.86 million TEU). The average freight rate improved to \$1,079 per TEU (Q1 2018: \$1,029/TEU), and the result was also positively influenced by a stronger average exchange rate.

28. Minister Garneau announces changes to navigation restrictions related to flooding

On May 14, 2019, the Honourable Marc Garneau, Minister of Transport, issued a new Interim Order identifying zones in which navigation is prohibited due to flooding. The changes are necessary to protect the safety of people and vessels, and to help first responders do their jobs in flooding conditions. This new Interim Order builds on the one issued on April 30 and now applies to the following waterways: 1) the Ottawa River between the Otto Holden Dam (near Mattawa, Ontario) and the Deux Montagnes Lake (near Hudson, Quebec); 2) the Mattawa River, between Hurdman Dam and confluence of Mattawa River and Ottawa River; 3) Deux Montagnes Lake in the Province of Québec; 4) the Mille Îles River in the Province of Québec; and 5) the Des Prairies River in the Province of Québec. The speed restriction of 9 knots for upriver traffic and 11 knots for downriver traffic remains in place between Ile des Barques and Batiscan, Quebec. Individuals who can only access their property by boat are exempted from the Interim Order and other restrictions for the purpose of going to and from their property.

29. ILWU authorizes strike in British Columbia

The International Longshore and Warehouse Union said on May 10, 2019 that an overwhelming 98.4 percent of its members in British Columbia voted in favor authorizing a strike, if necessary, against member companies of the British Columbia Maritime Employers Association (BCMEA). The website Business in Vancouver reported Jeff Scott, chairman of the BCMEA's board of directors, told it that dates for further negotiations are being scheduled through May 2019. Negotiations between the BCMEA and ILWU Canada on a contract to replace one that expired in March 2018 are continuing with the help of the Canada's Federal Mediation and Conciliation Service. The ILWU represents about 6,000 dockworkers throughout British Columbia including the major container ports of Vancouver and Prince Rupert.

30. WESTAC'S membership moves inland with Ashcroft terminal as newest member

The WESTAC Board of Directors is pleased to announce its newest member is Ashcroft Terminal (AT). As British

Columbia's largest inland terminal, Ashcroft Terminal is an important link in the Western Canadian Supply Chain. In 2018, PSA International, the world's biggest container port operators, acquired a majority interest in AT. The partnership marks the PSA group's first foray into the Canadian supply chain and offers connection to the North American hinterland market and opens new, efficient solutions for major Western Canadian exporters and importers.

31. DP World acquires another British Columbia terminal

DP World is acquiring Fraser Surrey Docks, a multipurpose terminal on the Fraser River that is part of the Port of Vancouver. *Reuters* reported last week that DP World Canada Investment Inc. has agreed to buy the terminal from a Macquarie Group fund. Macquarie recently sold terminals in Halifax and Philadelphia to PSA International, the Singapore government-owned terminal company. *Reuters* said the terminal is being acquired through Canadian subsidiary DP World Canada Investment Inc., which is 45 percent owned by Caisse de dépôt et placement du Québec (CBPQ), a company that manages funds primarily for public and parapublic pension and insurance plans. The deal is expected to close in the first half of 2019, DP World told *Reuters*. The investment company Caisse de dépôt et placement du Québec reportedly is a partner in the Canadian deal and also is taking a piece of DP World's investments in Chile.

32. MARAD bill includes \$600 million for port, intermodal work

The Senate Committee on Commerce, Science and Transportation on May 15, 2019 approved by voice vote the *Maritime Administration (MARAD) Authorization and Enhancement Act*, which authorizes appropriations for the fiscal year 2020. The bill includes \$600 million for the Port Operations, Research and Technology (PORT) Act, which authorizes grants for port and intermodal projects. The bill states, "No funds shall be used for a grant award to purchase fully automated cargo-handling equipment that is remotely operated or remotely monitored with or without the exercise of human intervention or control" if the secretary determines the equipment would result in a net loss of jobs related to the movement of goods through a port and its intermodal connections.

33. Charleston April boxes up 10pc

Container volume growth through South Carolina ports, principally Charleston, increased 10.4 per cent year on year for the fiscal year-to-date to nearly two million TEU since July 2018, according to *Shipping Gazette*. The May 12, 2019 arrival of the 13,892-TEU YM World marked the largest vessel ever to call at South Carolina Ports Authority (SCPA) terminals. SCPA moved 204,621 TEU across the Wando Welch and North Charleston container terminals in April 2019, a 4.2 per cent increase compared to April 2018 volumes.

34. Minister Garneau marks the start of North American Safe Boating Awareness Week

To mark the start of this year's North American Safe Boating Awareness Week, the Honourable Marc Garneau, Minister of Transport, shared important tips for keeping recreational boaters safe: 1) Make sure everyone on board wears an approved lifejacket or personal flotation device that fits properly and is in good condition; 2) Do not operate a boat under the influence of alcohol or drugs. It is dangerous and against the law; 3) Always carry proof of competency, it shows that you have boating safety knowledge and an understanding of the "rules of the road"; 4) Depending on the size and type of pleasure craft, have the required safety equipment on board, such as paddles, a bailer, watertight flashlight, buoyant line, sound-signaling device, reboarding device, and anchor. Ensure that they are in good working condition and that you know how to use them in an emergency; 5) Dress for the weather and check the forecast before heading out; 6) Share your sail plan with someone on shore so they can get help if you do not return on time; and 7) If renting a boat, be prepared and listen carefully to the safety briefing provided by your rental boat agency, as it outlines safe boating practices and information on local hazards that could save you and your family's life in an emergency situation.

35. Canada to acquire two new ferries for the Eastern Canada Ferry Services

On May 17, 2019, the Honourable Marc Garneau, Minister of Transport, and the Honourable Jean-Yves Duclos, Minister of Families, Children and Social Development, on behalf of the Honourable Carla Qualtrough, Minister of Public Services and Procurement and Accessibility, announced the Government of Canada will issue an Advance Contract Award Notice (ACAN), signalling its intention to enter into a contract with Chantier Davie of Lévis, Quebec, for the construction of two new ferries for Transport Canada. This ensures a fair, competitive process allowing any supplier with a comparable option to also submit a proposal before a contract is awarded.

36. Vancouver works to head off rising port trucker tension

Trucking companies, government agencies, and unions in Vancouver are responding to the commissioner's plan for wage hike and rule changes with the goal of meeting the July 1, 2019 implementation deadline with the hope of heading off possible labor action.

37. Prince Rupert Port Authority Assists Lax Kw'alaams Rescue Society Upgrade Marine Search and Rescue Equipment

The Prince Rupert Port Authority (PRPA) participated in an event held on May 19, 2019 to celebrate the completion of critical search and rescue equipment upgrades for the Lax Kw'alaams Rescue Society in which PRPA contributed

\$55,345 from its Community Investment Fund.

38. Larger ships with bigger payload call NY-NJ port

An increasing number of 13,000-TEU ships are now calling at the Port of New York and New Jersey, while at the same time terminals there are discharging between 2,000 and 3,000 more TEU per call - and more efficiently than a year ago. Although ships with a capacity of 13,000 TEU or more now carry more than 20 per cent of all containers handled by the port, the marine terminals have handled the resulting increase in cargo discharge volumes smoothly, the Port Authority of New York and New Jersey said, according to IHS Media. Since June 2018, the 50 largest cargo exchanges in the port have all involved a vessel of 13,000 TEU or larger, and the average cargo exchange on those ships is about 13,000 TEU, said Beth Rooney, deputy director of the port division. Port Newark Container Terminal (PNCT) said the average container volume exchanged per call at the terminal in 2019 is 14.2 per cent higher than a year ago.

39. Prospects and impacts of commercial navigation along the Northern Sea Route

In a recent report by the *International Transport Forum* on the Northern Sea route (NSR), the report concludes that the NSR remains a much studied, but much less used nautical sea route in at least the next 4 decades to come. 1) They expect an increasing number of transits and local sea trips in the NSR area, with relatively small vessels, and aimed at niche markets (local O/D, project cargoes). 2) NSR transit operations of <50,000 DWT ships start to become profitable after 2035 (under the most extreme RCP 8.5 climate scenario). 3) Substantial bulk volumes will only take off around 2070 (in RCP 8.5), and may even take more than a century (RCP 4.5). 4) The 4.7% of world trade using the NSR will definitely remain hypothetical within this century, and might only be reached by 2200 under the most extreme climate scenario.

40. Port of Montreal, Accumulated container traffic: January to April 2019

The Port of Montreal released its container traffic (TEUs) for the period January to April 2019. Total traffic increased 7.0% to 561,896 from 524,967 for the same period a year ago. Total inbound traffic increased 4% to 277,139 from 266,586 for the same period a year ago and total outbound traffic increased 10.2% to 284,757 from 258,381 for the same period a year ago.

41. Port of Metro Vancouver, Accumulated container traffic: January to April 2019

The Port of Metro Vancouver released its container traffic (TEUs) for the period January to April 2019. Total traffic increased 6.9% to 1,133,669 from 1,060,086 for the same period a year ago. Total inbound traffic increased 4.7% to 586,639 from 560,247 for the same period a year ago and total outbound traffic increased 9.4% to 547,030 from 499,839 for the same period a year ago.

42. Port of Prince Rupert, Accumulated container traffic: January to April 2019

The Port of Prince Rupert released its container traffic (TEUs) for the period January to April 2019. Total traffic increased 8% to 346,058 from 320,968 for the same period a year ago. Total inbound traffic increased 7% to 184,053.50 from 171,247.25 for the same period a year ago and total outbound traffic increased 8% to 162,005 from 149,722.25 for the same period a year ago.

43. Prince Rupert to top Montreal as Canada's No 2 port

Canada's west coast Port of Prince Rupert has announced the completion of a container terminal master plan that calls for the wilderness harbour becoming the country's second biggest gateway after Vancouver within five years and overtaking Montreal. Last year, Prince Rupert, 460 miles north of Vancouver, handled one million TEU and 27 million tonnes of cargo. Montreal handled 39 million tons and 1.5 million TEU, noted the *American Journal of Transportation*. Much of Prince Rupert cargo volume goes to the US Midwest via the CN rail network which claims to get boxes to Chicago two days faster than they can be delivered from LA-Long Beach.

44. DP World buys Vancouver's Fraser Surrey Docks from Macquarie

Dubai's DP World has acquired multipurpose marine terminal Fraser Surrey Docks in Vancouver from Sydney's Macquarie Infrastructure Partners, a fund managed by the Macquarie Infrastructure and Real Assets division of Macquarie Group, according to *Shipping Gazette*. The acquisition provides an attractive platform to better serve customers' break-bulk and dry bulk requirements, said DP World, adding its existing facilities at Vancouver and Prince Rupert have enjoyed strong growth in recent years, reports *Port Strategy*, of Fareham, Hampshire. Said DP World chairman and CEO Sultan Ahmed Bin Sulayem: "We are pleased to announce the acquisition of Fraser Surrey Docks, which complements our footprint in the west coast of Canada..."

45. Port officials say P3s spur infrastructure investment

Public-private partnerships (P3s) should be leveraged to spur port infrastructure development, but federal investments are still needed for infrastructure improvement across the supply chain, speakers said on May 17, 2019 at the Congressional PORTS Caucus briefing in Washington, D.C. "One of the most powerful vehicles, though, for strengthening a port and its capability is in the form of a public-private partnership, which you see with concession-type models," said Chris Garbarino, chief operating officer of the Port Newark Container Terminal (PNCT), which is

operated by Ports America. “When a port authority opens the door for a long-term agreement with a terminal operator, long-term investment and infrastructure development can follow in earnest under that model.”

46. Mega ships bring mega risks and mega losses, insurers' seminar told

New York's American Institute of Marine Underwriters (AIMU) seminar drew attention to the risks of mega ships producing enormous losses because of huge number of cargo interests involved. Major casualties in the last 18 months have included fatal blaze last March on the 15,252-TEU Maersk Honam, the fire on the 7,510-TEU Yantian Express in January 2019, noted *Colchester's Seatrade Maritime News*. One panellist, a beneficial cargo owner, noted that General Average was an ancient concept, but it was now inappropriate where ships carried cargo belonging to thousands. In both the cases of Maersk Honam and the Yantian Express General Average was declared, where all BCOs shared in the overall loss. Showing a picture of a large mega ship, with nearly two dozen rows of boxes stacked high, to the group, the panellist expressed a great frustration that each box could generate multiple emails that would keep claims staff busy non-stop for weeks.

47. Minister Garneau announces funding to organizations that promote safe boating practices

Given the importance of promoting boating safety best practices to as many Canadians as possible, the Honourable Marc Garneau, Minister of Transport, accompanied by Sherry Romanado, Member of Parliament for Longueuil — Charles-LeMoine, on May 22, 2019 announced more than \$2.1 million of funding over the next four years under Transport Canada's Boating Safety Contribution Program. Eleven organizations across the country will use the funds to raise public awareness about recreational boating safety.

48. North American port rankings: Mexican ports grow fastest

Thanks to the country's strong manufacturing sector and reasonable economic growth, the increase in cargo handled by Mexico's ports outpaced that of both the US and Canada in 2018.

49. More Antwerp port terminals expand hours to handle growth

The Port of Antwerp is expanding its program of extended terminal gates and launching a six-month test of 24-hour gates at two terminals as cargo volumes at the port continue to grow.

50. European ports are a strategic partner in building a sustainable, competitive and smart Europe

In view of the European elections, which will lead to a new Commission, a new European Parliament and a new vision for Europe, European ports have prepared a memorandum emphasising the role port managing bodies can play as facilitators of the port ecosystem. The ESPO memorandum identifies ten priorities, ten fields of action and importance for the next five years. The memorandum has been presented during the ESPO annual conference in Livorno, taking place in Livorno, by ESPO's Secretary General, Isabelle Ryckbost: “The memorandum explains how ports can contribute to Europe's competitiveness...”

51. New funding will support research to develop recycling solutions for fiberglass

The Government of Canada is dedicated to protecting Canada's land and waterways from plastic waste and marine litter. Canadians value their natural environment, and we have a responsibility to prevent plastic pollution now and into the future. Ms. Linda Lapointe, Member of Parliament for Rivière-des-Mille-Îles, on behalf of the Honourable Marc Garneau, Minister of Transport, on May 24, 2019 announced that KWI Polymers is receiving \$150,000 under the Canadian Plastics Innovation Challenge, funded by the Innovative Solutions Canada program, to develop a possible solution for recycling fiberglass. The end result could potentially turn transformed materials into street furniture, railings, sidewalks and decking.

52. Minister Garneau announces the lifting of some restrictions to navigation related to flooding

On May 24, 2019, the Honourable Marc Garneau, Minister of Transport, announced the lifting of navigation restrictions in certain zones previously identified in Interim Order no.3 Respecting Flooded Areas. Due to improved navigational safety conditions and following consultations with local authorities and law enforcement, Minister Garneau has removed the Deux Montagnes Lake, the Mille Îles River and the Des Prairies River from the list of waters where navigation is restricted. However, while navigation is allowed now for all type of vessels on these waterways, a temporary speed restriction of 5.5 knots is in place to limit wake. All vessel operators are asked to be cautious on the waters and watch for debris. Failure to follow these temporary speed restrictions is subject to the provisions outlined below. This new Interim Order no.4 Respecting Flooded Areas issued on May 24, 2019 maintains navigation restrictions on the following waterways: 1) the Ottawa River between the Otto Holden Dam (near Mattawa, Ontario) and the Deux Montagnes Lake (near Hudson, Quebec); and 2) the Mattawa River, between Hurdman Dam and confluence of Mattawa River and Ottawa River. The speed restriction of 9 knots for upriver traffic and 11 knots for downriver traffic remains in place between Ile des Barques and Batiscan, Quebec.

53. Longshore workers issues strike notice for Monday at two Vancouver terminals

Longshore workers have issued 72-hour strike notice that could see two Port of Vancouver container terminals behind picket lines by Monday, May 27, 2019. Jeff Scott, chair of the B.C. Maritime Employers Association, says they've been informed that Global Container Terminals in Delta and Vancouver could be behind picket lines on Monday

morning. The dispute involves about 6,000 members of the International Longshore & Warehouse Union Canada, who voted 98.4 per cent in favour of supporting strike action earlier this month.

54. Longshore union stalls full scale strike, begins overtime ban at Vancouver port

Two major container terminals at the Port of Vancouver will not be behind picket lines although longshore workers are in a legal strike position. A 72-hour strike notice issued by the International Longshore and Warehouse Union Canada expired on May 27, 2019 at Global Container Terminals operations in Delta and Vancouver. A news release issued on May 26, 2019 by union president Robert Ashton said the roughly 2,000 affected members of Locals 500 and 502 would not stage a full-scale strike, but would begin “limited and targeted” job action. Jeff Scott, chairman of the B.C. Maritime Employers Association, which bargains for more than 30 member companies at B.C. ports, said the job action relates to overtime.

55. Government of Canada issues Interim Order and signs agreement with whale watching association to further support recovery of Southern Resident killer whales

On May 27, 2019, the Government of Canada issued an Interim Order, effective June 1, 2019, to protect whales from vessel disturbance. The Interim Order will be in place until October 31, 2019. As of June 1, 2019: 1) All vessels are prohibited from approaching any killer whale within a 400-metre distance. This prohibition applies throughout the Southern Resident killer whale critical habitat; 2) Recognizing their specialized knowledge to identify different species, commercial whale watch operators and eco-tourism companies that demonstrate a commitment to environmental conservation may apply for authorization from the Minister of Transport to approach non-Southern Resident killer whales to a distance of 200 metres; 3) Vessels are prohibited from entering areas newly designated as Interim Sanctuary Zones. These zones are located at Swiftsure Bank, off the east coast of Saturna Island, and south-west of North Pender Island. Some exemptions are provided for emergency response vessels and Indigenous persons engaged in certain activities. The population of Southern Resident killer whales is small and declining, with only 75 remaining, and they are exposed to a number of serious threats, including underwater noise and disturbance from vessels. Given the imminent threats whales are facing, the Government is also asking vessel operators to respect the following voluntary measures: 1) Respect a “Go Slow” zone around whales by reducing speed to less than 7 knots when within 1,000 metres of a whale in the Enhanced Management Areas that have been identified through the Gulf Islands, the Strait of Juan de Fuca and the Mouth of the Fraser River; and 2) Reduce noise by turning echo sounders off when not in use and turning engines to neutral idle when within 400 metres of a whale. As a sign of leadership, the Pacific Whale Watch Association signed an agreement on May 27, 2019 demonstrating its commitment to refrain from offering tours on Southern Resident killer whales, as well as taking other stewardship actions.

56. Port of Québec announces deal to develop new \$775M container terminal

The Québec Port Authority (QPA) announced the signing of a long-term commercial agreement with Hutchison Ports and Canadian National Railway to build and operate the new container terminal, known as project Laurentia (previously Beauport 2020). This agreement increases Hutchison Ports’ global network to 52 ports spanning 27 countries including the United Kingdom, Spain, Poland, Sweden, Germany, the Netherlands, Belgium, Australia, China, Pakistan, Egypt, Argentina, Mexico and Panama.

57. AltaGas Charts a New Course for Canadian Energy With First Cargo and Grand Opening of Ridley Island Propane Export Terminal

AltaGas Ltd. on May 28, 2019 celebrated the grand opening of its Ridley Island Propane Export Terminal, located in Prince Rupert, British Columbia – the first marine export facility for propane in Canada. The facility began introducing propane feedstock in mid-April, and the first shipment departed the terminal on May 23, 2019 bound for Asia.

58. Employers to lock out ILWU Canada members Thursday

The organization that negotiates labor contracts with Canadian longshoremen working at British Columbia ports, including Vancouver and Prince Rupert, said it gave notice on May 28, 2019 to the International Longshore and Warehouse Union – Canada of its intention to lock out longshoremen starting Thursday, May 30, 2019 at 8 a.m. The British Columbia Maritime Employers Association (BCMEA) said it was making the announcement “given the strike action that is occurring in the industry.” BCMEA and the ILWU have been trying to negotiate a new contract for one that expired in March 2018. ILWU members overwhelmingly authorized a strike in a vote held May 8-9. “This is a reckless, irresponsible and needless decision that will undermine the economy of B.C. and Canada,” said Rob Ashton, president of ILWU Canada, which represents 6,500 longshore workers in British Columbia. The union has indicated automation is a major issue in the talks.

59. Vancouver Fraser Port Authority renders decision on the Pattullo Bridge replacement project

The Vancouver Fraser Port Authority has approved a permit application from the B.C. ministry of transportation and infrastructure’s for the proposed Pattullo Bridge Replacement Project. A portion of the Pattullo Bridge Replacement project is located within federal lands and waters managed by the port authority and is subject to review under section

67 of the Canadian *Environmental Assessment Act, 2012*. The project required a permit from the port authority to proceed. The project was also reviewable under the *B.C. Environmental Assessment Act*, pursuant to the shoreline modification criteria, so it was reviewed under a harmonized environmental assessment process involving the B.C. Environmental Assessment Office (EAO) and the Vancouver Fraser Port Authority, led by the EAO.

60. Chinese ports handle 4.3 billion tonnes of cargo

China's ports have handled just under 4.3 billion tonnes of cargo from January through April 2019, according to the Chinese Ministry of Transport. Of that, 1.38 billion tonnes, or 32 per cent, was foreign cargo. Meanwhile, China handled 82.3 million TEU. Nationally, China's year-to-date total cargo volumes increased 6.6 per cent compared with January to April 2018. Foreign cargo volumes rose 2.6 per cent. Box volumes also increased 5.7 per cent year on year.

RAIL TRANSPORTATION

1. CN reports solid Q1-2019 financial results with strong top-line growth

CN on June 29, 2019 reported its financial and operating results for the first quarter ended March 31, 2019. Its financial highlights for the first-quarter 2019 compared to first-quarter 2018 were: 1) Revenues increased by 11 per cent to C\$3,544 million; 2) Diluted earnings per share (EPS) increased by eight per cent to C\$1.08 and adjusted diluted EPS increased by 17 per cent to C\$1.17; 3) Operating ratio increased 1.7 points to 69.5 per cent; 4) Adjusted operating ratio improved 0.6 points to 67.2 per cent; and 5) Operating income increased by five per cent to C\$1,080 million. JJ Ruest, president and chief executive officer of CN said "I'm pleased that the CN team continued to deliver very solid results during the first quarter of 2019. Despite a prolonged period of historic cold temperatures in key segments of our network, CN railroaders delivered record first-quarter carload volumes, adding \$350M of top-line growth, while improving year-over-year car velocity. We remain on track to deliver on our 2019 financial outlook and on our ability to bring long-term value creation to our customers and shareholders."

2. CN declares second-quarter 2019 dividend

CN announced on April 29, 2019 that its Board of Directors has approved a second-quarter 2019 dividend on the Company's common shares outstanding. A quarterly dividend of fifty-three and three-fourths cents (C\$0.5375) per common share will be paid on June 28, 2019, to shareholders of record at the close of business on June 7, 2019.

3. CN introduces mobile app for drivers at its terminals

CN Rail has launched a mobile app aimed at making visiting CN intermodal terminals faster and easier for its trucking partners. The new GE ModalPass mobile app can save drivers valuable time at the gate and navigate CN Intermodal terminals more efficiently, according to the company.

4. CTA announces Volume-Related Composite Price Indices for Crop Year 2019–2020 for CN and CP

The Canadian Transportation Agency (CTA) has announced its determination of the Volume-Related Composite Price Index (VRCPI) for the Canadian National Railway Company (CN) at 1.4373 and the Canadian Pacific Railway Company (CP) at 1.5148 for the 2019–2020 crop year beginning August 1st. This is an increase in the VRCPI over the last crop year of 1.84 percent for CN and 3.70 percent for CP. This index is used in determining CN's and CP's Maximum Revenue Entitlement (MRE) for the movement of western grain. The Maximum Revenue Entitlement is a limit on the overall revenue that can be earned by CN and CP for shipping

RAIL TRANSPORTATION Canada

1. CN reports solid Q1-2019 financial results with strong top-line growth, April 29, 2019, www.cn.ca
2. CN declares second-quarter 2019 dividend, April 29, 2019, www.cn.ca
3. CN introduces mobile app for drivers at its terminals, April 29, 2019, www.ctl.ca
4. CTA announces Volume-Related Composite Price Indices for Crop Year 2019–2020 for CN and CP, April 30, 2019, www.cta-otc.gc.ca
Ruest told investors during a conference call April 29, 2019.
5. Harsh winter chills CN Rail's record first quarter revenues, boosted by crude. April 30, 2019, www.ctl.ca
6. Edmonton Valley Line LRT 50% done, April 30, 2019, www.railwayage.com
7. Crude by rail a 'temporary' solution to pipeline shortage: CN Rail CEO, May 1, 2019, www.ctl.ca
8. Ontario's Government for the People Taking Action to Get Subway Lines Built Faster, May 1, 2019, www.mto.gov.on.ca
9. Transport Canada continues to improve the safe transportation of dangerous goods by rail, May 2, 2019, www.tc.gc.ca
10. April all-time record month for CP, May 5, 2019, www.ctl.ca
11. CN to invest hundreds of million in railway network improvements, May 3, 2019, www.transportweekly.com
12. Canadian Pacific Railway Limited increases dividend by 27.5 percent, May 6, 2019, www.cpr.ca
13. CN Western Canadian Capital Investments Create Additional Capacity for New Export Supply Chains and Record Grain Movement, May 8, 2019, www.cn.ca
14. CN acquires intermodal division of Alberta's H&R Transport, May 9, 2019, www.ctl.ca
15. CN: RTM growth in 2019, May 9, 2019, www.railwayage.com
16. Unifor ratifies three new CN agreements, May 10, 2019, www.cn.ca
17. Vote of confidence from Canadians for VIA rail, May 10, 2019, www.viarail.ca
18. Teamsters and CN sign tentative agreement, May 15, 2019, www.cn.ca

regulated grain. The changes in the VRCPIs stem primarily from modest increases in the fuel and material components of the VRCPI and from the recognition of costs for the acquisition of hopper cars.

5. Harsh winter chills CN Rail's record first quarter revenues, boosted by crude

Canadian National Railway Co. saw first-quarter profits fall slightly short of analysts' expectations as harsh winter weather worked to ramp up operating costs and offset a hefty increase in revenue. Chief executive Jean-Jacques Ruest said that a "very, very cold, bitter winter" demanded shorter train lengths — low temperatures impair a train's air-brake systems — and higher snow-clearing costs. "When temperatures dropped to... -35 C, -40 F for about seven weeks, we were losing significant train capacity and in some instances we could not operate during part of three or four nights."

6. Edmonton Valley Line LRT 50% done

Construction on Edmonton, Alberta's eight-mile Valley Line LRT line is moving along and is near the halfway point. Upon completion, it will give the Alberta capital 23 miles of LRT. The new line features 11 stations. The project represents three "firsts" in Edmonton Transit Service's LRT policy: the first low-floor route; street-level operation downtown; and utilization of the P3 public-private process. TransEd Partners, comprised of Bechtel, EllisDon, Bombardier and Fengate Capital Management, have responsibility not only for designing and building the line, but also operating and maintaining it for 30 years. One of the benefits to Edmonton of the P3 methods is the ability to avoid a significant increase to its employee roster, with all of the related costs.

7. Crude by rail a 'temporary' solution to pipeline shortage: CN Rail CEO

The head of Canada's largest railway says ferrying crude remains a lucrative, albeit temporary solution to Canada's pipeline quandary. Canadian National Railway Co. chief executive Jean-Jacques Ruest told The Canadian Press in an interview "The role of the rail industry is a recent role and probably a temporary role. We're not here to replace pipelines; we're here to be a compliment for a period of time."

8. Ontario's Government for the People Taking Action to Get Subway Lines Built Faster

Jeff Yurek, Minister of Transportation announced that the *Getting Ontario Moving Act* will be introduced in the Legislature tomorrow, May 2, and if passed, would make sure new subway lines are built quickly to get Ontarians to work faster, to home sooner, and to family and friends quicker.

9. Transport Canada continues to improve the safe transportation of dangerous goods by rail

On May 2, 2019, the Honourable Marc Garneau, Minister of Transport, announced the publication in *Canada Gazette*, Part II of amendments to the *Transportation of Dangerous Goods Regulations*, updating regulations on dangerous goods tank cars and Emergency Response Assistance Plans. Dangerous goods shippers are required now to transport toxic inhalation hazard substances in tank cars constructed of normalized steel -- steel that undergoes a heat treatment process that increases its durability and resistance to cracking at low temperatures. Toxic inhalation hazard substances include substances such as anhydrous ammonia, a fertilizer used by farmers. The phasing out of rail tank cars constructed of non-normalized steel will provide greater protection to Canadians and the environment by reducing the risks of transporting toxic substances by rail. Rail shippers also have consistent rules on both sides of the Canada-U.S. border as these regulations now align with those of the United States.

10. April all-time record month for CP

Canadian Pacific (CP) reported strong network performance and momentum as it exits a record-setting 2019 April. On the strength of CP's service and commitment to innovation in the grain supply chain, including investing in new high-capacity hopper cars, April was an all-time record month for Canadian grain and grain products. CP moved a best-ever 2.643 million metric tonnes (MMT) of Canadian grain and grain products this past month, bettering the previous record from October 2018.

11. CN to invest hundreds of million in railway network improvements

Canadian National Railway (CN) plans to invest US\$505 million in capital projects this year across Illinois, Louisiana, Tennessee and Wisconsin. Illinois' projects are budgeted to receive the most money among the four states - \$190 million - which includes investments to add capacity to the Joliet Intermodal Terminal. CN also will replace 11 miles of the 1,254 miles of railroad it operates in the state, install 88,000 new railroad ties, and rebuild 53 road-crossing surfaces, reported American Shipper.

19. CN expands in western Canada, May 17, 2019, www.transportweekly.com

20. Chair and CEO Scott Streiner addresses the RBC Canadian Automotive, Transportation and Industrials Conference on May 14, 2019, May 21, 2019, www.cta-otc.gc.ca

21. Ontario Unveils Light Rail Vehicles for Eglinton Crosstown LRT, May 22, 2019, www.mto.gov.on.ca

22. B.C. premier hints at twin tunnel plan for Metro Vancouver's Massey Tunnel, May 24, 2019, www.ctl.ca

23. SCMA honours CN with supply chain award, May 24, 2019, www.ctl.ca

24. New proposed regulations will better protect railway employees and Canadians along rail corridors, May 24, 2019, www.tc.gc.ca

25. Feds lay out proposed new rules for voice, video recorders in locomotives, May 24, 2019, www.ctl.ca

26. VIA rail: best ridership performance in 11 years for may long weekend, May 23, 2019, www.viarail.ca

27. British Columbia can't restrict oil shipments, court says in resounding win for Trans Mountain, May 24, 2019, www.nationalpost.ca

28. Canadian Pacific partners with Operation Lifesaver and the City of Hamilton to reduce tragic rail incidents, May 28, 2019, www.cpr.ca

29. Railway carloadings, March 2019, May 30, 2019, www.statcan.gc.ca

12. Canadian Pacific Railway Limited increases dividend by 27.5 percent

The Board of Directors of Canadian Pacific Railway Limited (CP) on May 6, 2019 declared a quarterly dividend of \$0.83 per share on the outstanding Common Shares, an increase of 27.5 percent to the previous dividend of \$0.65 per share. CP President and CEO Keith Creel said "This significant dividend increase represents not only our outstanding performance as a company, but our commitment to creating long-term value for our shareholders."

13. CN Western Canadian Capital Investments Create Additional Capacity for New Export Supply Chains and Record Grain Movement

As part of its growth strategy, CN on May 8, 2019 announced that it is increasing its operations in Western Canada with two additional major export supply chain projects coming online as well as a record month of April for the movement of Canadian Grain. Both of the new projects are focused on maximizing the use of rail into the Port of Prince Rupert in British Columbia. The first train of thermal coal from Coalspur's Vista Mine in Hinton, Alberta has shipped to Ridley Terminals. CN is also delivering the first unit train of propane from Alberta for export via the new AltaGas Ridley Island Propane Export Terminal. JJ Ruest, president and chief executive officer of CN said "I'm very proud to announce the start of these new export supply chains to Asia."

14. CN acquires intermodal division of Alberta's H&R Transport

CN, through a subsidiary company, has reached an agreement to acquire the intermodal division of the Alberta-based H&R Transport Limited. JJ Ruest, president and chief executive officer of CN said "H&R is well known in Alberta and across the industry for investing in its people, systems, and assets, as well as its customer centric services and best in class operations, all of which is aligned with CN's strategy to expand our presence in moving consumer goods. With the growing consumer economy requiring more sophisticated transportation solutions, CN's strategy is to offer more end to end rail supply chain solutions to a wider range of customers."

15. CN: RTM growth in 2019

CN projects high single-digit Rail Traffic Mile (RTM) growth during 2019 and price increases above industry inflation rates. So said CN CEO JJ Ruest at the company's annual general meeting, which was held in the final week of April 2019 in its Montreal headquarters to celebrate the 100th anniversary of its founding. Projected growth is expected to come from deepening rail-centric supply chains in both the consumer products and commodities sectors. The key to that growth is crude oil shipments by rail, which have seen short-term softness due to declining spreads between Western Canada Select (WCS) oil and West Texas Intermediate (WTI) crude. Experts say that the "sweet spot" for petroleum by rail shipments is when Canadian products (currently between US\$10 and US\$12 per barrel cheaper than U.S. alternatives) sell at a US\$15 per barrel discount. The good news for CN is that continued difficulties in bringing pipeline capacity onstream mean that the mid-term outlook is decidedly bullish. Volumes are expected to ramp up during the second half of the year, Ruest said. CN also hopes to benefit from a new resource export business in the middle of the current quarter.

16. Unifor ratifies three new CN agreements

CN announced on May 10, 2019 that, following four tentative agreements reached between CN and Unifor council 4000 negotiators in March 2019, union members reviewed the agreements and approved three of the four contracts in ratification votes. These tentative agreements were reached prior to their expiration. The three ratified collective agreements cover approximately 2,000 CN railroaders in Canada, including all clerks and intermodal workers, excavator-operators, as well as conductors and locomotive engineers working on the SAR internal shortline in northern Alberta. The agreements include wage increases, ratification bonuses and improved medical, dental and health-care benefits as well as modified work/rest rules.

17. Vote of confidence from Canadians for VIA rail

Rail ranks amongst the most reputable and trusted companies in Canada according to major studies published recently. The Corporation placed 19th in the Boston-based Reputation Institute's RepTrack ranking top 50 most reputable companies in Canada. It also swept the first place, as the most reputable transportation company of the list. Additionally, VIA Rail fared well in the ranking of the 50 most trusted brands in Canada in a study undertaken by the University of Victoria's Gustavson School of Business called the Gustavson Brand Trust Index. Furthermore, it captured first place as the most trusted brand in the University of Victoria business school study's transportation category.

18. Teamsters and CN sign tentative agreement

CN announced on May 15, 2019 that it has reached a tentative agreement with the Teamsters Canada Rail Conference covering approximately 180 rail traffic controllers in Canada. "With this tentative agreement covering our rail traffic controllers, we are pleased to conclude another negotiation furthering long-term labour stability," said JJ Ruest, president and chief executive officer of CN. "We are committed to working together with our railroaders and their representatives in a mutually beneficial manner."

19. CN expands in western Canada

The Canadian National Railway (CN) is expanding with two additional major export supply chain projects focused on maximising the use of rail into the Port of Prince Rupert in British Columbia, reported Milwaukee's Progressive Railroading. The first train of thermal coal from Coalspur Mines Ltd's Vista Mine in Hinton, Alberta, was shipped to Ridley Terminals. CN is also delivering the first unit train of propane from Alberta for export via the new AltaGas Ridley Island Propane Export Terminal, according to a CN press release.

20. Chair and CEO Scott Streiner addresses the RBC Canadian Automotive, Transportation and Industrials Conference on May 14, 2019

Mr. Streiner of the Canadian Transportation Agency addressed the Canadian Automotive, Transportation and Industrials Conference on May 14, 2019. He indicated that these are exciting, important, and potentially transformative times for the transportation industry. Technological, economic, and social changes are all creating new challenges – and tremendous opportunities – for freight rail companies and airlines. Key changes have been made in the operating frameworks of Canada's rail and air sectors (five underlined in each). Keeping pace is essential to their success and the Agency intends to stay balanced and move quickly. As a regulator, the CTA is also working to keep pace – by staying attuned to the business environment and the expectations of users, by making sure our regulations reflect current realities, and by providing services that are nimble and responsive. An effective CTA administering clear rules and efficient remedies helps keep the national transportation system fluid and accessible, contributing to Canada's competitiveness, prosperity, and social fabric. Our friend, Albert Einstein, had a transportation-related way of describing this imperative. "Life," he said, is like riding a bicycle: to keep your balance, you must keep moving." Mr. Streiner said "We will keep our balance, and we will keep moving."

21. Ontario Unveils Light Rail Vehicles for Eglinton Crosstown LRT

Kinga Surma, Parliamentary Assistant to the Minister of Transportation unveiled six new light rail vehicles that will be used on the future Eglinton Crosstown LRT line. To better serve the community, Premier Ford committed to extending the Eglinton Crosstown LRT project farther west into Etobicoke, and to connect one of the largest employment centres in the region. A majority of the extension will be underground to help keep people and goods moving on one of the area's busiest roadways.

22. B.C. premier hints at twin tunnel plan for Metro Vancouver's Massey Tunnel

Premier John Horgan says a twin-tunnel proposal for a major Metro Vancouver traffic bottleneck will get serious consideration from his government. Horgan says Metro Vancouver mayors now appear united in their support for a plan to reduce traffic congestion at the current George Massey Tunnel on Highway 99 under the Fraser River. Horgan says the mayor's proposal is less costly, faster to build and would not require tolls.

23. SCMA honours CN with supply chain award

The Supply Chain Management Association (SCMA) announced that CN is the recipient of its first 'Nation Builder' award. The award commemorates SCMA's 100th anniversary and recognizes the historical and future importance of building supply chains to building Canada. "The 100th anniversary of SCMA served as the catalyst for this award, but the selection of CN was guided by the company's unrivaled legacy of economic and innovative contributions to building Canada's supply chain infrastructure," said Christian Buhagiar, President and CEO, SCMA.

24. New proposed regulations will better protect railway employees and Canadians along rail corridors

On May 24, 2019, the Honourable Marc Garneau, Minister of Transport, announced the publication in the *Canada Gazette*, Part I, of proposed Locomotive Voice and Video Recorder Regulations that specify the technical requirements for rail companies to install these devices on-board their locomotives. The proposed Locomotive Voice and Video Recorder Regulations reflect a careful balance between measures to increase safety benefits, while safeguarding the privacy rights of railway employees. This includes information that Transport Canada obtained from key stakeholders and partners, including rail companies, unions, the Transportation Safety Board of Canada, Canada's Labour Program, and the Office of the Privacy Commissioner. The proposed regulations are aligned with the Government of Canada's commitment to enhance railway safety. They also address outstanding recommendations raised by the Transportation Safety Board of Canada.

25. Feds lay out proposed new rules for voice, video recorders in locomotives

The federal Liberals have laid out their proposal for rules around voice and data recorders on locomotives, specifying when companies can use the devices to address safety concerns and how workers' privacy will be protected. Legislation passed by Parliament required the government to come up with regulations for the recorders, which are similar to "black boxes" on airplanes. Transport Canada wants to limit companies' uses of the recorders' data to instances where there is reason to believe that crew activities led to a collision or derailment or similar incident and only to a small window of time.

26. VIA rail: best ridership performance in 11 years for may long weekend

VIA Rail (VIA Rail Canada) once again reports an increase in its number of passengers for the 2019 May long weekend, giving the Corporation its best ridership performance since 2009 for the same period. More than 82,000

passengers chose the train to get around, which represents an increase of 3.9% compared to 2018. Despite a slight decline in revenue (down 0.4%), VIA Rail recorded its second-best performance since 2008. Some of the highlights were: May 17 was the busiest day; Toronto, Montréal and Ottawa were the most popular destinations; Québec City – Windsor corridor recorded 78,852 passengers, an increase of 4.2% compared to 2018, revenue increased by 4.7% compared to 2018, and 13.7 % increase in revenue and a 13.4% increase in ridership in our Business class.

27. British Columbia can't restrict oil shipments, court says in resounding win for Trans Mountain

A court has ruled that British Columbia cannot restrict oil shipments through its borders in a decision that marks a win for the Trans Mountain pipeline expansion and Alberta's efforts to get its resources to overseas markets. The province filed a constitutional reference question to the B.C. Court of Appeal that asked whether it had the authority to create a permitting regime for companies that wished to increase their flow of diluted bitumen. A five-judge panel agreed unanimously that the amendments to B.C.'s Environmental Management Act were not constitutional because they would interfere with the federal government's exclusive jurisdiction over interprovincial pipelines.

28. Canadian Pacific partners with Operation Lifesaver and the City of Hamilton to reduce tragic rail incidents

On May 28, 2019, the City of Hamilton became the third community in Canada to launch the "Look.Listen. Live." Community Safety Partnership Program with Canadian Pacific (CP), Canadian Pacific Police Service (CPPS) and Operation Lifesaver — a national not-for-profit organization dedicated to promoting rail safety. Pedestrians will now see bright yellow sidewalk decals at four level rail crossings that remind commuters to be situationally aware around railway property and to "Look. Listen. Live". This national initiative, which kicked off last year in Vancouver, B.C., and London, Ont., is part of CP's 38-year partnership with Operation Lifesaver to reduce preventable rail incidents through education and enforcement.

29. Railway carloadings, March 2019

The volume of rail freight carried in Canada totalled 31.5 million tonnes in March 2019, down 1.5% from the same month a year earlier. Freight originating in Canada rose 0.9% from the same month in 2018 to 28.7 million tonnes in March 2019. Non-intermodal freight increased 0.1% to 314,000 carloads. The amount of freight loaded into these cars rose 1.0% from March 2018 to 25.5 million tonnes in March 2019. Intermodal freight loadings decreased 2.9% from March 2018 to 211,000 units. In terms of weight, intermodal traffic increased 0.6% to 3.2 million tonnes. Freight traffic received from the United States declined 20.7% to 2.8 million tonnes in March 2019 as a result of a 21.9% decrease in non-intermodal freight.

HIGHWAY TRANSPORTATION

1. TFI International tops Canada's Top 100 fleet ranking

The Today's Trucking Top 100 is the definitive ranking of for-hire fleet sizes in Canada, and TFI International has topped the annual list once again. But there are changes this year – even within the Top 5. Canadian National's purchase of the TransX Group of Companies ensured a tight hold on the second position. Alberta's Mullen Group ranked third, followed by New Brunswick-based Day & Ross, and Ontario-headquartered Canada Cartage.

2. Uber Freight partners with SAP

Uber Freight announced a partnership with SAP. The new SAP Logistics Business Network is a management platform where all supply chain players can connect, collaborate, and exchange logistics information to help streamline workflows and increase supply chain efficiency. Through an Uber Freight API integration, mutual customers will be able to tap into instant, real-time pricing data and a national network of freight capacity, transforming freight-booking into an intelligent process.

3. Couriers and Messengers Services Price Index, March 2019

The Couriers and Messengers Services Price Index (CMSPI) was 209.1 unchanged in March 2019 for the second consecutive month. The couriers component (226.4) remained unchanged, while the local messengers and local delivery component (146.9) increased 0.3%. Year-over-year the CMSPI rose 2.5% in March 2019 compared with the same month in 2018. Both the couriers (+2.6%) and the local messengers and local delivery (+2.2%) components increased.

HIGHWAY TRANSPORTATION

Canada

1. TFI International tops Canada's Top 100 fleet ranking, April 2019, www.todavstrucking.com
2. Uber Freight partners with SAP, April 29, www.ctl.ca
3. Couriers and Messengers Services Price Index, March 2019, April 30, 2019, www.statcan.gc.ca
4. Monthly Passenger Bus and Urban Transit, February 2019, April 30, 2019, www.statcan.gc.ca
5. February 2019 North American Transborder Freight Numbers, May 2, 2019, www.bts.gov
6. Penske joins Partners for Automated Vehicle Education coalition, May 1, 2019, www.ctl.ca
7. Ontario's transportation minister raises possibility of higher speed limits, May 2, 2019, www.ctl.ca
8. Ontario Introduces Legislation to Keep our Roads Safe, Protect Frontline Workers, Schoolchildren, and Motorcyclists, May 2, 2019, www.mto.gov.on.ca
9. Capacity challenges facing supply chains are disruptive, May, 2019, www.ctl.ca
10. Securing Truckload Capacity, May 7, 2019, www.ctl.ca
11. March 2019 Freight Transportation Services Index (TSI), May 8, 2019, www.bts.gov
12. Western Transportation Advisory Council (WESTAC) Spring Member Forum assembles

4. Monthly Passenger Bus and Urban Transit, February 2019

Total operating revenues (excluding subsidies) for urban transit companies totalled \$317.5 million in February 2019. Ridership amounted to 145.9 million passenger trips over the same period.

5. February 2019 North American Transborder Freight Numbers

Transborder freight between the U.S. and other North American countries (Canada and Mexico) in February 2019 by all modes was \$94.2 billion up 0.2% compared to February 2018. Transborder trade between U.S.-Canada (both directions) were as follows: Truck - \$26.7b; Rail - \$7.1b; Pipeline - \$4.8b; Air - \$2.3b; and Vessel - \$2.2b. Truck accounted for 57.5% of transborder US-Canada trade down 2.0% from the same month a year ago. Rail accounted for 15.4% of transborder US-Canada trade down 6.4% from the same month a year ago.

6. Penske joins Partners for Automated Vehicle Education coalition

Penske Truck Leasing announced it has joined the Partners for Automated Vehicle Education (PAVE) coalition. The move is an effort by the company that aligns with its mobility strategies around connected, automated, shared, and electric commercial vehicles.

7. Ontario's transportation minister raises possibility of higher speed limits

Ontario will look at raising speed limits on provincial highways, with the transportation minister musing that those roads can safely handle traffic at 120 kilometres an hour. Jeff Yurek said on May 1, 2019 that he will announce speed limit consultations next week, and signalled that the province will consider raising the maximum from its current 100 kilometres an hour.

8. Ontario Introduces Legislation to Keep our Roads Safe, Protect Frontline Workers, Schoolchildren, and Motorcyclists

Ontario's government is putting people first with the *Getting Ontario Moving Act* that, if passed, would cut red tape for our province's job creators, help keep our roads safe and enable the province to upload responsibility for new subway projects from the City of Toronto. The *Getting Ontario Moving Act* was introduced in the legislature on May 2, 2019 by Jeff Yurek, Minister of Transportation.

9. Capacity challenges facing supply chains are disruptive

Becoming a shipper of choice is no longer a choice, particularly during what the executive of one of Canada's largest shippers calls "some of the most disruptive times I've ever seen." Delivering the keynote address at The Chartered Institute of Logistics and Transportation of North America (CILTNA) annual spring outlook conference, Gary Fast, vice president transportation at Canadian Tire, told those gathered that he couldn't

remember experiencing the capacity challenges his company faces today in his 24 years in the industry.

10. Securing Truckload Capacity

2019 promises continued growth and above-average truckload demand. While there are no shortcuts to fixing the capacity gap, shippers can take steps to ensure their freight moves on time. The steps outlined were: 1. Create a core carrier program. 2. Schedule quarterly touch points. 3. Build long-term relationships that transcend market cycles. 4. Be intentional with bid objectives. 5. Keep bidding rounds to a minimum. 6. Establish network consistency. 7. Use multiple modes to maximize capacity. 8. Be a shipper of choice. 9. Focus on the driver. 10. Tap your third-party provider's range of services.

11. March 2019 Freight Transportation Services Index (TSI)

The Freight Transportation Services Index (TSI), which is based on the amount of freight carried by the for-hire transportation industry, rose 0.4% in March 2019 from February 2019, rising after a one-month decline. The index rose 1.3% from March 2018 compared to an increase of 8.2% from March 2017 to March 2018.

12. Western Transportation Advisory Council (WESTAC) Spring Member Forum assembles experts to explore transportation system demand, capacity and connectivity in Western Canada

experts to explore transportation system demand, capacity and connectivity in Western Canada, May 9, 2019, www.westac.ca

13. Ontario Introduces Speed Limit Pilots and Consultations, May 10, 2019, www.mto.gov.on.ca

14. Stable growth in China's freight volume during Q1, May 13, 2019, www.transportweekly.com

15. Ontario raising speed limits on three highways to 110 km/h for pilot program, May 14, 2019, www.ctl.ca

16. Ontario reworking emissions tests for trucks, May 16, 2019, www.todaystrucking.com

17. Truckers satisfied with jobs, but 1 in 4 still looking, May 22, 2019, www.todaystrucking.com

18. Small trucks can present big maintenance challenges, May 21, 2019, www.todaystrucking.com

19. Electric Truck Market Powers Up: 1.5 Million by 2025, May 23, 2019, www.inboundlogistics.com

20. Transportation is transforming amid ride sharing and automation. Are we headed for a 'carpocalypse'?, May 24, 2019, www.nationalpost.ca

21. New Directions for Data-Driven Transport Safety, May 23, 2019, www.itf-oecd.org

22. Ontario transportation, warehousing injuries on the rise, May 24, 2019, www.todaystrucking.com

23. Student analyzes truck clustering to determine transportation efficiencies, May 27, 2019, www.todaystrucking.com

24. What's the first thing you would do to address the supply chain talent gap?, May 27, 2019, www.inboundlogistics.com

25. FTR: Trucking Outlook Shifts to Neutral, May 28, 2019, www.cantruck.ca

26. Industry needs more drastic changes to curb emissions, May 28, 2019, www.todaystrucking.com

27. Trucking Commodity Origin and Destination Survey, 2017, May 30, 2019, www.statcan.gc.ca

28. March 2019 North American Transborder Freight Numbers, May 29, 2019, www.bts.gov

29. USMCA's Impact on the Industrial Truck Industry, May 30, 2019, www.inboundlogistics.com

WESTAC gathered over 100 leaders and influencers from business, labour and government involved in the Western Canadian transportation sector in Victoria this week to discuss “The Art of the Possible: Thinking Creatively and Collaboratively about Supply Chains.” Shippers, railways, ports and terminals, governments and labour leaders discussed ways to maximize the capacity and efficiency of our supply chains. The session aimed to meet the need of the industry in the west to understand the system as a whole – going beyond its component parts to visualize its entirety, a daunting task, that few if any have fully achieved. As WESTAC CEO Oksana Exell notes the session, “brought together knowledgeable individuals to share their expertise about demand, capacity and connectivity – to paint a verbal picture of the system that we can’t necessarily visualize.”

13. Ontario Introduces Speed Limit Pilots and Consultations

The Ontario Government is exploring new ways to improve traffic flow and safety on provincial highways by introducing three speed limit pilots on select highways. At the same time, Ontario's Government for the people will launch province-wide consultations on how to safely increase highway speeds to align with other provinces, and how people currently drive.

14. Stable growth in China's freight volume during Q1

China's overall freight transport saw steady growth in the 2019 first quarter with freight volume increasing by 6.1 per cent year on year to 10.85 billion tonnes in the first three months, the Chinese Ministry of Transport (MOT) said in a statement. Road freight increased 5.9 per cent while freight on the waterways registered a 9.1 per cent growth year on year, according to the ministry. China's cargo throughput at ports grew by 4.3 per cent to 3.15 billion tonnes during the period. Foreign trade cargo throughput saw an increase of 5 per cent, while domestic trade posted a growth of 3.1 per cent.

15. Ontario raising speed limits on three highways to 110 km/h for pilot program

Ontario will be raising speed limits to 110 kilometres an hour on sections of three 400-series highways as part of a pilot program that could lead to limits being increased across the province. Transportation Minister Jeff Yurek, who announced the pilot on May 9, 2019, said the government will also be holding consultations on the project that's set to begin in mid-September. “Our government believes that increasing speed limits will bring posted limits in line with other jurisdictions and go along with how people currently are driving,” he said. “The pilot is a first step as a move forward to gather information for a permanent decision.”

16. Ontario reworking emissions tests for trucks

Ontario continues to rework its emissions testing program for heavy-duty vehicles following a decision to cancel Drive Clean tests on light-duty models. The light-duty tests came to an end April 1, as the provincial government cited broad improvements in emissions controls. Just 5% of passenger cars failed the tests in 2017, compared to the 16% that failed when the program was introduced in 1999. In announcing the change, regulators stressed that heavy-duty diesel vehicles have not fared as well because mandatory standards have not been as stringent. Trucks at least seven years old, and with gross weights above 4,500 kg (9,900 lb.), are still required to pass annual Drive Clean emissions tests before registrations are renewed. But this testing regime is set to change. “In the near future we'll be starting to roll out both the increased inspection — which will incorporate Ministry of Transportation as well as Ministry of Environment — and then working with the industry as well as with other stakeholders around what the standards will be,” Environment Minister Rod Phillips tells *Today's Trucking*, citing work with the Ontario Trucking Association.

17. Truckers satisfied with jobs, but 1 in 4 still looking

Those who work in Canada's trucking industry appear relatively satisfied in their jobs, according to a monthly reader poll conducted by *Today's Trucking*. Forty-one percent of those who participated in the *Pulse Survey* said they were satisfied in their current job, while 39% were very satisfied, and 13% were relatively neutral. About 62% have been in the same job for more than a decade. Still, 26% have actively searched for a different job in the last 12 months. Other than higher pay, the top thing that would attract people to another employer would be a positive workplace image, cited by 15% of those in the poll. That was followed by better benefits (13%), opportunities for advancement (11%), different work (10%), and predictable pay (9%).

18. Small trucks can present big maintenance challenges

Don't let the size of a truck fool you. Medium-duty trucks are dwarfed by their Class 8 counterparts, but such equipment can present some of the biggest challenges for a repair facility. Chief among them is the fact that many of these trucks are owned and operated by businesses that often treat trucks as an afterthought. The people at the wheel might be bakers, carpenters, electricians or landscapers. They don't think of themselves as truckers. The trucks are simply seen as a way to deliver tools of the trade. It's up to technicians and mechanics to be able to draw out the information they need, even if the customers are not as familiar with truck components. “The more skilled the technician is and understands our truck, the easier it is for him to work with the customer to diagnose what the issues are. The key thing is really communication,” says Andy Craig, director of Canada operations for

Isuzu commercial trucks, stressing the importance of continuous training.

19. Electric Truck Market Powers Up: 1.5 Million by 2025

The global market for electric trucks is expected to climb to more than 1.5 million vehicles by 2025, according to a *P&S Intelligence* report. Declining battery costs, lower maintenance costs, and government incentives and other regulations supporting the electric truck sector will fuel the growth, the report notes. Growth in freight transportation and an increase in demand for long-haul, heavy-duty trucks also play a role.

20. Transportation is transforming amid ride sharing and automation. Are we headed for a ‘carpocalypse’?

Simultaneous developments in electrification, automation and sharing have created a “perfect storm” for innovation in the automotive industry over the past three years, but don’t expect a “carpocalypse” as transportation technology evolves. Auto tech investors, entrepreneurs and manufacturers agreed at the Collision Conference in Toronto this week that car ownership won’t disappear as it will take decades to roll out fully autonomous vehicles that can whip around cities, successfully avoiding unpredictable pedestrians in their paths as they seamlessly deliver commuters to work before driving their children to school. But the industry acknowledged the percentage of people owning cars could decrease as transportation is increasingly viewed as a service, not exclusively as an asset.

21. New Directions for Data-Driven Transport Safety

On May 23, 2019, the International Transport Forum released a report, *New Directions for Data-Driven Transport Safety*. This report explores how seamless data collection, analysis and sharing can unlock innovations in transport safety. Most interventions to improve transport safety are reactions to incidents. Connected vehicles, smartphone apps, ubiquitous sensors, data sharing and machine learning make proactive transport safety interventions possible and prevent crashes before they happen. Drawing on the Safe System approach, this report examines how transport stakeholders can make better decisions by using more relevant and timely data.

22. Ontario transportation, warehousing injuries on the rise

Ontario workplaces are safer in general, but the province’s transportation and warehousing sector appears to be losing ground, new figures from the Ontario Workplace Safety and Insurance Board (WSIB) suggest. The WSIB’s annual Health and Safety Index indicates that workplaces are 1.9% safer this year, but transportation and warehousing scores dropped 1.6%. It was one of three tracked industries to score worse than the year before. Manufacturing and retail trades were the other two. The measure comes a year after transportation and warehousing scores had improved by 3.1%.

23. Student analyzes truck clustering to determine transportation efficiencies

A University of Windsor student has analyzed GPS pings on the movement of 22,000 trucks in an effort to bring freight optimization to the supply chain. Ayat Hussein said her effort to advance knowledge of freight transportation used the GPS data, which was acquired from Transport Canada and lent to the Cross-border Institute at the university, revealed the highest truck activity based on commodity by region. Hussein presented her research during the Canadian Transportation Research Forum in Vancouver, B.C. on May 27, 2019.

24. What’s the first thing you would do to address the supply chain talent gap?

Cast a wider net. Recruit graduates with non-traditional degrees. Work with vocational schools to create two-year-degree supply chain programs. Perhaps even create near-shore supply chain.

25. FTR: Trucking Outlook Shifts to Neutral

FTR’s Trucking Conditions Index for March 2019 showed its first negative reading in several years, reflecting a softening environment for carriers, the freight market analyst reported. The lower reading driven by easing freight rates and sluggish, though still positive, demand. Active truck utilization and the truckload rate have also continued to ease. The weakness in truckload rates was attributed mostly to spot rates, but FTR also found that the contract rate outlook has turned slightly negative. FTR’s outlook for loadings growth has been revised downward from previous forecasts with year-over-year growth now expected to be under 2%.

26. Industry needs more drastic changes to curb emissions

Andrew Tam of the Ontario Ministry of Transportation said heavy-duty diesel vehicles are lagging behind light-duty gasoline-powered vehicles when it comes to reducing greenhouse gas (GHG) emissions. Tam also said he believes the most effective course of action to lessen emissions from trucks would be to use alternative fuels, moving away from straight diesel. Speaking during the Canadian Transportation Research Forum (CTRF) conference in Vancouver, B.C., on May 27, Tam pointed out that in 2014, emissions from transportation in Canada was 24% of the country’s total output. Trucks carrying freight constituted 33% of the transportation sector’s emissions. “Over the years, the trucking industry has made improvements,” said Tam. “I’m not going to say drastic, but they have.” Tam provided an overview of the technologies being used today to help curb emissions from heavy-duty trucks, as well as possible alternative fuels that could be used in the future.

27. Trucking Commodity Origin and Destination Survey, 2017

The Trucking Commodity Origin and Destination Survey data are now available for the reference year 2017 from

Statistics Canada. Total tonnage hauled in 2017 was 816 million tons up 8% from 2016.

28. March 2019 North American Transborder Freight Numbers

Transborder freight between the U.S. and other North American countries (Canada and Mexico) in March 2019 was \$107.2 billion by all modes, up 1.4% compared to March 2018. Truck moved \$67.4 billion of freight, up 1.3% compared to March 2018 and rail moved \$16.2 billion of freight, up 0.6% compared to March 2018. Transborder freight between U.S.-Canada by truck was \$31.0 billion (57.2% of all northern border freight) down 0.4% compared to March 2018 and U.S.-Mexico trade by truck was \$36.4 billion (68.5% of all southern border freight) up 2.7%. Transborder U.S.-Canada trade by rail was \$8.7 billion (16.0% of all northern border freight) down 5.7% compared to March 2018 and U.S.-Mexico trade by rail was \$7.6 billion (14.2% of all southern border freight) up 9.0%.

29. USMCA's Impact on the Industrial Truck Industry

The United States Mexico Canada Trade Agreement (USMCA) is critical to ensuring a robust North American economy. The agreement, signed by the respective country's presidents on November 30, 2018, modernizes and enhances trade relations between the three countries and is now pending ratification by each country's legislature. Passage is crucial to maintaining a healthy U.S. manufacturing and industrial truck industry.

GENERAL TRANSPORTATION

Canada

1. Pipeline transportation of oil and other liquid petroleum products, February 2019

Data on pipeline transportation of oil and other liquid petroleum products are now available for February 2019 upon request from Statistics Canada.

2. Trump, Dems agree on \$2 trillion infrastructure spend

President Donald Trump and congressional Democrats, including Speaker of the House Nancy Pelosi, D-Calif., and Senate Minority Leader Chuck Schumer, D-N.Y., agreed on April 30, 2019 to a \$2 trillion infrastructure package at a White House meeting, but will meet again in about three weeks to discuss how it would be funded.

3. Trump tweets plan to raise China tariffs

President Donald Trump tweeted on May 5, 2019 that 10 percent tariffs across \$200 billion worth of goods from China in yearly import value will increase to 25 percent on May 10, 2019. He also mentioned that \$325 billion worth of untaxed goods from China will "shortly" be tariffed at 25 percent, though it's unclear why Trump cited that figure. According to Commerce Department statistics, the U.S. imported about \$540 billion in goods from China in 2018 and is collecting tariffs across \$250 billion worth of imports, meaning only \$290 billion worth of imports — not the \$325 billion figure Trump cited — are not subject to tariffs.

4. Senators to consider sweeping package of amendments to controversial Bill C-69

Bill C-69, an act to enact the impact assessment act and the Canadian energy regulator act, to amend the Navigation Protection Act and to make consequential amendments to other acts seeks to overhaul the environmental review process for large-scale projects like pipelines and nuclear plants, has become a point of vexation in the oil-rich provinces of Alberta and Saskatchewan. Frustrations in those provinces has been mounting over the failure to increase Canada's oil pipeline capacity over the past 15 years, kneecapping producers and pummeling prices for Canadian crude oil. Among the amendments obtained by the Post, one aims to reduce the timelines for projects reviewed by an independent panel from 600 days down to 510, satisfying industry demands for shorter review processes. Oil and gas lobby groups have warned that the new process could slow timelines to get major projects built, despite

GENERAL TRANSPORTATION

Canada

1. Pipeline transportation of oil and other liquid petroleum products, February 2019, May 2, 2019, www.statcan.gc.ca
2. Trump, Dems agree on \$2 trillion infrastructure spend, May 1, 2019, www.americanshipper.com
3. Trump tweets plan to raise China tariffs, May 6, 2019, www.americanshipper.com
4. Senators to consider sweeping package of amendments to controversial Bill C-69, May 7, 2019, www.nationalpost.ca
5. Minister Garneau tells Great Lakes Economic Forum that region would benefit from removing trade tariffs and ratifying trade pact, May 8, 2019, www.tc.gc.ca
6. US plans to hike tariffs Friday, says China broke promises, May 8, 2019, www.ctl.ca
7. Canada's trade deficit shrank to \$3.2 billion in March: StatsCan, May 9, 2019, www.ctl.ca
8. Trump: No need to rush on trade deal, May 10, 2019, www.theguardian.com
9. Leading indicator of cross-border traveller volume, April 2019, May 10, 2019, www.statcan.gc.ca
10. How global cities are changing international trade, May 10, 2019, www.ctl.ca
11. Economist: Solid growth for rest of 2019, May 10, 2019, www.americanshipper.com
12. Study: The Impact of Immigrant Business Ownership on International Trade, May 13, 2019, www.statcan.gc.ca
13. Trump has long seen previous US trade agreements as losers, May 13, 2019, www.ctl.ca
14. For 'tariff man' Trump, tariffs start looking like his end-goal, May 14, 2019, www.ajot.com
15. End of U.S. tariffs on Canadian, Mexican steel and aluminum close: Mnuchin, May 15, 2019, www.ctl.ca
16. Trump poised to delay auto tariffs amid EU, Japan trade talks, May 15, 2019, www.ajot.com
17. Amazon breaks ground on new air hub, May 15, 2019, www.ctl.ca
18. B.C.-Alberta economic ties run deep, May 16, 2019, www.ctl.ca
19. Industry, economists weigh in on lifting of tariffs on Canadian steel, aluminum, May 18, 2019, www.ctl.ca
20. Senator calls for ending trade war, providing

claims by Ottawa that the bill actually shortens the process with its “one project, one review” approach. Many of the proposed amendments aim to limit ministerial powers — a key concern among oil and gas representatives, who argue that higher discretion afforded to the federal environment Minister will make the process more uncertain. One amendment would force the environment minister to get written approval from both the federal finance minister and minister of natural resources before a project could be rejected on environmental grounds. That would mark a substantial change from the current legislation, which leaves the decision solely to the environment minister, and would put more power in the hands of the typically more industry-friendly energy ministry.

5. Minister Garneau tells Great Lakes Economic Forum that region would benefit from removing trade tariffs and ratifying trade pact

The Honourable Marc Garneau, Minister of Transport and Chair of the Cabinet Committee on Canada-United States Relations, Trade Diversification and Internal Trade, on May 8, 2019 was in Cleveland, Ohio, to participate in the Great Lakes Economic Forum, organized by the Council of the Great Lakes Region. The forum covers key issues, such as the future of the Great Lakes auto and aerospace sectors, and regulatory reform and alignment. While at the forum, Minister

Garneau delivered keynote remarks on Canada-United States trade and transportation initiatives. He told leaders from all levels of government, industry, academia, and non-profit sectors that removing tariffs on Canadian steel and aluminum, and ratifying the new trade agreement would bring great benefits to the Great Lakes region.

6. US plans to hike tariffs Friday, says China broke promises

Accusing Beijing of “reneging” on commitments it made in earlier talks, the nation’s top trade negotiator said on May 6, 2019 that the Trump administration will increase tariffs on \$200 billion in Chinese goods on May 10, 2019, a sharp escalation in a yearlong trade dispute. At the same time, a Chinese trade delegation is expected to arrive in Washington to resume negotiations on May 9, a day later than originally planned. At a briefing with reporters, neither U.S. Trade Representative Robert Lighthizer nor Treasury Secretary Steven Mnuchin offered details of China’s alleged backsliding, and there was no immediate response from Beijing.

7. Canada’s trade deficit shrank to \$3.2 billion in March: StatsCan

Canada’s trade deficit shrank in March 2019 but not as much as expected as exports, led by the energy sector, climbed higher. Statistics Canada said on May 9, 2019 the merchandise trade deficit for March 2019 amounted to \$3.2 billion compared with \$3.4 billion in February 2019. Economists had expected a deficit of \$2.45 billion, according to *Thomson Reuters Eikon*. “The headline trade deficit looked ugly in March, but the details were at least slightly prettier,” CIBC economist Royce Mendes wrote in a report.

8. Trump: No need to rush on trade deal

Newsflash: Donald Trump has said that there’s “absolutely no need to rush” to reach a deal with China. In a flurry of trade-related tweets, the US president claims that 25% tariffs are NOW being paid on Chinese imports (even though goods that started their journey before midnight will actually only be taxed at 10%). Worryingly for China, Trump also declares that the process of imposing tariffs on the rest of China’s imports has begun. That’s a warning that he could escalate the trade war further [Reminder: following last night’s move, \$250bn of Chinese imports face a 25% levy, leaving roughly \$325bn still on the table]. He also revealed plans to use some of the tariff proceeds to buy agricultural products from American farmers - an acknowledgement that the trade war is hurting the agricultural sector.

9. Leading indicator of cross-border traveller volume, April 2019

Data indicating cross-border travel by automobile through land ports equipped with the automated Integrated Primary Inspection Line (IPIL) system are now available upon request from Statistics Canada.

10. How global cities are changing international trade

The geographic diversification of international trade and investment has become a public policy goal of many countries, including Canada. Increasingly, policy-makers are raising concerns regarding the risks, largely political, that arise when there’s too much concentration of trade and investment on a small number of trading partners. Trade in services, however, may offer better opportunities for trade diversification. But facilitating trade in services requires supportive regulation and strong global cities like Toronto and London to serve as hubs. The article then examines issues such as: Proximity versus distance; Cultural differences as a type of distance; and Cultural differences & global cities.

11. Economist: Solid growth for rest of 2019

farmer aid, May 21, 2019, www.americanshipper.com

21. Travel between Canada and other countries, March 2019, May 22, 2019, www.statcan.gc.ca

22. Governing Transport in the Algorithmic Age, May 23, 2019, www.itf-oecd.org

23. The Government of Canada explores new ways to reduce transportation pollution, May 24, 2019, www.tc.gc.ca

24. China won't insist US fix 'wrong practices', May 27, 2019, www.transportweekly.com

25. Trump wields more powerful weapon than tariffs in trade war, May 27, 2019, www.ajot.com

26. IMF details likely negative effects of U.S.-China tensions, May 27, 2019, www.americanshipper.com

27. Trade war plunges US farm exports by 32pc to China, May 28, 2019, www.transportweekly.com

28. US, EU and Japan seek agreement to curb China's state subsidies, May 28, 2019, www.transportweekly.com

29. National Travel Survey, fourth quarter 2018 and annual 2018, May 28, 2019, www.statcan.gc.ca

30. Visitor Travel Survey, fourth quarter 2018, May 28, 2019, www.statcan.gc.ca

31. Innovative Technologies in Transportation Management, May 30, 2019, www.ctl.ca

The GDP output forecast has become less optimistic over the past six months, but the labor market has exceeded expectations, FTR's senior economist Bill Witte said on May 9, 2019. "Most of the things that have happened over the last six months have been negative," he said during the State of Freight webinar, referencing the government shutdown and trade relations. "Whereas we had expected growth between 3 and 4% over 2019, we're now down around 3 or a little lower. In the labor market, by contrast, the economy has actually done a little better than we expected, although pretty close to what we expected. ... We expect employment change to ... average 200,000 the rest of this year and then decline." Inflation is one of the biggest risks to economic growth for the remainder of the year, according to Bill Witte.

12. Study: The Impact of Immigrant Business Ownership on International Trade

Understanding the impact of immigrants on international trade is particularly important for Canada as it is an open economy with a relatively large immigrant population. While there are many studies that identify a link between immigrants and international trade, few assess the role of immigrant business owners and the channels through which immigrants can have an impact. The study released on May 13, 2019, "*The Impact of Immigrant Business Ownership on International Trade*," uses an innovative matched employer–employee database, the Canadian Employer–Employee Dynamics Database, to explore two channels through which immigrants can facilitate trade. First, knowledge of the markets and products that immigrant business owners bring with them from their home countries can lower trade costs and reduce trade barriers. Second, a larger immigrant population in the area in which a business operates can stimulate the demand for imports from immigrants' countries of origin and also act as a source of knowledge about foreign markets from which business owners can draw upon. The study finds evidence of both channels.

13. Trump has long seen previous US trade agreements as losers

President Donald Trump's combative approach to trade has been one of the main constants among his often-shifting political views. And he's showing no signs of backing off now, even as the stakes intensify with the threat of a full-blown trade war between the world's two biggest economies. The president went after China on Day 1 of his presidential bid, promising to "bring back our jobs from China, from Mexico, from Japan, from so many places." Trump's views on trade helped forge his path to victory in states such as Pennsylvania, Michigan, Wisconsin and Ohio, where he linked the loss of manufacturing jobs to the North America Free Trade Agreement and other trade deals. He warned the worst was yet to come with President Barack Obama's proposed Trans-Pacific Partnership.

14. For 'tariff man' Trump, tariffs start looking like his end-goal

President Donald Trump loves tariffs so much he once called himself "Tariff Man." He also has repeatedly portrayed the punitive tariffs he has imposed on China and other countries as tools to create leverage and draw them into new trade deals that benefit the U.S. Increasingly, however, Trump's tariffs are looking like an end-goal rather than a tool and more tangible than any of the deals the president has promised. And that, economists agree, bodes badly for the U.S. and global economies.

15. End of U.S. tariffs on Canadian, Mexican steel and aluminum close: Mnuchin

A top Trump administration cabinet member says the end of punishing steel and aluminium tariffs on Canada and Mexico is close at hand. "I think we are close to an understanding with Mexico and Canada," Treasury Secretary Steven Mnuchin said on May 15, 2019, as Foreign Affairs Minister Chrystia Freeland met with Trump trade czar Robert Lighthizer in a renewed push to get the tariffs lifted.

16. Trump poised to delay auto tariffs amid EU, Japan trade talks

President Donald Trump is poised to delay a decision by up to six months to impose auto tariffs to avoid blowing up negotiations with the EU and Japan and further antagonize allies as he ramps up his trade war with China, according to people close to the discussions. Trump faces a May 18 deadline over how to proceed with his threat to slap a tariff of as much as 25% on imported cars and parts in the name of U.S. national security.

17. Amazon breaks ground on new air hub

Amazon broke ground for a new Air Hub located in Hebron, KY at the Cincinnati/Northern Kentucky International Airport. The Air Hub will open in 2021 as part of the company's commitment to ensure fast, free shipping for customers. Amazon first set roots in Kentucky in 1999 when it opened two fulfillment centers. On May 15, 2019, Kentucky is home to 14 Amazon fulfillment and sortation centers, one customer service center and two Whole Foods Market stores. Amazon has invested more than \$8 billion in the state and created more than 12,500 full-time jobs.

18. B.C.-Alberta economic ties run deep

The Business Council of British Columbia has released an update of its previous 2017 report, *Ties That Bind: Economic Interdependence Between B.C. and Alberta*, that underscores the importance of trade and the movement of people between the two provinces. The report shows that the B.C. and Alberta economies continue to be highly interdependent and are arguably the most intertwined of any two provinces in the federation.

19. Industry, economists weigh in on lifting of tariffs on Canadian steel, aluminum

The lifting of U.S. tariffs on imported steel and aluminum from Canada received a positive but guarded welcome from industry, which hoped it could lead to a speedy ratification of the pending U.S.-Mexico-Canada agreement. But the

agreement by the two countries to work together to prevent cheap imports of the metals from entering North America prompted one group to call for stronger measures to protect Canadian steel. "We're in a better position today than we were yesterday, but I would say that ... we're not completely out of the woods," said Mark Warner, a Canadian and American trade lawyer. The lifting of a 25 per cent tariff on steel and a 10 per cent tariff on aluminum from Canada by the U.S. Trump administration will take place within two days of Friday's announcement.

20. Senator calls for ending trade war, providing farmer aid

Sen. Jerry Moran, R-Kan., on May 20, 2019 called on the Trump administration to "quickly and successfully" resolve ongoing trade disputes and expressed disappointment that trade talks with China recently took a step back, resulting in raised tariffs. In a letter to Agriculture Secretary Sonny Perdue, Moran said U.S. tariffs against China and China's retaliatory tariffs threaten long-term damage to U.S. agriculture. "The president has encouraged U.S. consumers to not buy goods from China as a way to avoid paying tariffs," Moran wrote. "However, consumers changing their purchasing decisions to avoid the tariffs provides no solution or relief for Kansas and other states who are dependent on selling what we produce to China and other foreign markets. The same logic expressed by President Trump applies to foreign buyers who are choosing to no longer purchase U.S. agriculture commodities in a similar attempt to avoid the retaliatory tariffs applied to our exports."

21. Travel between Canada and other countries, March 2019

Travel was up between the United States and Canada from February to March, while travel between Canada and overseas countries declined. Every major mode of transportation was up between the United States and Canada—most notably travel by car. The number of Canadian residents travelling to overseas countries declined 1.5% to 1.0 million in March 2019. The number of overseas travellers to Canada edged down, as fewer travellers from Europe were almost offset by more arrivals from Asia and South America.

22. Governing Transport in the Algorithmic Age

On May 23, 2019, the *International Transport Forum* released a study entitled *Governing Transport in the Algorithmic Age*. This study explores where automated decision-making systems impact transport activity, and how. More and more transport activity is influenced by algorithms. Automated decision-making is taking a hold in areas from health care and housing to media and mobility. In transport, algorithms are a core feature for services from public transport scheduling to routing apps, bicycle sharing to self-driving technology, parcel delivery to the dispatching of ride services. How can policy makers ensure mobility driven by algorithmic code supports societal objectives? The report discusses what the authors did, what they found together with their recommendations.

23. The Government of Canada explores new ways to reduce transportation pollution

The Honourable David Lametti, Minister of Justice and Attorney General, on behalf of the Honourable Marc Garneau, Minister of Transport, on May 24, 2019 announced the recipients of the first round of funding under the Clean Transportation System Research and Development Program. The funding will support 10 projects that advance clean technology innovations or practices in the marine, rail and aviation sectors. With this four-year program, the Government of Canada is investing up to \$2.4 million to develop innovative clean technologies to improve the environmental performance of Canada's transportation system specifically in the marine, rail and aviation sectors. The Clean Transportation System Research and Development Program recipients for the first round of funding will receive a total of up to \$847,315.

24. China won't insist US fix 'wrong practices'

China, while still blaming the US for damaging trade negotiations, no longer insists Americans alter "wrong practices" before talks can resume. Earlier Beijing's position was: "China's stance on the talks has been clear - if the US wants to resume talks, they should show sincerity and correct their wrong practices," said Commerce Ministry spokesman Gao Feng in Beijing. "Only on a basis of equality and mutual respect can the talks continue." But later China's ambassador to the US Cui Tiankai said Beijing was committed to striking a trade deal as he called the blacklisting of Shenzhen's Huawei Technologies an "unusual" act of state power against a company. The comments are the latest sign that China has no intention of making concessions to the US to restart talks, which collapsed earlier this month, said Bloomberg. The US blames China for backing out on parts of the deal which were already agreed.

25. Trump wields more powerful weapon than tariffs in trade war

President Donald Trump's trade war against China has so far focused on attacking imports. His new front: Weaponizing American exports. The Trump administration is seeking to choke off Beijing's access to key technologies by limiting the sale of vital U.S. components to China's Huawei Technologies Co. The U.S. is considering putting at least five Chinese surveillance companies on the same blacklist. The moves are part of a bigger effort by the U.S. to expand and toughen the export control regime that for decades has curbed the sale of defense-related technologies to rogue regimes and strategic rivals. It's a process that has prompted fears from business that as Trump's trade war grows into a broader technology-driven conflict with China the U.S. could end up damaging its own economic future.

26. IMF details likely negative effects of U.S.-China tensions

The latest escalation of U.S.-China trade tensions could “significantly dent” international business and financial market sentiment and disrupt global supply chains, according to an International Monetary Fund (IMF) report released on May 23, 2019. Recently raised tariffs between the U.S. and China and potential new tariffs to cover all trade between the two countries will subtract about 0.3% of global GDP in the short term, the report said. The Trump administration recently raised tariffs from 10% to 25% on \$200 billion worth of goods from China in yearly import value exported and entered into U.S. commerce after May 9, 2019.

27. Trade war plunges US farm exports by 32pc to China

Northwest Seaport Alliance (NWSA), the ports of Seattle and Tacoma, saw 32 per cent declines in agricultural exports to China in 2018 mostly because of the Sino-American trade war, reported the *American Journal of Transportation*. These numbers are being driven by impacts on specific commodities, such as: soybean exports - 69 per cent lower in 2018 than in 2017; seafood exports - down 36 per cent; dairy exports - down 41 per cent; apple exports - down 26 per cent; and exports of fresh cherries - down 33.4 per cent.

28. US, EU and Japan seek agreement to curb China's state subsidies

The US, EU and Japan are pushing for an agreement on measures to curb state-support of industries with the aim to eventually limiting how much China backs its private companies, according to people familiar with the negotiations. The move on industrial subsidies is expected to top the agenda at meetings between trade ministers from the three economies in Paris this week. It's part of an effort to modernise global trade rules that the US and others claim have failed to address China's rise as a global economic power.

29. National Travel Survey, fourth quarter 2018 and annual 2018

Canadian residents made 72.3 million trips in Canada and abroad in the *fourth quarter of 2018*, spending \$17.2 billion. Of these trips, 63.8 million (88.2%) were domestic trips within Canada. While travelling in Canada, Canadians spent \$9.0 billion on accommodation, food, gas and other travel-related purchases. Trips to visit friends or relatives represented almost half (47.1% or 30.1 million) of all domestic trips by Canadians during the quarter. Just over 1 in 10 trips (11.8%) made by Canadians in the fourth quarter were to destinations abroad, that is, either to the United States or overseas. The United States was the destination for 6.3 million trips by Canadians (74.3% of trips abroad) and Overseas was the destination for 2.2 million trips during the quarter. For the *2018 (full year)*, Canadian residents took 316 million trips in Canada and abroad, spending \$83.8 billion. Canadians made 278 million domestic trips in 2018, representing 88.0% of all trips made by residents of Canada. Spending by Canadians on trips within Canada totalled \$45.7 billion, or over half of their total travel expenditures in 2018. Most domestic travel was by Ontarians visiting within their home province (93.4%). Canadian residents made 27.7 million trips to the United States in 2018 (72.9% of trips abroad), spending \$20.2 billion. In 2018, Canadian residents made 10.3 million trips to overseas countries (countries other than the United States), accounting for over one-quarter of all trips abroad during the year. Mexico and Cuba were the most visited overseas destinations.

30. Visitor Travel Survey, fourth quarter 2018

Travellers from abroad made 6.2 million trips to Canada in the fourth quarter of 2018, up 1.1% from the fourth quarter of 2017, spending an estimated \$3.9 billion. US travellers took 4.9 million trips to Canada in the fourth quarter of 2018, up slightly (+0.4%) from the same quarter in 2017. Travellers from overseas countries (countries other than the United States) made 1.3 million trips to Canada in the fourth quarter, up 3.9% from the fourth quarter of 2017.

31. Innovative Technologies in Transportation Management

The technology landscape has evolved from what it was 10 or even five years ago, and innovations such as real-time visibility solutions, machine learning and blockchain have also impacted the transportation space. Technology will continue to evolve and disrupt the transportation industry, impacting many companies in different ways. Those organizations that couldn't get their business case to succeed will leave the marketplace, while those that have honed the fundamentals of their technology will rise to take their place at the top. Strategic partnerships will also likely play a role in helping emerging technologies deliver real-world value as various platforms and asset providers will partner to expand use cases and deliver on customer expectations.