

# Transportation Information Update\*

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## AIR TRANSPORTATION

### 1. Air Canada Further Refines Industry-Leading Bio-Safety Measures, Re-Introduces Select Services Onboard Flights

Air Canada on June 29, 2020 announced that it is advancing its industry-leading bio-safety measures by offering flexible rebooking options to Economy Class customers on flights that are close to capacity, introducing additional touchless processes at airports, and enhancing inflight service and amenities. For example: 1. Flexible rebooking options for Economy Class customers booked on flights near capacity; 2. Touchless airport services including TouchFree Bag Check and virtual queuing at select counters; 3. Meals designed by Air Canada culinary panel to resume.

### 2. Airports Council Releases COVID-19 Recovery Recommendations and Priorities

Airports Council International – North America (ACI-NA), the trade association representing commercial service airports in the United States and Canada, on June 29, 2020 released an introductory report highlighting 42 immediate industry recommendations and priorities to assist with the restart and recovery of air travel in the United States and Canada following the coronavirus (COVID-19) health pandemic. As the report recommends, the restart and recovery of the aviation sector will require a consistent and harmonized approach with clear industry standards and good practices.

### 3. May Air Cargo Shows Slight Pickup Amid Continuing Capacity Crunch

The International Air Transport Association (IATA) released data for global air freight markets in May 2020 showing a slight improvement in the air cargo market. But capacity remains unable to meet demand as a result of the loss of belly cargo operations on passenger aircraft that have been parked. Global demand, measured in cargo tonne-kilometers (CTKs), fell by 20.3% in May 2020 (-21.5% for international operations) compared to the previous year. That is an improvement from the 25.6% year-on-year drop recorded in April 2020.

### 4. Monthly civil aviation statistics, April 2020

April 2020 was a disastrous month for aviation in Canada and around the world, as air travel stopped almost entirely because of border closings and travel restrictions due to the COVID-19 pandemic. The major Canadian airlines carried only 213,000 passengers on scheduled and charter services in April 2020, down 97.0% from April of 2019—the largest year-over-year decline ever recorded. As a result, air traffic plunged to 436.6 million passenger-kilometres, pushing operating revenues down 92.9% to \$136.6 million in April 2020. Since 2015, passenger load factor—the ratio of passenger-kilometres to available seat-kilometres—has remained near or above 80% unlike March (64.6%) and April (26.0%) of 2020.

### 5. Air Canada Discontinues Service on 30 Domestic Regional Routes and Closes Eight Stations in Canada

Air Canada said on June 30, 2020 that it is indefinitely suspending service on 30 domestic regional routes and closing eight stations at regional airports in

## AIR TRANSPORTATION Canada

1. Air Canada Further Refines Industry-Leading Bio-Safety Measures, Re-Introduces Select Services Onboard Flights. June 29, 2020, [www.aircanada.ca](http://www.aircanada.ca)
2. Airports Council Releases COVID-19 Recovery Recommendations and Priorities. June 29, 2020, [www.cacairports.ca](http://www.cacairports.ca)
3. May Air Cargo Shows Slight Pickup Amid Continuing Capacity Crunch. June 30, 2020, [www.iata.org](http://www.iata.org)
4. Airports Council Launches 'Ready for Every Journey' Campaign as Travel Resumes. Improving Passenger Confidence Monthly civil aviation statistics, April 2020, June 30, 2020, [www.statcan.gc.ca](http://www.statcan.gc.ca)
5. Air Canada Discontinues Service on 30 Domestic Regional Routes and Closes Eight Stations in Canada. June 30, 2020, [www.aircanada.ca](http://www.aircanada.ca)
6. Key to Industry Restoration Following COVID-19 Pandemic. June 30, 2020, [www.cacairports.ca](http://www.cacairports.ca)
7. U.S. Transportation Secretary Elaine L. Chao Announces Nearly \$800 Million in Grants to 347 Airports in 46 States and 4 Territories. June 30, 2020, [www.dot.gov](http://www.dot.gov)
8. Annual civil aviation statistics, 2018. July 2, 2020, [www.statcan.gc.ca](http://www.statcan.gc.ca)
9. U.S. Transportation Secretary Elaine L. Chao Announces Guidance for Air Travel in Response to COVID-19. July 2, 2020, [www.dot.gov](http://www.dot.gov)
10. May Passenger Demand Shows Slight Improvement. July 1, 2020, [www.iata.org](http://www.iata.org)
11. Air Cargo Market Analysis May 2020. June 30, 2020, [www.iata.org](http://www.iata.org)
12. Air Canada to Explore Rapid COVID-19 Testing with Spartan Bioscience. July 8, 2020, [www.aircanada.ca](http://www.aircanada.ca)
13. Air Canada Partners with Cleveland Clinic Canada. July 9, 2020, [www.aircanada.ca](http://www.aircanada.ca)
14. Mid-May Airline Employment Down 20,000 from Mid-April. July 10, 2020, [www.bts.gov](http://www.bts.gov)
15. WestJet expands August schedule, updates July flying. July 13, 2020, [www.westjet.ca](http://www.westjet.ca)
16. Study: Transport turning points during COVID-19. July 13, 2020, [www.sttcan.gc.ca](http://www.sttcan.gc.ca)
17. Leading indicator of international arrivals to Canada by air, second quarter 2020. July 14, 2020, [www.statcan.gc.ca](http://www.statcan.gc.ca)
18. Air Traffic Data, May 2020: 89% Reduction in U.S. Airline Passengers from

\* The news indicated from the citations is those of the authors and not of Industry Canada or the CTRF.

Canada. These structural changes to Air Canada's domestic regional network are being made as a result of continuing weak demand for both business and leisure travel due to COVID-19 and provincial and federal government-imposed travel restrictions and border closures, which are diminishing prospects for a near-to-mid-term recovery.

#### **6. Airports Council Launches 'Ready for Every Journey' Campaign as Travel Resumes. Improving Passenger Confidence Key to Industry Restoration Following COVID-19 Pandemic**

Airports Council International – North America (ACI-NA), the trade association representing commercial service airports in the United States and Canada, on June 30, 2020 launched its “Ready for Every Journey” campaign to help educate passengers and local communities about the steps airports are taking to protect health and safety as travel resumes following the coronavirus (COVID-19) pandemic.

#### **7. U.S. Transportation Secretary Elaine L. Chao Announces Nearly \$800 Million in Grants to 347 Airports in 46 States and 4 Territories**

U.S. Secretary of Transportation Elaine L. Chao announced on June 30, 2020 that the Trump Administration will award nearly \$800 million in airport safety and infrastructure grants through the Federal Aviation Administration (FAA) to 46 states, Guam, the Northern Mariana Islands, Puerto Rico, and the Marshall Islands.

#### **8. Annual civil aviation statistics, 2018**

In 2018, profits declined in the air transportation industry as net operating income decreased by \$484.0 million, after a gain of \$366.7 million in 2017. Although total operating revenue rose 8.5% from a year earlier to a record \$27.7 billion in 2018, this was offset by an 11.4% increase in total operating expenses to \$25.8 billion. Net operating income for Canadian Level I to III air carriers decreased by one-fifth (-20.2%) to \$1.9 billion in 2018, following a 18.1% increase in 2017. Passenger revenue accounted for 88.7% of total operating revenue in 2018, up from 87.9% in 2017. Total employment in the air transportation industry rose 7.8% to 65,655, with total wages and salaries increasing 7.3% (+\$313.6 million) compared with 2017 to \$4.6 billion. In 2018, wages and salaries accounted for 17.8% of the industry's total operating expenses, down slightly from 18.5% in 2017. Total assets of Canadian Level I to III air carriers stood at \$32.2 billion in 2018, up 8.3% compared with 2017.

#### **9. U.S. Transportation Secretary Elaine L. Chao Announces Guidance for Air Travel in Response to COVID-19**

U.S. Transportation Secretary Elaine L. Chao on July 2, 2020 announced public health guidance to airlines and airports for the recovery of the Nation's air transportation system from the coronavirus disease 2019 (COVID-19) public health emergency. The *Runway to Recovery* was developed by the Department of Transportation, Department of Health and Human Services, and the Department of Homeland Security. It provides general guidance and recommends specific public health measures airlines and airports should take to mitigate risks associated with COVID-19. The guidance will enhance public health risk reduction to support an increase in travel volume while ensuring that aviation safety and security are not compromised.

#### **10. May Passenger Demand Shows Slight Improvement**

The International Air Transport Association (IATA) announced that passenger demand in May 2020 (measured in revenue passenger kilometers or RPKs), dropped 91.3% compared to May 2019. This was a mild uptick from the 94% annual decline recorded in April 2020. The improvement was driven by recovery in some domestic markets, most notably China. Alexandre de Juniac, IATA's Director General and CEO said “May was not be quite as terrible as April. That's about the best thing that can be said. As predicted, the first improvements in passenger demand are occurring in domestic markets. International traffic remained virtually stopped in May. We are only at the very beginning of a long and difficult recovery. And there is tremendous uncertainty about what impact a resurgence of new COVID-19 cases in key markets could have.”

May 2019 (Preliminary), July 14, 2020, [www.bts.gov](http://www.bts.gov)

19. Air Canada Proposes Science-Based Approach to Easing Quarantine Act Restrictions, July 15, 2020, [www.aircanada.ca](http://www.aircanada.ca)

20. Weekly aircraft movements, June 27 to

July 3, 2020, July 15, 2020, [www.statcan.gc.ca](http://www.statcan.gc.ca)

21. April 2020 U.S. Airline Traffic Data, July 16, 2020, [www.bts.gov](http://www.bts.gov)

22. Air Canada Partners with Montreal's Famed Chef Jérôme Ferrer as Meals Developed by its Celebrated Culinary Panel Return to the Skies, July 20, 2020, [www.aircanada.ca](http://www.aircanada.ca)

23. Mid-May 2020 U.S. Passenger Airline Employment Down 18,000 FTEs from Mid-April, July 20, 2020, [www.bts.gov](http://www.bts.gov)

24. First Quarter 2020 Air Fare Drops to New Low, July 21, 2020, [www.bts.gov](http://www.bts.gov)

25. DHL Express increases fleet capacity with Boeing converted freighters, July 22, 2020, [www.ajot.com](http://www.ajot.com)

26. Air Canada Implements New Biosafety Protocols as it Begins Re-opening its Award-Winning Maple Leaf Lounges, July 23, 2020, [www.aircanada.ca](http://www.aircanada.ca)

27. Annual Rise in U.S. Airlines May Domestic Cargo (Almost 5%) Largest Increase Since July 2019, July 23, [www.bts.gov](http://www.bts.gov)

28. NAV CANADA Notice of Revised Service Charges dated May 21, 2020, July 24, 2020, [www.atac.ca](http://www.atac.ca)

29. Airfreight rates expected to shoot up by September, July 26, 2020, [www.americanshipper.com](http://www.americanshipper.com)

30. U.S. Transportation Secretary Elaine L. Chao Announces Over \$273 Million in Grants to 184 Airports in 41 States, 6 Territories, July 28, 2020, [www.dot.gov](http://www.dot.gov)

31. Air Cargo Down 11% Between the U.S. and Foreign Points, May 2020 (Preliminary), July 28, 2020, [www.bts.gov](http://www.bts.gov)

32. Weekly aircraft movements, July 11 to 17, 2020, July 29, 2020, [www.statcan.gc.ca](http://www.statcan.gc.ca)

33. Domestic air travel continues to drive the recovery in June, July 28, 2020, [www.iata.org](http://www.iata.org)

34. Air cargo recovery continues to creep forward in June, July 29, 2020, [www.iata.org](http://www.iata.org)

35. Global airfreight movements stabilize in June, July 29, 2020, [www.insidelogistics.ca](http://www.insidelogistics.ca)

### **11. Air Cargo Market Analysis May 2020**

Air cargo improved in May 2020, but a full recovery will take time. Industry-wide cargo tonne-kilometres (CTKs) fell by 20.3% year-on-year in May 2020, a slight improvement from the 25.6% decline seen in April 2020. Seasonally adjusted industry CTKs increased this month, but they remain around 22% below Dec 2019 levels. The rebound was broad-based across the main regions, which all lifted from the April 2020 trough.

### **12. Air Canada to Explore Rapid COVID-19 Testing with Spartan Bioscience**

Air Canada is pleased to announce that it has engaged Spartan Bioscience Inc., an Ottawa-based biotechnology leader in portable DNA testing technology, to assess how best to deploy Spartan's portable COVID-19 testing technology in the aviation sector.

### **13. Air Canada Partners with Cleveland Clinic Canada**

Air Canada announced on July 9, 2020 that Cleveland Clinic, a global healthcare leader, will provide medical advisory services as the airline further develops biosafety measures across its operations. Air Canada will have access to the local expertise of Cleveland Clinic Canada as well as clinical expertise from Cleveland Clinic's worldwide enterprise system.

### **14. Mid-May Airline Employment Down 20,000 from Mid-April**

U.S. airlines employed 696,534 workers in the middle of May 2020, 20,100 fewer than in mid-April 2020 and 42,282 fewer than in May 2019. The May 2020 numbers consist of 588,802 full-time and 107,732 part-time workers. The May 2020 number of total employees was the lowest for the airlines since April 2017 when there were 694,182 employees.

### **15. WestJet expands August schedule, updates July flying**

WestJet on July 13, 2020 released its updated August 2020 schedule featuring more than 200 daily flights to 48 destinations across Canada, the United States, the Caribbean, Mexico and Europe. The schedule features service to 39 domestic airports and further highlights the airline's commitment to ensuring air service and regional connectivity is available to Canadians from coast-to-coast. The updated schedule is supported by the layered framework WestJet has built to ensure Canadians can continue to travel safely and responsibly through the airline's 'Safety Above All' hygiene program. The airline continues to provide flexibility in booking, change and cancellation policies for guests.

### **16. Study: Transport turning points during COVID-19**

A new study, "Transport turning points during COVID-19," uses new weekly indicators of the number of aircraft movements and railcars online to identify the initial downturn and highlight the first signs of recovery in the transportation of passengers and freight during the first half of 2020. The number of itinerant aircraft movements fell to a low of 14,100 during the week of April 11, 2020, down 68.2% from the reference week of December 28, 2019. The number of railcars online declined more gradually during the pandemic, reaching a low of 126,400 during the week of May 9, 2020 down 7.9% from the reference week of December 28, 2019.

### **17. Leading indicator of international arrivals to Canada by air, second quarter 2020**

The number of international arrivals to Canada by air, which began to decline sharply in the second half of March 2020 because of international travel restrictions, remained flat for the entire 2020 second quarter. Arrivals from overseas countries remain at a near standstill, at the same time the number of air arrivals from the United States remains low and few Canadian residents are returning from abroad.

### **18. Air Traffic Data, May 2020: 89% Reduction in U.S. Airline Passengers from May 2019 (Preliminary)**

U.S. airlines carried 89% fewer scheduled service passengers in May 2020 than in May 2019, according to data filed with the Bureau of Transportation Statistics (BTS) by 20 airlines that carry more than 90% of the passengers. Despite the large drop from May 2019, U.S. airlines carried more than twice as many passengers in May 2020 than in April 2020.

### **19. Air Canada Proposes Science-Based Approach to Easing Quarantine Act Restrictions**

Air Canada's Chief Medical Officer on July 15, 2020 issued a letter urging the Canadian government to consider a science-based approach to easing the Quarantine Act restrictions, which have been essentially unchanged since March 2020, to strike a better balance for travellers and for the Canadian economy without adversely impacting public health. Air Canada is not proposing relaxing the U.S. border restrictions at this time - only to replace the quarantine requirements for those countries with a low COVID-19 risk from a public health perspective with more proportionate, evidence-based measures and experiences from other countries.

### **20. Weekly aircraft movements, June 27 to July 3, 2020**

Data on weekly aircraft itinerant movements are now available for June 27 to July 3, 2020 at the statcan website.

### **21. April 2020 U.S. Airline Traffic Data**

U.S. airlines carried 2.9 million systemwide (domestic and international) scheduled service passengers in April 2020, seasonally-adjusted, according to the Bureau of Transportation Statistics' (BTS), down 92.2% from March 2020.

### **22. Air Canada Partners with Montreal's Famed Chef Jérôme Ferrer as Meals Developed by its Celebrated Culinary Panel Return to the Skies**

Air Canada announced on July 20, 2020 that a new partnership with prestigious Montreal-based Chef Jérôme Ferrer, (who will design meals for the airline's Premium Economy and Economy Class customers on all flights departing Canada for Europe and Asia, as well as Australia and South America once these flights resume) was reached. Chef Ferrer will join celebrated Canadian Chefs David Hawksworth, Antonio Park and Vikram Vij, whose meals will be offered once more on Air Canada flights beginning later this month as the airline begins to restore its award-winning onboard service program.

### **23. Mid-May 2020 U.S. Passenger Airline Employment Down 18,000 FTEs from Mid-April**

The 23 U.S. scheduled passenger airlines employed 4.1% fewer full-time equivalents (FTEs) in mid-May 2020 than in mid-April 2020: 1) Mid-May's total number of FTEs (411,651) was down almost 18,000 FTEs from mid-April 2020 (429,407 FTEs) and down more than 48,000 FTEs from mid-March 2020. It was the lowest FTE total for any month since May 2016 (410,338 FTEs). 2) Mid-May 2020 FTEs were down more than 36,000 FTEs, down 8.1%, from May 2019 (447,981 FTEs).

### **24. First Quarter 2020 Air Fare Drops to New Low**

U.S. domestic average air fares declined in the first quarter of 2020 to \$336, the lowest inflation-adjusted quarterly air fare on record in Bureau of Transportation Statistics (BTS) records dating back to 1995. The previous low was \$347 in the third quarter of 2019. Adjusted for inflation, (constant 2020 dollars) the first-quarter 2020 air fare was: 1) Down 6.0% from 1Q 2019 (\$358); 2) Down 6.1% from 4Q 2019 (\$358); and 3) Down 21.6% from 1Q 2015 (\$429).

### **25. DHL Express increases fleet capacity with Boeing converted freighters**

DHL Express and Boeing announced that it will add four 767-300 Boeing Converted Freighters (BCF) as part of the logistics company's efforts to continue modernizing and growing its fleet with cost-efficient and reliable freighters. This step is part of DHL's effort to modernize its long-haul intercontinental fleet in order to fly more eco-friendly and cost-efficiently. The aircraft are converted from passenger to freighter configuration by Boeing to fit the needs of DHL Express and meet the rising global demand for express services.

### **26. Air Canada Implements New Biosafety Protocols as it Begins Re-opening its Award-Winning Maple Leaf Lounges**

Air Canada on July 23, 2020 announced the gradual re-opening of its Maple Leaf Lounges, featuring new biosafety protocols for the well-being of customers and employees. The Maple Leaf Lounge at Toronto Pearson, D gates re-opens on July 24 to eligible customers travelling on a domestic or international flight, with the Maple Leaf Lounges located in the domestic departure areas at airports in Montreal and Vancouver set to re-open in the coming weeks.

### **27. Annual Rise in U.S. Airlines May Domestic Cargo (Almost 5%) Largest Increase Since July 2019**

U.S. airlines carried 4.7% more domestic cargo by weight in May 2020 than in May 2019, the largest annual gain since July 2019 while the 8.4% decline in international cargo was the smallest annual loss since February 2020, according to preliminary data filed with the Bureau of Transportation Statistics (BTS) by 15 of the leading cargo airlines. The 15 airlines carry more than 95% of the total cargo by weight on U.S. airlines. Cargo data consists of freight and mail carried within the U.S. and between the U.S. and foreign points.

### **28. NAV CANADA Notice of Revised Service Charges dated May 21, 2020**

The Air Transportation Aviation of Canada (ATAC) expressed concern about the extremely large overall fee increase to the aviation industry. While this would be the case at any time said ATAC it is particularly so during the COVID-19 Pandemic. ATAC encourages NAV CANADA to work with the Canadian aviation industry in advocating for a reasonable and sustainable solution with the Federal Government.

### **29. Airfreight rates expected to shoot up by September**

Stability in the airfreight market may be short-lived, with outbound China rates rising in July 2020 and big high-tech product launches poised to soak up cargo aircraft in several weeks. That could pinch some shippers that currently view air transport as a refuge from unreliable and expensive ocean shipping, freight transportation specialists say. The price of shipping by air has dropped about 70% since the spring, when capacity shortages were rampant because of surging medical-supply orders, but have been slowly moving back up, according to market watchers and freight transportation companies.

### **30. U.S. Transportation Secretary Elaine L. Chao Announces Over \$273 Million in Grants to 184 Airports in 41 States, 6 Territories**

U.S. Secretary of Transportation Elaine L. Chao announced on July 28, 2020 that the Trump Administration will award more than \$273 million in airport safety and infrastructure grants through the Federal Aviation Administration (FAA) to 41 states and the District of Columbia, American Samoa, the Federated States of Micronesia, the Marshall Islands, Palau, and Puerto Rico. U.S. Transportation Secretary Elaine L. Chao said "This \$273 million federal investment in our nation's airports will strengthen safety, improve travel, generate jobs, and benefit local communities."

### **31. Air Cargo Down 11% Between the U.S. and Foreign Points, May 2020 (Preliminary)**

U.S. and foreign airlines carried 11% less cargo by weight between the U.S. and foreign points in May 2020 than in

May 2019, including a 40% decline in cargo between the U.S. and Europe, according to data filed with the Bureau of Transportation Statistics (BTS) by large air carriers. May's 2020 decline was smaller than decreases in March (down 17%) and April (down 16%) 2020.

### **32. Weekly aircraft movements, July 11 to 17, 2020**

Data on weekly aircraft itinerant movements are now available for July 11 to 17, 2020 on statcan website.

### **33. Domestic air travel continues to drive the recovery in June**

Passenger demand improved slightly in June 2020. Air travel demand continues to show signs of recovery from the low point in April 2020 but remains significantly below the pre-COVID levels. Industry-wide revenue passenger-kilometres (RPKs) contracted by 86.5% year-on-year in June 2020, compared with a 91% decline in May 2020. Seasonally adjusted (SA) RPKs also showed some improvement, lifting for the second consecutive month. The pressure on passenger volumes eased a little across all regions, with the Asia Pacific region registering the most resilient outcome (-76.4% year-on-year).

### **34. Air cargo recovery continues to creep forward in June**

The International Air Transport Association (IATA) says global air freight markets showed some marginal improvement in June 2020, but at a slower pace than some of the traditional leading indicators would suggest. Global capacity, measured in available cargo tonne-kilometres (ACTKs), shrank by 34.1 per cent in June (□33.9 per cent for international operations) compared to the previous year. This was on par with the 34.8 per cent year-on-year drop in May 2020. Belly capacity for international air cargo shrank by 70 per cent in June 2020 compared to the previous year due to the withdrawal of passenger services amid COVID-19. This was partially offset by a 32 per cent increase in capacity through expanded use of freighter aircraft.

### **35. Global airfreight movements stabilize in June**

The International Air Transport Association (IATA) released data for global air freight markets in June showing improvement, but at a slower pace than some of the traditional leading indicators would suggest. Global demand, measured in cargo tonne-kilometers (CTKs), fell by 17.6 percent in June (-19.9 percent for international operations) compared to the previous year. That is a modest improvement from the 20.1 percent year-on-year drop recorded in May 2020.

## **WATER TRANSPORTATION**

### **1. Port of Montreal named a marine industry trusted partner by the chamber of marine commerce**

The Port of Montreal is proud to be the first Quebec port to be named a Marine Industry Trusted Partner. Awarded by the Chamber of Marine Commerce, this recognition aims to promote best practices in this period of pandemic so as to ensure the health and safety of society as a whole.

### **2. Container lines extend trans-Atlantic capacity cuts**

Carriers have announced another 9 blank sailings on the trans-Atlantic and will extend the capacity withdrawals deeper into the 2020 third quarter ahead of a worsening economic outlook for countries on both sides of the Atlantic. The blank sailings bring to 23 the number of sailings cancelled on the trans-Atlantic in the 2020 third quarter, withdrawing 10 to 25 percent of capacity depending on the individual week through week 33 (Aug. 10) on the North Europe and Mediterranean to North America East Coast (NAEC) trades, according to Sea-Intelligence Maritime Analysis. Total volume on the Europe-North America routes was down 6.8 percent to 925,220 TEU compared with the same period in 2019, according to GTA Forecasting, a sister company of JOC.com and part of IHS Markit. It is the first time in five years that volume on the trans-Atlantic over this five-month period has registered a year-over-year decline, ending a period of stable growth in trade between the two mature economic regions.

### **3. Government of Canada invests in transportation infrastructure in Greater Vancouver to move goods to market**

On June 30, 2020, the Minister of Transport, the Honourable Marc Garneau, announced new and important investments that increase transport capacity

## **WATER TRANSPORTATION Canada**

1. Port of Montreal named a marine industry trusted partner by the chamber of marine commerce, June 29, 2020, [www.portofmontreal.ca](http://www.portofmontreal.ca)
2. Container lines extend trans-Atlantic capacity cuts, June 29, 2020, [www.joc.com](http://www.joc.com)
3. Government of Canada invests in transportation infrastructure in Greater Vancouver to move goods to market, June 30, 2020, [www.tc.gc.ca](http://www.tc.gc.ca)
4. Government of Canada to acquire interim replacement for the MV Madeleine ferry, July 2, 2020, [www.tc.gc.ca](http://www.tc.gc.ca)
5. Government of Canada takes further action to clean-up the KÉL,SET (Reay) Creek Pond this summer, July 3, 2020, [www.tc.gc.ca](http://www.tc.gc.ca)
6. Montreal port protests begin, July 2, 2020, [www.todaystrucking.com](http://www.todaystrucking.com)
7. Government of Canada announces three new pilot hosts to develop and test a maritime information system, July 6, 2020, [www.tc.gc.ca](http://www.tc.gc.ca)
8. The CMA CGM Group simplifies its trade network on the Transpacific trade, July 6, 2020, [www.ajot.com](http://www.ajot.com)
9. Feds spending \$28 million on West Coast gateways, July 7, 2020, [www.insidelogistics.ca](http://www.insidelogistics.ca)
10. Laurentia project receives First Nation approval, July 8, 2020, [www.insidelogistics.ca](http://www.insidelogistics.ca)



and efficiency and move Canadian goods to international markets. More than \$28 million is being invested in three projects that will reduce bottlenecks at three facilities in the Greater Vancouver area. Funding for projects include: 1) \$17.5 million to expand and improve the Ray-Mont off-dock transload facility in Richmond, British Columbia. 2) \$7.5 million to double on-site rail capacity at the Fibreco terminal in North Vancouver, British Columbia. 3) \$3.5 million to improve the competitiveness of the gateway industry on Annacis Island in Delta, British Columbia, by increasing rail access to auto terminals and off-dock facilities that serve shipping containers.

#### **4. Government of Canada to acquire interim replacement for the MV Madeleine ferry**

On July 2, 2020, the Honourable Marc Garneau, Minister of Transport, and the Honourable Anita Anand, Minister of Public Services and Procurement, announced that the Government of Canada has issued an Advance Contract Award Notice (ACAN), signalling its intention to purchase the Motor Vessel (MV) Villa de Teror as an interim measure to replace the MV Madeleine. The MV Madeleine is 39 years old and is at the end of its service life, and last year the Government of Canada announced that Chantier Davie Canada Inc. will build a replacement vessel, which is expected to be ready in 2026.

#### **5. Government of Canada takes further action to clean-up the KÉL,SET (Reay) Creek Pond this summer**

On July 3, 2020, the Government of Canada awarded a contract to complete the second phase of the KÉL,SET (formerly Reay Creek) Remediation Project that will remove sediments with elevated levels of metals from this 200 metre long pond. Last summer, the first phase of creek sediment remediation was completed within the Victoria Airport boundary. The contract awarded to QM Environmental for \$1,144,350 will be closely monitored by Transport Canada.

#### **6. Montreal port protests begin**

Longshoremen at the Montreal Gateway Terminals' Racine (62) and Cast (77) facilities walked off the job as expected at 3 p.m. on July 2, 2020. The work stoppage is scheduled to last until Saturday, July 4, at 6:59 a.m. The longshoremen's union and Montreal Gateway Terminals have agreed to continue negotiations on Friday, July 3, 2020. These negotiations relate to the renewal of a collective agreement that expired Dec. 31, 2018. The Maritime Employers' Association said in a notice it is disappointed that the union has decided to maintain the pressure despite the ongoing negotiations.

#### **7. Government of Canada announces three new pilot hosts to develop and test a maritime information system**

On July 6, 2020, the Honourable Marc Garneau, Minister of Transport, announced that three additional pilot partners along the Trans Mountain Expansion (TMX) Project marine shipping route are being added to the initiative. The Scianew First Nation, Malahat First Nation, and Tseycum First Nation, located on Vancouver Island, British Columbia, will join 10 existing pilot project hosts across Canada. The three new pilot host communities will have access to up to \$2,460,000 over two years to establish the required capacity, including staff, infrastructure, and equipment so they can successfully participate in the pilot project and share feedback.

#### **8. The CMA CGM Group simplifies its trade network on the Transpacific trade**

The CMA CGM Group, a world leader in shipping and logistics, continues the simplification of its container trade offering. As part of its continuous

drive to offer the most relevant product to its customers, the CMA CGM Group seeks to permanently adjust its operating setup and network. Thanks to its operational efficiency and business agility, the CMA CGM Group is positioned to achieve superior growth while optimizing its cost base. This long-standing strategy allows the Group to adapt to the economic and trade environment. First, CMA CGM will become the Group's exclusive commercial

11. Tiny fraction of containers lost at sea, July 9, 2020, [www.americanshipper.com](http://www.americanshipper.com)
12. G3 opens grain terminal in Vancouver, July 9, 2020, [www.insidelogistics.ca](http://www.insidelogistics.ca)
13. Port of Long Beach posts 11.1% container decline, July 10, 2020, [www.americanshipper.com](http://www.americanshipper.com)
14. Port of Montreal - cumulative container traffic: January to June 2020, July 13, 2020, [www.portofmontreal.ca](http://www.portofmontreal.ca)
15. Thirteen countries pledge ships' crews should be essential, July 13, 2020, [www.insidelogistics.ca](http://www.insidelogistics.ca)
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carrier on the Transpacific trade to better serve its customers. Second, APL will focus on its service to the United States Government through its fleet of US-flagged vessels. Third, The Group reinforces its hub in Singapore to drive its development in the Asia-Pacific region. Fourth, The CMA CGM Group will strengthen its service offering and enhancing its operations with this more efficient trade organization.

#### **9. Feds spending \$28 million on West Coast gateways**

The federal government has announced new funding for several transportation infrastructure projects in the Greater Vancouver area. More than \$28 million has been earmarked for three projects that are meant to reduce bottlenecks and improve transport flow. The Ray-Mont off-dock transload facility in Richmond, British Columbia will receive \$17.5 million; and the The Fibreco terminal in North Vancouver, British Columbia, will receive \$7.5 million; and the Annacis Island in Delta, British Columbia, will receive \$3.5 million.

#### **10. Laurentia project receives First Nation approval**

The Québec Port Authority (QPA) has received formal support from the Huron-Wendat Nation, through its grand chief, Konrad H. Sioui, for the Québec City Laurentia container terminal project. In a letter to the president and CEO of the QPA, Mario Girard, the grand chief expressed in his letter that this project offers environmental commitments as well as concrete actions for the region and Québec and that it will be able to respond to contemporary issues of the economy and integration through a Huron-Wendat perspective. A framework agreement to formalize and guide the discussions was developed in 2016 and has since been improved through collaboration between the Nation and the QPA. The agreement was signed in 2018 by the Grand Chief and Mario Girard.

#### **11. Tiny fraction of containers lost at sea**

At any given point in time, more than 6,000 vessels carrying containers are sailing the world's seas. While ship fires and capsizes make international headlines, container losses actually are few and far between, according to the World Shipping Council (WSC). In fact, an average of only 1,382 containers were lost at sea per year between 2008 and 2019, the WSC said in a report released on June 8, 2020. That represents less than one-1,000th — or .0006% — of the roughly 226 million shipped each year carrying more than \$4 trillion worth of cargo.

#### **12. G3 opens grain terminal in Vancouver**

G3 has opened G3 Terminal Vancouver, a grain export terminal at the Port of Vancouver. Construction on the next-generation facility began in March, 2017 at the site in North Vancouver and is now substantially complete as planned. The facility has for the last several months been taking in Prairie grain by rail and loading it onto ships as part of the commissioning process. The facility is now in commercial operation. The facility can receive up to three 150-car trains on its loop track, unique among grain exporting terminals in Canada. Trains quickly unload while in motion and travel back to G3's Prairie elevators without detaching from their locomotives, which is critical to increasing supply chain efficiency.

#### **13. Port of Long Beach posts 11.1% container decline**

The Port of Long Beach said on July 10, 2020 that the COVID-19 pandemic continued to drive down demand for goods in the second quarter of 2020, leading to an increase in cancelled sailings and a decline in containers shipped through the gateway. Dockworkers and terminal operators moved 602,180 twenty-foot equivalent units (TEUs) last month, a 11.1% decline compared to June 2019, the port said. Imports shrank 9.3% to 300,714 TEUs and exports dropped 12.2% to 117,538 TEUs. Empty containers shipped to Asia were down 13.1% to 183,928 TEUs. The Port said economic uncertainty brought on by decreased consumer spending and ongoing health concerns amid the coronavirus pandemic contributed to a 6.9% volume drop in the first half of 2020 to 3,433,035 TEUs.

#### **14. Port of Montreal - cumulative container traffic: January to June 2020**

The Port of Montreal released its cumulative container statistics for the first six months of 2020. Total container traffic in terms of TEUs changed -3.81% for the period January to June 2020 compared to the same period in 2019, i.e. 826 705 from 859 409. Total imports changed -2.65% i.e. 413 570 TEUs from 424 840 TEUs. Total exports changed - 4.93 % i.e. 413 135 TEUs from 434 569 TEUs.

#### **15. Thirteen countries pledge ships' crews should be essential**

Thirteen members of the International Maritime Organization (IMO) have issued a joint statement urging all IMO states to designate seafarers as key workers and to implement the Protocols for Ensuring Safe Ship Crew Changes and Travel during the Coronavirus (Covid-19) Pandemic, which were endorsed and circulated by IMO in May 2020. At least 200,000 seafarers worldwide are stranded on ships and require immediate repatriation.

#### **16. California governor urged to reverse ports' receding market share**

California Gov. Gavin Newsom got a letter on July 13, 2020 asking that the state take action to reverse the loss of market share at West Coast container ports. The Pacific Merchant Shipping Association (PMSA), the first signatory, was joined by such organizations as the California Trucking Association, Harbor Trucking Association, California Railroad Association, Future Ports, Pacific Maritime Association, National Retail Federation, Agriculture Transportation Coalition, and Pacific Coast Customs Brokers and Freight Forwarders.

### **17. South Carolina Ports volumes holding steady**

The South Carolina Ports Authority (SCPA) said it finished the fiscal year (July 1<sup>st</sup> to June 30<sup>th</sup>) 2020 with “relatively steady volumes” despite waves of cancelled sailings and supply chain disruptions caused by the coronavirus pandemic. The SCPA finished the fiscal year with 2.32 million twenty-foot equivalent units (TEUs) handled at the Wando Welch and North Charleston container terminals. That’s down 2.8% from fiscal year 2019.

### **18. Great Lakes-Seaway volumes rise on grain demand**

Canadian ports and the St. Lawrence Seaway reported improving cargo shipments in June 2020 fuelled by grain exports, agricultural inputs and a recovery in construction materials. The St. Lawrence Seaway reported that cargo tonnage from April 1, 2020 through June 30, 2020 through the bi-national transportation corridor totalled nearly 11.7 million tonnes. While these volumes are down eight percent compared to the same time period in 2019, cargo shipments improved in June 2020 narrowing the year-over-year decline. “Canadian grain exports through our trade corridor accelerated in June but we also saw improvements in shipments of construction materials such as stone, cement and gypsum as COVID-19 restrictions continue to be lifted,” said Terence Bowles president and CEO of The St. Lawrence Seaway Management Corporation.

### **19. Port of Vancouver, Accumulated Container Statistics: Year to Date (January to June)**

The Port of Vancouver released its accumulated container statistics in TEUs for the first six months of 2020. Total container traffic for the first six months changed -7.7 percent i.e. to 1,564,478 from 1,695,377. Total import traffic for the first six months changed -4.0 percent i.e. to 824,180 from 858,225. Total export traffic for the first six months changed -11.6 percent i.e. to 740,298 from 837,152.

### **20. Port of Prince Rupert, Accumulated Container Statistics: Year to Date (January to June)**

The Port of Prince Rupert released its accumulated container statistics in TEUs for the first six months of 2020. Total container traffic for the first six months changed -13% per cent i.e. to 480,427.00 from 550,088.00. Total import traffic for the first six months changed -9.0 percent i.e. to 272,256.25 from 299,394.50. Total export traffic for the first six months changed -17.0 percent i.e. to 208,171.50 from 250,694.75.

### **21. FMC probe on pandemic cargo flow turns attention to NY-NJ**

Federal Maritime Commissioner Rebecca Dye said the agency’s fact-finding investigation into the largest East Coast port would include three teams consisting of truckers, marine terminal operators, cargo owners, and transportation intermediaries, among others.

### **22. Montreal port authority awarded the Concilivi**

The Montreal Port Authority (MPA) is proud to receive the Concilivi, awarded by the provincial government’s Réseau pour un Québec Famille to organizations that stand out for their internal policies to help employees achieve balance in their work, family and personal life. The seal of recognition was awarded this morning during the announcement of a grant to two NPOs, the Réseau pour un Québec Famille and the Fédération québécoise des organismes communautaires famille, by Mathieu Lacombe, Québec Minister of Families, at a press conference held at the MPA’s head office, also attended by Chantal Rouleau, Minister of Transport and Minister Responsible for Montreal and the Greater Montreal Region.

### **23. Pacific Northwest ports expect Q3 volume rebound**

Pacific Northwest ports in the US and Canada are focusing on terminal expansion projects to prepare for what they hope will be a return to growth after the COVID-19 crisis subsides.

### **24. Prince Rupert Port Authority announces 2019 green wave award recipients**

The Prince Rupert Port Authority (PRPA) is pleased to announce that five companies are being honoured for their outstanding participation in its Green Wave environmental incentive program in 2019. They include past recipients COSCO, Maersk, and BC Ferries, as well as two new recipients – Ocean Network Express and Pacific Basin.

### **25. Time to review carrier block exemption: shipper groups**

The carrier block exemption from Europe’s competition law expires in 2024, but there is a growing view among shipping line customers that an evaluation of the regulation should be held as soon as possible.

### **26. Port of Halifax, Accumulated Container Statistics: Year to Date (January to June)**

The Port of Halifax released its accumulated container statistics in TEUs for the first six months of 2020. Total container traffic for the first six months changed -23.0% i.e. to 217,972 from 282,990. Total import traffic for the first six months changed -25.3% i.e. to 108,716 from 145,612. Total export traffic for the first six months changed -20.5% i.e. to 109,256 from 137,378. For the 2020 second quarter, total container traffic changed -29.2% i.e. to 107,888 from 152,439. Total import traffic for the second quarter of 2020 changed -33.2% i.e. to 51,574 from 77,208. Total export traffic for the second quarter of 2020 changed -25.1% i.e. to 56,314 from 75,231.

### **27. Arctic policy: EU opens consultation on the future approach**

On July 20, 2020, the European Commission and the European External Action Service jointly launched a public consultation on the way forward for the European Union’s Arctic policy. The consultation will enable a broad reflection



on the EU's Arctic policy in the face of new challenges and opportunities, including the EU's ambitions under the European Green Deal. The consultation seeks input on the strengths and shortfalls of the existing policy, with a view to possibly preparing an updated approach.

#### **28. Update on port services at the port of Montreal**

The Port of Montreal informed its clients that the Maritime Employers Association has received a strike notice effective Monday, July 27 at 7:00 a.m. until Friday, July 31 at 6:59 a.m. There will be a suspension of mooring services usually provided by longshoremen and cargo handling services at Port of Montreal terminals during this four-day period. The following are not affected by this situation: liquid bulk handling, the Oceanex service (Bickerdike Terminal) and the grain terminal (Viterra). The Montreal Port Authority invites clients to contact or consult the websites of the various terminal operators for more specific information on their particular circumstances.

#### **29. North America container imports from Europe slow as capacity tightens**

Shippers on the Europe-North America trade are reluctant to commit to large scale inventory replenishment, and service providers are expecting weak volume growth in the second half.

#### **30. DP World volumes decrease, portfolio increases**

DP World reported on July 27, 2020 that 2020 first-half volumes were down 3.9% from the same period last year and that it had acquired a 60% stake in UNICO Logistics. DP World Ltd. handled 33.9 million twenty-foot equivalent units (TEUs) across its global portfolio of container terminals in the first half of 2020, with gross container volumes decreasing 5.3% year-over-year on a reported basis and 3.9% on a like-for-like basis. DP World said like-for-like container totals adjust for volumes at Posorja, Ecuador; ports Lirquen and Central in Chile; Surabaya, Indonesia; Fraser Surrey Docks in Canada; Swiss Terminal in Germany; and Tianjin, China. At a consolidated level, DP World terminals handled 20 million TEUs during the first half of 2020, up 2.4% on a reported basis and down 5.4% year-over-year on a like-for-like basis.

#### **31. Minister Garneau launches a new call for proposals for abandoned boats projects through Canada's Oceans Protection Plan**

On July 28, 2020, the Minister of Transport, the Honourable Marc Garneau, launched the fifth call for proposals for assessment and removal projects to be funded through the Abandoned Boats Program under the Oceans Protection Plan. Up to \$1.6 million is available this year to help assess, remove or dispose of abandoned and wrecked small boats that pose a hazard in Canadian waters. All projects must be completed by March 31, 2022. In light of the economic impacts of the COVID-19 pandemic this year, funding recipients will be reimbursed 100% for eligible expenditures for boat removals, rather than the 75% in previous years. Eligible recipients include provinces, territories, municipalities and local governments; Indigenous groups, communities, and organizations; private ports or marinas; Canadian Port Authorities; and for-profit and not-for-profit organizations.

#### **32. Port of Montreal longshore workers on strike again**

Port of Montreal longshore workers have walked off the job again. The Montreal Port Authority (MPA) braced for terminal delays or operations stoppages after the longshore members of the Canadian Union of Public Employees (CUPE) launched a four-day strike on July 27, 2020 morning. "We have counted seven vessels that could experience direct impacts," Melanie Nadeau, the MPA's director of communications, said on July 28, 2020. "Four are experiencing delays or have to change their navigation strategy. For the other three, we are waiting to see what they will do. But we are following the situation closely as it can evolve rapidly."

#### **33. Cargo volumes steady at Georgia ports despite virus**

The volume of cargo moving through Georgia's seaports held almost steady in the 2020 fiscal year despite a painful drop in trade during the past four months as economies in the U.S. and abroad got battered by the coronavirus pandemic.

## RAIL TRANSPORTATION

### 1. CN Investing \$310 Million in Ontario

CN announced on June 30, 2020 that, as part of its strategic investments to support growing demand and enable supply chains, it plans to invest approximately \$310 million (CAD) across Ontario in 2020. The investments will focus on intermodal facilities, the replacement of rail and ties, as well as the maintenance of bridges, level crossings, culverts, signal systems and other track infrastructure.

### 2. CN plans nearly C\$1 billion in capital projects

Canadian railway CN is investing C\$985 million (US\$720.1 million) in capital improvement projects in the provinces of Alberta, British Columbia and Quebec in 2020. The capital projects come as CN has laid out its long-term intentions to bolster its eastern operations while also expanding network capacity in western Canada to handle greater export volumes. CN's overall capital budget for 2020 is \$2.9 billion, and executives have said that CN will use the lower-volume environment of 2020 to conduct track maintenance to ensure the network's health. The lower-volume environment enables CN "to further strengthen our railroad in terms of having the additional time available out there on the track," said Rob Reilly, CN's chief operating officer during the company's first-quarter earnings call on April 27, 2020.

### 3. CN Investing \$10 Million in Nova Scotia

CN announced on July 2, 2020 that, as part of its strategic investments to support growing demand and enable supply chains, it plans to invest over \$10 million (CAD) across Nova Scotia in 2020. The investments will focus on the replacement of rail and ties, rebuilding road crossing surfaces as well as maintenance work on bridges, culverts, signal systems and other track infrastructure.

### 4. AAR: "The Recovery Process Began to Accelerate in June"

"June was a month in which the slow recovery process that began in early May, began to accelerate," said AAR Senior Vice President John T. Gray. "By the end of June, freight loadings had improved by about 60,000 carload and intermodal units weekly over where they had been in late April." U.S. railroads originated 794,256 carloads in June 2020, down 22.4%, or 228,975 carloads, from June 2019. U.S. railroads also originated 1,004,933 containers and trailers in June 2020, down 6.6%, or 70,994 units, from the same month last year. Combined U.S. carload and intermodal originations in June 2020 were 1,799,189, down 14.3%, or 299,969 carloads and intermodal units from June 2019. Canadian railroads reported 71,613 carloads for the week, down 20.1%, and 64,364 intermodal units, down 8.8% compared with the same week in 2019. For the first 26 weeks of 2020, Canadian railroads reported cumulative rail traffic volume of 3,601,257 carloads, containers and trailers, down 8.3%.

### 5. June rail traffic sees recovery 'accelerate'

U.S. railroads' total rail traffic was 14.3% lower year-over-year at 1,799,189 originations in the month of June 2020 according to the Association of American Railroads (AAR). Total carloads declined 22.4% year-over-year with intermodal container and trailer traffic moving only 6.6% lower. AAR Senior Vice President John T. Gray said "June was a month in which the slow recovery process that began in early May, began to accelerate. By the end of June, freight loadings had improved by about 60,000 carload and intermodal units weekly over where they had been in late April."

### 6. CN Investing \$20 Million in New Brunswick

CN announced on July 6, 2020 that it plans to invest approximately \$20 million (CAD) across New Brunswick in 2020. The program will focus on

## RAIL TRANSPORTATION

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27. CP increases dividend by 15 percent, on

rebuilding and strengthening bridges, the replacement of rail and ties, rebuilding road crossing surfaces as well as maintenance work on culverts, signal systems and other track infrastructure.

### **7. Charting U.S. Rail Freight Through a Troubled First Half**

For the first six months, carload traffic for US, Canada and Mexico changed -15.9%, -9.5% and -12%. Total intermodal traffic for the above three countries changed -10.6%, -6.8% and -8.9%. The data reveal that it reached its lowest decline in May or April 2020. Over the next few days and then amplified by mid-month investor reporting, we will learn more about how U.S. rail freight is trending. Association of American Railroads six-month data is out. In the interim, Susquehanna Financial Group (SFG) data scientists have circulated their freight market view. As well, we've added some *FreightWaves* SONAR intermodal data to the mix.

### **8. CN Investing \$105 Million in Manitoba**

CN announced on July 7, 2020 that, as part of its strategic investments to support growing demand and enable supply chains, it plans to invest over \$105 million (CAD) across Manitoba in 2020. The investments will focus on maintenance including the replacement of rail and ties, as well as bridges, level crossings, culverts, signal systems and other track infrastructure.

### **9. CN Breaks Multiple Grain Records**

CN announced on July 7, 2020 that it has achieved another monthly record in June 2020 moving 2.7 million metric tonnes (MMT) of Canadian grain. In the first half of 2020 through June 30, 2020 CN moved 15 MMT. This also represents a new all-time best quarter for CN with 8.15 MMT moved. June 2020 is also CN's fourth consecutive month of record grain movement, contributing to CN's record pace crop-year-to-date through June of 26.9 MMT versus the previous record of 26.5 MMT set last crop year. In addition, CN has moved over 1 MMT of Canadian grain from the Prairies crop year to-date via container, contributing to CN's record pace of Canadian grain intermodal shipments. The four records are: 1. Best first half of the year, with 15.0 MMT moved compared to the previous record of 13.9 MMT. 2. Record crop-year-to-date pace through June of 26.9 MMT compared to the previous record of 26.5 MMT. 3. Best quarter ever with 8.15 MMT moved compared to the previous record of 8.08 MMT and compared to 7.4 MMT during the second quarter of 2019. 4. Best June with 2.7 MMT moved compared to the previous record of 2.44 MMT

### **10. CP announces best-ever quarter and June for transporting Canadian grain**

Canadian Pacific (CP) announced on July 7, 2020 its best-ever quarter and June 2020 for moving Canadian grain and grain products. The two records are the latest in a standout crop year of linking Canadian producers to worldwide markets. "The collaborative relationships CP has built with its customers, combined with responsive rail service, have contributed to another quarter of record-breaking grain movements," said Joan Hardy, CP's Vice-President Sales and Marketing Grain and Fertilizers. "We thank our customers and CP family members who work safely and with purpose each day to keep this essential service moving in support of the Canadian agricultural industry. I am proud to be a CP railroader." The two latest records are: 1) In 2020's second quarter, CP moved 8.41 million metric tonnes (MMT) of Canadian grain and grain products. This broke the previous record of 7.9 MMT in the fourth quarter of 2019. 2) In June 2020, CP moved 2.76 MMT of Canadian grain and grain products. This broke the previous June record of 2.4 MMT set in 2014.

### **11. CN Investing \$105 Million in Saskatchewan**

CN announced on July 8, 2020 that, as part of its strategic investments to support growing demand and enable supply chains, it plans to invest approximately \$105 million (CAD) across Saskatchewan in 2020. The investments will focus on the replacement of rail and ties, as well as the maintenance of bridges, level crossings, culverts, signal systems and other track infrastructure.

### **12. AAR: Intermodal Fights for Its Independence**

Indeed. The recovery process that sped up in June 2020 has carried into July 2020, as total U.S. weekly rail traffic for this week was 437,989 carloads and intermodal units, down just 2.4% compared with the same week last year. In

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addition, U.S. weekly intermodal volume was 245,222 containers and trailers, up 7.7% compared to 2019. Total carloads for the week ended July 4, 2020 were 192,767 carloads, down 12.7% compared with the same week in 2019. Canadian railroads reported 69,121 carloads for the week, down 11%, and 61,227 intermodal units, down 8.2% compared with the same week in 2019. For the first 27 weeks of 2020, Canadian railroads reported cumulative rail traffic volume of 3,731,605 carloads, containers and trailers, down 8.3%.

### **13. Intermodal volumes prop up US rail traffic**

A 7.7% increase in weekly intermodal traffic gave U.S. rail traffic its smallest year-over-year decline in months. U.S. rail traffic for the week ending July 4<sup>th</sup>, 2020 totalled 437,989 carloads and intermodal units, a 2.4% drop from the same period in 2019, according to the Association of American Railroads (AAR). Of that total, U.S. carloads were 12.7% lower, at 192,767, while U.S. intermodal units were up 7.7%, to 245,222 containers and trailers.

### **14. Metro-North: Forgot Your Mask? Need Hand Sanitizer? No Problem, We'll Sell It To You**

Selling PPE “is the latest in a series of measures Metro-North has taken to ensure customer and employee safety during the pandemic,” the agency said. “Metro-North continues with its most aggressive cleaning regimen in the agency’s history by daily disinfecting and cleaning trains cars [sic] at least once a day and stations at least twice daily. Since the start of the COVID-19 pandemic in March, Metro-North stations have been cleaned more than 30,500 times, and trains cars [sic] more than 50,600 times. Metro-North has installed touchless hand sanitizer dispensers at stations for customers and employees to access. Masks are also stored on all trains in the event a person boards without one.”

### **15. Rail Traffic’s Recovery Process Takes Step Back**

The Association of American Railroads (AAR) reported U.S. rail traffic for the week ended July 11, 2020, and, for this week, total U.S. weekly rail traffic was 449,092 carloads and intermodal units, down 14.9% compared with the same week last year. The recovery process we’ve recently been seeing wasn’t evident this week, as total carloads were 201,703 carloads, down 22.7% compared with the same week in 2019, while U.S. weekly intermodal volume—last week’s darling—was 247,389 containers and trailers, down 7.4% compared to 2019. Canadian railroads reported 68,300 carloads for the week, down 16.5%, and 65,797 intermodal units, down 8% compared with the same week in 2019. For the first 28 weeks of 2020, Canadian railroads reported cumulative rail traffic volume of 3,865,702 carloads, containers and trailers, down 8.5%.

### **16. Bigger trucks would divert intermodal and railcar traffic**

A study commissioned by the Coalition Against Bigger Trucks (CABT) asserts that allowing heavier and longer trucks on U.S. roads could divert intermodal and railcar traffic from rail to truck by as much as 25% and even by as much as 60% under certain scenarios. The study, “Estimating the Rail-to-Truck Traffic Diversions Attributable to Increased Truck Size and Weight,” sought to quantify how much intermodal and railcar traffic could be taken off the railroads should trucking companies be allowed to utilize longer trucks of varying lengths. It also studied how rail traffic might be affected by trucks that can handle heavier loads due to increased cargo capacity.

### **17. AAR Survey: Freight Rail “Critically Important”**

A majority of U.S. adults believe that the freight rail industry is critically important to the U.S. economy, according to a newly released poll conducted by Morning Consult on behalf of the Association of American Railroads (AAR). In addition, more than 75% percent of respondents view the industry as safe, “validating years of private investment that have corresponded with dramatic safety gains.”

### **18. NCTD Signs Bombardier to \$43MM Contract for 11 New Rail Cars**

Bombardier Transportation has been awarded a \$43 million contract by the North County Transit District (NCTD) for 11 new commuter rail cars for the COASTER service. With the purchase of these rail cars, NCTD aims to significantly increase service frequencies to 30-minute headways and begin state of good repair replacement of current legacy COASTER coaches and cab cars over the coming years. The new cars will be built at Bombardier’s manufacturing site in Thunder Bay, Canada. Deliveries are scheduled to take place in the fall of 2022. After testing and commissioning, the cars will begin to enter service that winter.

### **19. Feds: Railroads’ rate discussions can be evidence in price-fixing lawsuits**

Class I railroads’ discussions about setting local and interline rates can be included as evidence in dozens of shippers’ lawsuits over price fixing in the 2000s, various federal agencies have concluded. Attorneys with the U.S. Department of Justice, speaking on behalf of itself, the Federal Trade Commission, the Surface Transportation Board and the U.S. Department of Transportation, determined that discussions or agreements by the Class I carriers on setting local or interline rates generally can be admissible in court proceedings, according to a July 13, 2020 amicus brief in a proceeding before Judge Paul L. Friedman with the U.S. District Court for the District of Columbia. The discussions and agreements apply to both regulated and unregulated rail traffic cases.

### **20. Pandemic weighs on Kansas City Southern’s second-quarter profits**

Kansas City Southern’s second-quarter revenue dipped 23% amid a 21% drop in carload volumes. Revenue in the second quarter of 2020 totalled \$547.9 million, down 23% from the same period in 2019 as demand slumped because of



the coronavirus pandemic, the railroad said on July 17, 2020. Second-quarter net profit was \$110.3 million, or \$1.16 per diluted share, compared with \$129.1 million, or \$1.28 per diluted share, in the second quarter of 2019. Operating expenses were \$367.5 million in the 2020 second quarter, compared with \$506 million a year ago. Meanwhile, operating income was \$180.4 million, compared with \$208 million last year. Kansas City Southern's operating ratio was 67.1% in the 2020 second quarter, compared with 70.9% for the same period in 2019.

#### **21. B.C. Inks ACCIONA-Ghella to C\$2.8B Deal for Broadway Subway Project**

The Province of B.C. has signed ACCIONA-Ghella to a C\$2.8 billion contract for the design and construction of the Broadway Subway Project, which includes the design and construction of seven new kilometers of network, part of which will be underground, including twin tunnels with an excavation diameter of six meters—5.2 meters internal diameter—as well as six new stations.

#### **22. CN's Quarterly Results Demonstrate Railroad's Resiliency During Unprecedented Economic Times**

CN reported its financial and operating results for the second quarter ended June 30, 2020. The highlights for the second-quarter 2020 compared to second-quarter 2019 were: 1) Second quarter results were adversely impacted by the pandemic; 2) CN recorded a charge of C\$486 million, or C\$363 million after-tax (C\$0.51 per diluted share), resulting from the decision to market for sale for on-going rail operations, certain non-core lines; 3) Revenues were C\$3,209 million, a decrease of C\$750 million or 19 per cent; 4) Diluted earnings per share (EPS) were C\$0.77, a decrease of 59 per cent, and adjusted diluted EPS were C\$1.28, a decrease of 26 per cent; 5) Operating ratio was 75.5 per cent, an increase of 18.0 points, and adjusted operating ratio was 60.4 per cent, an increase of 2.9 points; 6) Operating income was C\$785 million, a decrease of 53 per cent, and adjusted operating income was C\$1,271 million, a decrease of 24 per cent; 7) Free cash flow was C\$1,008 million, an increase of C\$495 million; and 8) Moody's reaffirmed CN's investment grade credit rating of A2 with stable outlook.

#### **23. CN to Purchase 1,500 New Hopper Railcars in North America to Encourage Economic Recovery and Expand Grain Export**

CN on June 21, 2020 announced that it plans to acquire 1,500 new generation, high-capacity, grain hopper cars with delivery starting in January of 2021. These new railcars will encourage the economic recovery through job creation in the North American manufacturing sector and help CN continue to meet the growing needs of grain farmers and grain customers. "This investment, combined with our 2020 \$2.9B capital investment program, will help us move more grain..." said CEO JJ Ruest.

#### **24. CN Declares Third-Quarter 2020 Dividend**

CN announced on July 21, 2020 that its Board of Directors has approved a third-quarter 2020 dividend on the Company's common shares outstanding. A quarterly dividend of fifty-seven and a half cents (C\$0.5750) per common share will be paid on September 30, 2020, to shareholders of record at the close of business on September 9, 2020.

#### **25. CN eyes intermodal opportunities to boost 2H 2020**

As CN looks ahead to the second half of 2020 and into 2021, the Canadian railway is banking on "stay-at-home consumption" and consumers' desires to spend disposable income on do-it-yourself projects to boost CN's intermodal activity and revenue. "There is pent-up demand right now. We are kind of in a peak season...[with] the discretionary income of the people that are doing all this buying....The contacts that I talked to, they're seeing it stay strong into at least in the beginning of the fourth quarter. We'll see how it goes," said Keith Reardon, CN's senior vice president for the consumer product supply chain, during CN's second-quarter earnings call on July 21, 2020.

#### **26. CN begins to recall some of its 4,000 laid off workers**

Canadian National Railway Co. has laid off about 4,000 employees from its workforce this year as profits sagged 60 per cent in the second quarter amid fallout from the Covid-19 pandemic. Shipments declined nearly across the board, prompting layoffs that left the country's largest railroad operator down 5,100 employees from June 2019, when it had some 26,500 workers. Roughly 3,000 of the 4,000 workers who were let go in 2020 are on furlough – meaning they can be recalled if business picks up – while some 1,000 others were permanently laid off, said CEO JJ Ruest. "We unfortunately had to do quite a few layoffs. The good news is we're starting to recall some people back to work," Ruest said on a conference call with analysts on July 21, 2020.

#### **27. CP increases dividend by 15 percent, on strength of precision scheduled railroading operating model**

The Board of Directors of Canadian Pacific Railway Limited (CP) on July 21, 2020 declared a quarterly dividend of \$0.95 per share on the outstanding Common Shares, an increase of approximately 15 percent to the previous dividend of \$0.83 per share. "This dividend increase illustrates the resiliency of our operating model and our continued dedication to creating value for our shareholders," said CP President and Chief Executive Officer Keith Creel.

#### **28. CP demonstrates resiliency of the PSR operating model, reports record-low Q2 operating ratio**

Canadian Pacific Railway Limited (CP) on July 22, 2020 announced second-quarter results, including revenues of \$1.79 billion, diluted earnings per share ("EPS") of \$4.66, adjusted diluted EPS of \$4.07 and an operating ratio of 57.0 percent. The Second-quarter highlights were: 1) Revenues decreased by 9 percent to \$1.79 billion from \$1.98 billion



last year; 2) Reported diluted EPS of \$4.66, a 10 percent decrease from \$5.17 last year, and adjusted diluted EPS of \$4.07, a 5 percent decrease from \$4.30 last year; and 3) Operating ratio was a second-quarter record 57.0 percent, a 140 basis point improvement over last year's second-quarter operating ratio of 58.4 percent. Keith Creel, CEO and President of CP said "While economic uncertainty remains, we're controlling what we can control – our costs."

#### **29. CP 2Q20 Results: "Resiliency" in "Some of the Most Challenging Conditions"**

Canadian Pacific announced second-quarter 2020 financial and operating results, which saw net profit fall 12% and revenue decrease 9% amid "immense challenges" created by the COVID-19 pandemic. Yet, CP recorded revenues of C\$1.79 billion (US\$1.3 billion) and a 2Q-record operating ratio of 57% in 2Q20.

#### **30. CSX's second-quarter net income falls 43%**

CSX reported second-quarter net profits slipped 43% amid a pandemic-induced 26% drop in revenue. Net income totalled \$499 million, or \$0.65 per diluted share, in the second quarter of 2020 compared with \$870 million, or \$1.08 per diluted share, in the second quarter of 2019. Second-quarter revenue fell 26% to \$2.26 billion amid lower economic activity driven by the COVID-19 pandemic. Volumes fell 20% to 1.26 million units, while revenue per unit slipped 7% to \$1,794.

#### **31. U.S. Department of Transportation Announces \$851.15 Million Loan for the Train Control Implementation and Rehabilitation Project in New England**

U.S. Transportation Secretary Elaine L. Chao on July 21, 2020 announced that the U.S. Department of Transportation's Build America Bureau provided a \$851.15 million loan under the Railroad Rehabilitation and Improvement Financing (RRIF) Program to the Massachusetts Bay Transportation Authority (MBTA) for the Train Control Implementation and Rehabilitation Project in New England. U.S. Transportation Secretary Elaine L. Chao said "This federal investment of \$851.15 million will enhance safety on one of the busiest commuter railroads in the country."

#### **32. Union Pacific's second-quarter net profit slips 28%**

Net profit for Union Pacific in the second quarter fell 28% amid a 20% decline in volumes resulting from the economic impact of the coronavirus pandemic. Second-quarter net income for 2020 totalled \$1.1 billion, or \$1.67 per diluted share, compared with \$1.6 billion, or \$2.22 per diluted share, in the second quarter of 2019. Operating revenue slipped 24% to \$4.2 billion, with second quarter volumes falling 20%. Union Pacific said the results were "due to deteriorating economic conditions brought on by the COVID-19 pandemic."

#### **33. Rail Traffic Still Stuck**

The Association of American Railroads (AAR) reported U.S. rail traffic for the week ended July 18, 2020, and, for this week, total U.S. weekly rail traffic was 481,597 carloads and intermodal units, down 8.5% compared with the same week last year. On the heels of some good runs, rail traffic took another hit, as total carloads for the week ended July 18, 2020 were 214,685 carloads, down 15.7% compared with the same week in 2019, while U.S. weekly intermodal volume was 266,912 containers and trailers, down 1.7% compared to 2019. Canadian railroads reported 71,949 carloads for the week, down 13.1%, and 67,698 intermodal units, down 5.1% compared with the same week in 2019. For the first 29 weeks of 2020, Canadian railroads reported cumulative rail traffic volume of 4,005,349 carloads, containers and trailers, down 8.5%.

#### **34. CN Investing \$60 Million in Louisiana**

CN announced on July 27, 2020 that, as part of its strategic investments to support growing demand and enable supply chains, it plans to invest approximately \$60 million (USD) across Louisiana in 2020. The investments includes a multi-year project to rebuild the McComb Spillway Bridge, replacement of rail and ties, as well as maintenance of bridges, level crossings, culverts, signal systems and other track infrastructure.

#### **35. CN Investing \$50 Million in Mississippi**

CN announced on July 27, 2020 that, as part of its strategic investments to support growing demand and enable supply chains, it plans to invest approximately \$50 million (USD) across Mississippi in 2020. The investments will focus on continued investment in Positive Train Control, the replacement of rail and ties, as well as maintenance of bridges, level crossings, culverts, signal systems and other track infrastructure.

#### **36. CN Investing \$165 Million in Illinois**

CN announced on July 28, 2020 that, as part of its strategic investments to support growing demand and enable supply chains, it plans to invest approximately \$165 million (USD) across Illinois in 2020. The investments will focus on the Chicago St Charles Airline Bridge renewal as well as the replacement of rail and ties and maintenance of bridges, level crossings, culverts, signal systems and other track infrastructure.

#### **37. CN Investing \$35 Million in Iowa**

CN announced on July 28, 2020 that, as part of its strategic investments to support growing demand and enable supply chains, it plans to invest approximately \$35 million (USD) across Iowa in 2020. The investments will focus on the replacement of ties and maintenance of bridges, level crossings, culverts, signal systems and other track infrastructure as well as continued investments in Positive Train Control.

### 38. Freight Rail Services Price Index, February to June 2020

The Freight Rail Services Price Index (2018=100) is now available for February 2020 to June 2020 on the statcan website. It has fallen by 1.7 points from 107 to 105.3. It peaked in April 2020 at 109.

### 39. Railway carloadings, May 2020

Following a steep year-over-year decline in the volume of rail freight in April 2020, the impact of COVID-19 continued in May 2020. Canadian railways carried 30.1 million tonnes of freight in May 2020, a decrease of 13.3% from the same month in 2019, and the largest year-over-year drop since the economic downturn of 2009. This decline reflected the shutdown of activities in various economic sectors due to the pandemic. However, there was a rebound in exports, which—according to May 2020 data on international merchandise trade—was led by resumption of production in the auto industry, as well as higher crude oil prices. This growth in export volumes may have dampened the downward impact on the volume of rail freight.

### 40. CN Investing \$25 Million in Minnesota

CN announced on July 29, 2020 that, as part of its strategic investments to support growing demand and enable supply chains, it plans to invest approximately \$25 million (USD) across Minnesota in 2020. The investments will focus on docks repairs, replacement of rail and ties, maintenance of bridges, level crossings, culverts, signal systems and other track infrastructure.

### 41. CN Investing \$30 Million in Tennessee

CN announced on July 29, 2020 that, as part of its strategic investments to support growing demand and enable supply chains, it plans to invest approximately \$30 million (USD) across Tennessee in 2020. The program will focus on yard upgrades, replacement of rail and ties, as well as maintenance of bridges, level crossings, culverts, signal systems and other track infrastructure.

### 42. Pandemic puts pressure on Norfolk Southern

Norfolk Southern's net profits for the 2020 second quarter slipped 46% to \$392 million, or \$1.53 in diluted earnings per share, compared with \$722 million, or \$2.70 in diluted earnings per share, in the second quarter of 2019. A 26% decline in rail volumes contributed to the drop in profits year-over-year. Operating revenues fell 29% to \$2.1 billion. Meanwhile, operating expenses slipped 21% to \$1.5 billion on lower expenses for fuel, compensation and benefits and purchased services. Income from railway operations was \$610 million, a 43% drop from nearly \$1.07 billion in the second quarter of 2019.

### 43. Rail Traffic Hinting at Recovery?

The Association of American Railroads (AAR) reported U.S. rail traffic for the week ended July 25, 2020, and, for this week, total U.S. weekly rail traffic was 481,331 carloads and intermodal units, down 9.9% compared with the same week last year. Total carloads for the week ended July 25 were 215,171 carloads, down 17.8% compared with the same week in 2019, while U.S. weekly intermodal volume was 266,160 containers and trailers, down 2.4% compared to 2019. Canadian railroads reported 72,440 carloads for the week, down 13.9%, and 70,698 intermodal units, up 0.2% compared with the same week in 2019. For the first 30 weeks of 2020, Canadian railroads reported cumulative rail traffic volume of 4,148,487 carloads, containers and trailers, down 8.5%.

## HIGHWAY TRANSPORTATION

### 1. OTA Applauds Ford Government for Progress on Towing Industry Oversight

The Government of Ontario on June 29, 2020 announced its Towing Task Force, which will begin to develop much-needed oversight for the towing industry in the province. Since 2017, OTA has been working with the Ministry of Transportation, the OPP and the responsible segment of the heavy towing industry, to bring change to the sector and improve clearance times for collisions, provide consumer protections and improve overall safety of incident management on Ontario's highways.

### 2. Purolator to add 1,100 jobs

Purolator says it will add more than 1,100 new jobs as the Canadian economy recovers from the pandemic. One year ago, it announced its \$1-billion-plus, five-year *Delivering the Future* growth strategy. Home deliveries have risen 30% over the past three months, while retail e-

## HIGHWAY TRANSPORTATION Canada

1. OTA Applauds Ford Government for Progress on Towing Industry Oversight, June 29, 2020, [www.ontruck.ca](http://www.ontruck.ca)
2. Purolator to add 1,100 jobs, June 30, 2020, [www.todaystrucking.com](http://www.todaystrucking.com)
3. Amazon acquires self-driving tech firm, June 29, 2020, [www.insidelogistics.ca](http://www.insidelogistics.ca)
4. Urban public transit, April 2020, June 30, 2020, [www.statcan.gc.ca](http://www.statcan.gc.ca)
5. Truck crossings remain steady, July 2, 2020, [www.todaystrucking.com](http://www.todaystrucking.com)
6. ECONOMIC WATCH: Truck orders bounced back in June, July 3, 2020, [www.todaystrucking.com](http://www.todaystrucking.com)
7. Uber reportedly agrees to acquire Postmates

commerce sales surged by up to 120%. Purolator said it's responding by adding more than 1,100 jobs and fast-forwarding five strategic priorities.

### **3. Amazon acquires self-driving tech firm**

Amazon said on June 26, 2020 that it is buying self-driving technology company Zoox which is developing an autonomous vehicle for a ride-hailing service that people would request on their phones. Seattle-based Amazon did not disclose how much it is paying for Zoox, which was founded six years ago in Foster City, California. The online retailing giant said Zoox will keep running as a separate business and continue to develop its own autonomous vehicle.

### **4. Urban public transit, April 2020**

The collapse of ridership on the country's buses, trains and subways, which began in mid-March 2020 as part of an effort to prevent the spread of COVID-19, has resulted in a historic year-over-year passenger decrease for April 2020. Following a 42.0% decline in March 2020, the number of passenger trips fell 85.0% to 23.4 million in April 2020. Consequently, the total operating revenues (excluding subsidies) of urban transit companies also crumbled, down 83.3% to \$56.6 million in April, 2020. The impact of the lockdown is expected to start easing in June 2020, as provincial re-opening plans begin to allow more businesses to re-open, people to assemble and non-essential transit trips to resume. However, with the large number of teleworkers and the possibility of colleges and universities conducting semesters remotely along with the possible reluctance of some people to use public transit, the return of former customers to public transit could be slow and gradual over the coming months.

### **5. Truck crossings remain steady**

Truck arrivals remained steady during the week of June 22-28, 2020, with 104,539 truck drivers entering the country, according to the Canada Border Services Agency. The arrivals are marginally up from 104,247 during June 15-21, 2020, but down 10% from 116,744 in the same period in 2019. Truck arrivals have continued to improve since May 2020, when businesses and factories started reopening in both countries.

### **6. ECONOMIC WATCH: Truck orders bounced back in June**

Class 8 truck orders spiked to 16,000 units in June, reflecting a rapid freight rate improvement, according to preliminary data from ACT Research. Orders surged 139% from May 2020, and were up 23% from a "very easy" year-ago comparison, ACT reported. Classes 5-7 orders also rose 77% from May 2020, but were off 20% year-over-year.

### **7. Uber reportedly agrees to acquire Postmates for \$2.65 billion**

Uber has reportedly agreed to buy Postmates in an all-stock deal worth \$2.65 billion. According to Bloomberg, the deal may be announced on June 29, 2020 morning. Like other travel- and transportation-related businesses, Uber's ride-hailing segment has been negatively impacted by the COVID-19 pandemic, due to shelter-in-place.

### **8. Canada Cartage Logistics opens new DC [Distribution Centre]**

Canada Cartage Logistics Solutions (CCLS) is opening a new 300,000 square foot fulfillment centre in Brampton, Ontario. The new facility is opening in phases starting in July 2020 and continuing to the end of 2020. It has been built to manage increasing demand for e-commerce and fulfillment services, the company said. The First Gulf facility is close to all major GTA highways, and is the third fulfillment centre for CCLS in Eastern Canada.

### **9. Southern Ontario projects get \$35M**

The federal and provincial governments have announced funding for four road and bridge improvement projects in Southern Ontario. Ottawa is investing \$10 million in these projects while Ontario is contributing about

for \$2.65 billion, July 3, 2020, [www.cargonews.com](http://www.cargonews.com)

8. Canada Cartage Logistics opens new DC, July 6, 2020, [www.insidelogistics.ca](http://www.insidelogistics.ca)

9. Southern Ontario projects get \$35M, July 6, 2020, [www.todaystrucking.com](http://www.todaystrucking.com)

10. Truck arrivals return to normal, July 7, 2020, [www.todaystrucking.com](http://www.todaystrucking.com)

11. US-to-Canada truck crossings hit pre-COVID level, July 6, 2020, [www.freightwaves.com](http://www.freightwaves.com)

12. Ontario Makes it Easier for Truck Drivers to get Tested for COVID-19, July 8, 2020, [www.mto.gov.on.ca](http://www.mto.gov.on.ca)

13. Study confirms trucking job losses, July 8, 2020, [www.todaystrucking.com](http://www.todaystrucking.com)

14. Manitoulin opens new terminal in Manitoba, July 9, 2020, [www.insidelogistics.ca](http://www.insidelogistics.ca)

15. Truck collisions surge in Ontario, July 9, 2020, [www.todaystrucking.com](http://www.todaystrucking.com)

16. May 2020 Freight Index (TSI) Up 1.6% in Largest One-Month Rise in Two Years, July 9, 2020, [www.bts.gov](http://www.bts.gov)

17. Uber Freight casting wider TMS net with Blue Yonder connection. July 9, 2020, [www.joc.com](http://www.joc.com)

18. U.S. trucking industry moved 11.84B tons of freight last year, July 13, 2020, [www.todaystrucking.com](http://www.todaystrucking.com)

19. ELD Mandate Set in Stone: Teamsters Canada and Canadian Trucking Alliance, July 14, 2020, [www.ontruck.ca](http://www.ontruck.ca)

20. Truck arrivals fall 9% during July 6-12, July 14, 2020, [www.todaystrucking.com](http://www.todaystrucking.com)

21. Leading indicator of cross-border traveller volume, June 2020 (final), July 14, 2020, [www.statcan.gc.ca](http://www.statcan.gc.ca)

22. Done deals: July 15, 2020, July 15, 2020, [www.insidelogistics.ca](http://www.insidelogistics.ca)

23. Ontario Releases Details of Phase 3 Reopening, July 15, 2020, [www.ontruck.ca](http://www.ontruck.ca)

24. CVSA Operation Safe Driver Takes Aim at Speeding Vehicles, July 15, 2020, [www.cantruck.ca](http://www.cantruck.ca)

25. Ontario Launches New Online Tool For Viewing Highway Improvements, July 16, 2020, [www.mto.gov.on.ca](http://www.mto.gov.on.ca)

26. Covid-19's economic impact staggering, but trucking recovery underway, July 17, 2020, [www.todaystrucking.com](http://www.todaystrucking.com)

27. J.B. Hunt cautious on Q3 volumes despite June intermodal surge, July 17, 2020, [www.joc.com](http://www.joc.com)

28. Ontario brings road tests to truck training schools, July 20, 2020, [www.todaystrucking.com](http://www.todaystrucking.com)

29. Logistics Gets Schooled, July 20, 2020, [www.inboundlogistics.com](http://www.inboundlogistics.com)

30. Mullen Group profit plunges 27%, but CEO sees turnaround, July 22, 2020, [www.americanshipper.com](http://www.americanshipper.com)

31. May 2020 North American Transborder Freight Down 49% from May 2019, July 22, 2020, [www.bts.gov](http://www.bts.gov)

32. New motor vehicle registrations, 2019, July 24, 2020, [www.statcan.gc.ca](http://www.statcan.gc.ca)

33. Truck arrivals drop for another week, July 24, 2020, [www.todaystrucking.com](http://www.todaystrucking.com)

34. Mixed picture for TFI: Net income down, OR in key segments up, March 27, 2020, [www.americanshipper.com](http://www.americanshipper.com)

\$7 million. Another \$18 million will come from the local municipalities, Infrastructure Canada said on July 6, 2020.

35. TFI International brings back employees, July 28, 2020, [www.todaystrucking.com](http://www.todaystrucking.com)

#### **10. Truck arrivals return to normal**

Truck arrivals have returned to normal for the first time since Covid-19 struck four months ago, the Canada Border Services Agency said on July 7, 2020. It said 87,549 truck drivers entered the country during the week of June 29-July 5, compared to 87,550 in the same period in 2019.

#### **11. US-to-Canada truck crossings hit pre-COVID level**

Truck crossings from the U.S. to Canada reached a pre-COVID-19 level last week, suggesting that the cross-border freight recovery didn't miss a beat during two national holidays and the implementation of the United States-Mexico-Canada Agreement (USMCA) on trade. About 85,000 truck drivers entered Canada from the U.S. during the week ending July 5, 2020, data from the Canada Border Services Agency (CBSA) released on April 6, 2020 shows. An almost identical number crossed during the comparable week in 2019. It also marks the first time since March 2020 that weekly truck crossings matched their seasonal norms. Canadian truckload freight volumes also reached their highest level of the year on June 30, according to the Outbound Tender Volume Index for Canada on *FreightWaves'* SONAR platform.

#### **12. Ontario Makes it Easier for Truck Drivers to get Tested for COVID-19**

The Ontario government is piloting a new system that will make it easier for truck drivers to access COVID-19 testing through a partnership with DriverCheck. This is part of the government's efforts to stop the spread of COVID-19 and protect public health across the province.

#### **13. Study confirms trucking job losses**

Over the first two quarters of 2020, employment in the Canadian trucking and logistics sector is expected to contract by 10.4%, or 72,000 jobs, due to Covid-19. That is according to a new report released on July 8, 2020 by Trucking HR Canada.

#### **14. Manitoulin opens new terminal in Manitoba**

Manitoulin Transport has opened a new transportation terminal in The Pas, Manitoba. The new, purpose-built terminal replaces the company's existing location. "This new terminal demonstrates Manitoulin's commitment to The Pas and surrounding areas and to Canada's smaller communities in general," said Jeff King, president, Manitoulin Transport.

#### **15. Truck collisions surge in Ontario**

"People are dying," Ontario Provincial Police Sgt. Kerry Schmidt said in frustration as he recounted grim crash statistics involving commercial vehicles in Ontario. Last year, there were 8,432 crashes and 96 deaths involving trucks in OPP patrolled areas. That was the highest number of commercial vehicle collisions and fatalities in more than 20 years, according to the force. "The number of deaths last year were far greater than the previous year," Schmidt said on July 9, 2020. In 2018, there were 7,719 crashes, resulting in 62 deaths.

#### **16. May 2020 Freight Index (TSI) Up 1.6% in Largest One-Month Rise in Two Years**

The Freight Transportation Services Index (TSI), which is based on the amount of freight carried by the for-hire transportation industry, rose 1.6% in May 2020 from April 2020, rising after a three-month decline, according to the U.S. Department of Transportation's Bureau of Transportation Statistics' (BTS). From May 2019 to May 2020, the index fell 8.5% compared to a rise of 2.1% from May 2018 to May 2019 and a rise of 8.4% from May 2017 to May 2018.

#### **17. Uber Freight casting wider TMS net with Blue Yonder connection**

Uber Freight has expanded its network of transportation management system integrations by piping its instantly available capacity into the Blue Yonder freight execution system.

#### **18. U.S. trucking industry moved 11.84B tons of freight last year**

The trucking industry moved 11.84 billion tons of freight in the U.S. in 2019, including 67.7% of surface freight between the U.S. and Canada. That according to the American Trucking Associations' American Trucking Trends 2020 report. The trucking industry generated US\$791.7 billion in revenue and employed 3.6 million American drivers. Trucking's revenues accounted for 80.4% of the nation's freight bills, and 93.1% of fleets operated just six or fewer trucks.

#### **19. ELD Mandate Set in Stone: Teamsters Canada and Canadian Trucking Alliance**

With less than a year to go for the implementation of the electronic logging device (ELD) mandate, federal Transportation Minister Marc Garneau is once again displaying leadership on road safety by reminding the trucking industry and the Canadian public the much needed regulation is well on its way to being delivered. "Electronic logging devices can help reduce driver fatigue and collisions. These safety benefits are important to Canadians and improve road safety. For these reasons, we worked with industry to mandate the use of these devices by June 12, 2021. We remain on schedule for this timeline, and we will continue working with stakeholders and industry to help them meet

this goal,” said the Honourable Marc Garneau, Minister of Transport.

#### **20. Truck arrivals fall 9% during July 6-12**

The number of truck drivers entering the country dropped 9% to 104,008 during the week of June 6-12 from 114,787 in the same period last year, the Canada Border Services Agency said on July 14, 2020. In the previous week, truck arrivals had returned to normal for the first time since Covid-19 struck four months ago.

#### **21. Leading indicator of cross-border traveller volume, June 2020 (final)**

June 2020 was the third consecutive full month of restrictions on non-essential travel at the Canadian-US border and the number of crossings by automobiles remained almost at a standstill. US residents made 96% fewer trips to Canada by automobile through Integrated Primary Inspection Line (IPIL) land ports compared with 12 months before. Similarly, the number of Canadian residents returning from the United States by automobiles through the same ports fell by nearly 94% from June 2019. Since the enactment of the first 30-day restriction on all non-essential travel across the Canada-US border on March 21, 2020, the closure has been extended three times, for 30 days each time. On June 16, 2020, the Canadian and American governments extended the closure of the border for another 30 days (until July 21) to slow the spread of the novel coronavirus (COVID-19).

#### **22. Done deals: July 15, 2020**

PiVAL has selected the 3Gtms TMS system to further automate its freight brokerage services. Montreal-based PiVAL specializes in warehousing and transportation management. PiVAL initially selected the 3Gtms TMS system to launch its managed transportation services division, which was introduced in 2019.

#### **23. Ontario Releases Details of Phase 3 Reopening**

The Ontario government announced that on July 17, 2020 that it is moving forward with stage 3 of the restart phase to reopening the provinces economy. Businesses, services and public spaces in certain parts of the province will begin reopen on a regional basis on July 17, 2020 as progress is made in the fight against COVID-19, the government states.

#### **24. CVSA Operation Safe Driver Takes Aim at Speeding Vehicles**

The Commercial Vehicle Safety Alliance’s (CVSA) annual Operation Safe Driver is underway across North America – with special attention this year on speeding vehicles and dangerous driving. “Law enforcement personnel will issue warnings or citations to commercial motor vehicle drivers and passenger vehicle drivers engaging in dangerous driving behaviors,” CVSA stated. National Highway Traffic Safety Administration (NHTSA) notes that driver’s actions have historically contributed to approximately 94 percent of collisions.

#### **25. Ontario Launches New Online Tool For Viewing Highway Improvements**

The Ontario government has released a new online tool that provides the people of Ontario and businesses with information about highway projects in their communities, including the status of projects that are already underway and major construction projects slated for the future. The new online tool is part of the government's plan to keep highways safe and reliable, while supporting economic growth and job creation across the province.

#### **26. Covid-19’s economic impact staggering, but trucking recovery underway**

The financial devastation the Covid-19 pandemic is wreaking on the Canadian economy and the trucking industry is only now coming into focus – and it’s big. But in trucking, at least, a recovery seems to be underway. Prime Minister Justin Trudeau gave an economic update July 8, 2020 acknowledging the impact of Covid-19 is the “largest and most sudden economic contraction since the Great Depression.” The feds said while the Covid-19 Economic Response Plan protected Canadians’ livelihoods, it came at a staggering cost of about \$230 billion, representing 14% of GDP.

#### **27. J.B. Hunt cautious on Q3 volumes despite June intermodal surge**

Despite an unexpected uptick in intermodal volume to close the 2020 second quarter, J.B. Hunt Transport Services says third-quarter consumer demand remains unpredictable due to the effects of the COVID-19 pandemic.

#### **28. Ontario brings road tests to truck training schools**

Road tests will be hosted by at least four Ontario truck driving schools, under a six-month pilot project looking at ways to ease backlogs in the province’s licensing process. Participating schools include Commercial Heavy Equipment Training (CHET) in Mississauga, Crossroads Truck and Career Academy in Ottawa, Northern Academy of Transportation Training (NATT) in Sudbury, and Northstar Truck Driving School in Windsor.

#### **29. Logistics Gets Schooled**

As logistics challenges become more complex and technology advances, ongoing education, innovation, and research have become a competitive imperative for logistics and supply chain companies. A commitment to education and innovation is also key to attracting younger employees to logistics. “With millennials making up an increasing part of our workforce, it is critical that we modernize our processes and tools,” says Gina Chung, vice president, innovation, Americas research and development with DHL.

#### **30. Mullen Group profit plunges 27%, but CEO sees turnaround**

Mullen Group reported a 27% drop in profits during the second quarter. Mullen Group recorded net income of C\$23 million (US\$17.1 million), or 23 cents per share, on revenue of C\$257 million in its second-quarter financial results



released on July 22, 2020. Compared to a year ago, profits fell by 27.4%, while revenue dropped by 19%. CEO Murray Mullen said the results were encouraging, however, saying, “business activity is returning, demand has stabilized.” Mullen pointed to the resilience in consumer spending as a bright spot from Mullen’s less-than-truckload business.

### **31. May 2020 North American Transborder Freight Down 49% from May 2019**

Transborder freight between the U.S. and other North American countries (Canada and Mexico) in May 2020 was: Total Transborder freight: \$56.1 billion of transborder freight moved by all modes of transportation, down 48.9% compared to May 2019. The \$56.1 billion in total Transborder freight was the lowest amount since May 2009. The most-used mode was truck moving \$39.1 billion of freight, down 43.2% compared to May 2019. The second most-used mode was railways moving \$5.5 billion of freight, down 66.3% compared to May 2019. Transborder freight value in May 2020 was down 3.5% from April 2020 and down 43.3% from March 2020. U.S.-Canada trade in both directions was: Truck: \$19.6b; Rail: \$3.4b; Air: \$2.4b, Pipeline: \$2.0b; and Vessel: \$1.2b.

### **32. New motor vehicle registrations, 2019**

There were 1,892,001 new motor vehicles registered in Canada in 2019, down 86,561 from 2018, the second consecutive yearly decline. Despite this decline, new registrations remain 55,462 higher than five years earlier. New motor vehicle manufacturing and sales have been among the hardest-hit sectors in the first three months of the COVID-19 pandemic, and new registrations are projected to fall again in 2020. New registrations for gasoline-powered (-5.0%) and diesel-powered (-17.6%) vehicles both declined in 2019.

### **33. Truck arrivals drop for another week**

The week of July 13-19, 2020 witnessed a 6% fall in truck drivers entering Canada compared to the same period last year, the Canada Border Services Agency said late July 23, 2020. In the previous week, truck arrivals had dropped by 9%. During July 13-19, 2020 the CBSA said, 105,498 truckers arrived in the country, down from 112,593 in the same period in 2019. Truck traffic has improved since May, 2020 when businesses and factories started reopening in both Canada and the U.S.

### **34. Mixed picture for TFI: Net income down, OR in key segments up**

Canada’s TFI International posted a decline in most key financial metrics in the second quarter of 2020, though its truckload (TL) and less-than-truckload (LTL) divisions posted gains in their operating ratio. Overall, the company’s net income of C\$69.7 million (US\$52.27 million) was down from C\$100.2 million in the second quarter of 2020. Total revenue during that period dropped to C\$1.1 billion from \$1.33 billion, and operating income for the company as a whole declined to C\$131.5 million from C\$149 million. The company’s non-GAAP earnings per share of C\$1.04 beat consensus forecasts by C\$0.49, according to *SeekingAlpha*. The GAAP EPS of C\$0.79 beat consensus forecasts by C\$0.30.

### **35. TFI International brings back employees**

TFI International has reinstated five-day workweeks for 594 employees and rehired 793 who had been furloughed, as the trucking industry recovers from economic weakness wrought by the Covid-19 pandemic. The company has also restored its capital expenditures, which were put on hold when the pandemic broke out.

## **GENERAL TRANSPORTATION**

### **Canada**

#### **1. U.S. again threatens tariffs on eve of new trade agreement**

If the long-awaited debut of Canada’s new trade pact with the United States and Mexico heralds a new dawn in North American relations Robert Lighthizer sure has a funny way of showing it. With the U.S.-Mexico-Canada Agreement coming into effect on July 1, 2020, the U.S. trade ambassador reminded a congressional committee that within the velvet glove of trade diplomacy, Donald Trump’s White House wields an iron fist of zero-tolerance enforcement. And instead of friendly declarations of trilateral solidarity, the prospect of punitive Section 232 tariffs on Canadian steel and aluminum – an economic headache that tormented negotiators during a low point in Canada-U.S. relations – is back and looming large. “One would think that this would have heralded a new era, but in some respects, this is a situation that just continues to roll on and persist,” said consultant Eric Miller, president of

## **GENERAL TRANSPORTATION**

### **Canada**

1. U.S. again threatens tariffs on eve of new trade agreement, June 29, 2020, [www.insidelogistics.com](http://www.insidelogistics.com)
2. Ontario Building a Safer, More Reliable Transportation System, June 30, 2020, [www.mto.gov.on.ca](http://www.mto.gov.on.ca)
3. U.S. Department of Transportation Launches \$3 Million Public Safety Campaign to Prevent Child Heatstroke Deaths in Hot Cars, July 1, 2020, [www.dot.gov](http://www.dot.gov)
4. Economic uncertainty muddies new trade deal, July 1, 2020, [www.insidelogistics.ca](http://www.insidelogistics.ca)
5. National tourism indicators, fourth quarter 2019 and first quarter 2020, June 30, 2020, [www.statcan.gc.ca](http://www.statcan.gc.ca)
6. Transport Climate Action Directory launches, July 2, 2020, [www.oecd-ift.org](http://www.oecd-ift.org)
7. What’s Lurking in Your Supply Chain?, July 6,

the D.C.-based Rideau Potomac Strategy Group.

## **2. Ontario Building a Safer, More Reliable Transportation System**

The Ontario government is helping to connect communities and create jobs by providing an additional \$10 million in funding for the Connecting Links program. The funding is part of Ontario's Action Plan: Responding to COVID-19 and will support road and highway projects in nine more municipalities across the province. Today's announcement brings the total annual investment for this program to \$40 million.

## **3. U.S. Department of Transportation Launches \$3 Million Public Safety Campaign to Prevent Child Heatstroke Deaths in Hot Cars**

On July 1, 2020, on National Heatstroke Awareness Day, U.S. Transportation Secretary Elaine L. Chao announced the launch of a \$3 million public safety campaign to combat child vehicular heatstroke deaths across the country. The announcement is part of the Department's ongoing work to engage with safety advocates and provide a unified message to educate the public about the dangers hot vehicles pose to children.

## **4. Economic uncertainty muddies new trade deal**

The new North American trade deal takes effect on July 1, 2020 amid heightened uncertainty about its likely impacts. The effect of the COVID-19 crisis on supply chains, the digital transformation of the economy, and the possibility of the US reimposing aluminum and steel tariffs all cloud the potential effects of the Canada-US-Mexico Agreement (CUSMA) on the economies of the signatory countries, according to a new report from the C.D. Howe Institute.

## **5. National tourism indicators, fourth quarter 2019 and first quarter 2020**

Tourism spending in Canada fell 14.2% in the first quarter, the largest decline on record, in the wake of measures imposed to contain the COVID-19 pandemic in March 2020. Tourism gross domestic product decreased 14.8%, while jobs attributable to tourism fell 6.5%.

## **6. Transport Climate Action Directory launches**

The TRANSPORT CLIMATE ACTION directory was launched for public use on July 2, 2020. The TRANSPORT CLIMATE ACTION DIRECTORY is an online database of policy measures to reduce transport CO2 emissions. It contains more than 60 different mitigation measures along with the evidence-base needed to assess their effectiveness. The Directory provides decision makers with a range of options that can deliver concrete decarbonisation outcomes for transport in their specific national context, helping them to translate their decarbonisation ambitions into actions.

## **7. What's Lurking in Your Supply Chain?**

You may think your company is well protected when it comes to cybersecurity, but an often overlooked source of vulnerability is your supply chain. If you can't honestly say you are fully apprised of the security postures of your vendors, partners, and contractors, then you are already at major risk of a cyberattack. Up to 80% of all security breaches start in the supply chain, estimates a 2018 KPMG report. Alarming, 59% of global companies say they've experienced a data breach caused by one of their vendors—and in the United States, that climbs to 61%, according to a 2018 Opus and Ponemon Institute survey.

## **8. U.S. Department of Transportation Announces \$3 Million for Small Business Innovators**

The U.S. Department of Transportation (DOT) announced in July 2020 that twenty (20) U.S. small businesses will receive a total of \$3 million in Small Business Innovation Research (SBIR) Program Phase I awards stemming from the Fiscal Year 2020 Phase I Solicitation announced earlier this year. Each year, DOT's SBIR Program awards contracts to small businesses across the country to spur research and commercialization of innovative transportation technologies.

## **9. Public consultation opens on Milton logistics hub**

2020, [www.inboundlogistics.com](http://www.inboundlogistics.com)

8. U.S. Department of Transportation Announces \$3 Million for Small Business Innovators, July 6, 2020, [www.dot.gov](http://www.dot.gov)

9. Public consultation opens on Milton logistics hub, July 7, 2020, [www.insidelogistics.ca](http://www.insidelogistics.ca)

10. National Travel Survey, fourth quarter 2019, July 8, 2020, [www.statcan.gc.ca](http://www.statcan.gc.ca)

11. Visitor Travel Survey, fourth quarter 2019, July 8, 2020, [www.statcan.gc.ca](http://www.statcan.gc.ca)

12. Bikeshare Ridership Down 44% During COVID-19, July 8, 2020, [www.bts.gov](http://www.bts.gov)

13. Almost 1 million jobs added in June, July 11, 2020, [www.insidelogistics.ca](http://www.insidelogistics.ca)

14. Canada blows past expectations to gain almost million jobs, July 10, 2020, [www.nationalpost.ca](http://www.nationalpost.ca)

15. Amazon's Quebec DC open for business, July 14, 2020, [www.insidelogistics.ca](http://www.insidelogistics.ca)

16. Canadian factory sales post a record jump, but they're still well below pre-pandemic levels, July 15, 2020, [www.financialpost.ca](http://www.financialpost.ca)

17. U.S. Department of Transportation Announces \$90 Billion in Savings Through Regulatory Reforms, July 16, 2020, [www.dot.gov](http://www.dot.gov)

18. Commodity Flow Survey 2017: Select Industries Shipped Almost 12.5B Tons, Up 10.4% from 2012, July 16, 2020, [www.bts.gov](http://www.bts.gov)

19. Feds buy vaccine supplies, seek logistics contractor, July 20, 2020, [www.insidelogistics.ca](http://www.insidelogistics.ca)

20. Major new infrastructure projects must show path to 'net zero', July 20, 2020, [www.insidelogistics.ca](http://www.insidelogistics.ca)

21. Brazil Joins ITF as Observer, July 20, 2020, [www.itf-oecd.org](http://www.itf-oecd.org)

22. Travel between Canada and other countries, May 2020, July 22, 2020, [www.statcan.gc.ca](http://www.statcan.gc.ca)

23. CBSA cuts service hours at checkpoints, July 23, 2020, [www.todaystrucking.com](http://www.todaystrucking.com)

24. U.S. Transportation Secretary Chao Releases Pathways to the Future of Transportation, July 23, 2020, [www.dot.gov](http://www.dot.gov)

25. U.S. Transportation Secretary Elaine L. Chao Announces Key Resource for Rural Communities, July 27, [www.dot.gov](http://www.dot.gov)

The Impact Assessment Agency of Canada is holding a public comment period as part of the environmental assessment process for the proposed CN Milton Logistics Hub Project, located in Milton, Ontario, approximately 50 kilometres west of Toronto.

#### **10. National Travel Survey, fourth quarter 2019**

The looming pandemic was not yet a consideration in the travel decisions of Canadians in the final months of 2019. Nevertheless, trips within Canada and abroad were down 1.5% year over year to 71.3 million trips from October through December 2019. More recent data are available from the Frontier Counts and Leading Indicators travel programs. Travel by Canadian residents abroad rose 2.4% in the 2019 fourth quarter, while domestic travel declined 2.0%, led by fewer overnight trips within Canada.

#### **11. Visitor Travel Survey, fourth quarter 2019**

International travellers made 6.4 million trips to Canada in the 2019 fourth quarter, when the emerging pandemic was not yet a consideration in travel decisions, up 2.8% from the same quarter of 2018. The number of travellers to Canada from overseas countries (countries other than the United States) rose 4.8%, while the number of travellers from the United States was up 2.3%. Nevertheless, spending in Canada by international travellers declined 5.3% year over year to \$3.7 billion, led by a 10.5% decrease in spending by overseas travellers. More recent data on international travel to Canada are available in the releases "Travel between Canada and other countries" and "Leading indicator of cross-border traveller volume."

#### **12. Bikeshare Ridership Down 44% During COVID-19**

Ridership on eight of the US's largest docked bikeshare systems in the COVID-19 months of March through May 2020 declined by 44% compared to the same period in 2019, according to data from the U.S. Department of Transportation's Bureau of Transportation Statistics released on March 8, 2020 in a new interactive map. San Francisco (Bay Wheels) experienced the largest decline at 60%

#### **13. Almost 1 million jobs added in June**

Nearly one million more Canadians had jobs in June 2020 than a month earlier, Statistics Canada says, as businesses forced to close by the pandemic began to reopen and the country continued to recoup the steep losses over March and April 2020. Statistics Canada's labour force survey released on July 10, 2020 showed 953,000 jobs were added last month, including 488,000 full-time and 465,000 part-time positions. The unemployment rate fell to 12.3 per cent after hitting a record-high of 13.7 per cent in May.

#### **14. Canada blows past expectations to gain almost million jobs**

Statistics Canada says the economy added nearly one million jobs in June 2020 as businesses forced closed by the pandemic began to reopen. The agency says 953,000 jobs were added in May 2020 including 488,000 full-time and 465,000 part-time positions. The unemployment rate fell to 12.3 per cent in June 2020 after hitting a record-high of 13.7 per cent in May 2020.

#### **15. Amazon's Quebec DC open for business**

Amazon's first fulfillment centre in Quebec officially celebrated "day one" earlier this month with its newest employees. The fulfillment centre will continue to ramp up to full operations over the next several weeks and will have more than 300 employees by the 2020 holiday shopping season. The Lachine facility is Amazon's 13th fulfillment centre in Canada.

#### **16. Canadian factory sales post a record jump, but they're still well below pre-pandemic levels**

Canadian factory sales jumped by a record 10.7 per cent in May 2020 from April 2020 but fell far short of where they had been when partial shutdowns were imposed to fight the coronavirus outbreak, Statistics Canada said on July 15, 2020. Analysts in a Reuters poll had forecast a gain of 9.5 per cent in May 2020. Statistics Canada revised the record-breaking April 2020 decline to 27.9 per cent from an initial plunge of 28.5 per cent.

#### **17. U.S. Department of Transportation Announces \$90 Billion in Savings Through Regulatory Reforms**

The U.S. Department of Transportation (DOT) on July 1, 2020 announced it has saved \$90 billion in regulatory costs to the economy and consumers under the Trump Administration's leadership. Since 2017, DOT has achieved increasing cost savings every year and has already surpassed its Fiscal Year (FY) 2020 goal of \$40 billion in net cost savings by a wide margin. "Tackling overly bureaucratic, inflexible, outdated government regulations that don't contribute to increased safety benefits the public, helps spur economic growth and creates jobs," said U.S. Transportation Secretary Elaine L. Chao.

#### **18. Commodity Flow Survey 2017: Select Industries Shipped Almost 12.5B Tons, Up 10.4% from 2012**

American manufacturers, wholesalers, and other selected industries shipped nearly 12.5 billion tons of goods in 2017, 10.4% more than in 2012, with a total value of more than \$14.5 trillion, according to final estimates from the 2017 Commodity Flow Survey (CFS) released on July 16, 2020. The CFS covers about three-fourths of all U.S. freight movements, excluding imports, shipments from farms, crude oil production, and a few smaller categories.

#### **19. Feds buy vaccine supplies, seek logistics contractor**

The federal government is ordering more than 75 million syringes, alcohol swabs and bandages so it can inoculate Canadians as soon as a COVID-19 vaccine is ready. Procurement Minister Anita Anand says Ottawa intends to stockpile enough vaccine supplies to give at least two doses to every Canadian whenever a vaccine is available. The contracts for the syringes are already in place but bids for the other supplies opened last week and will be accepted until the end of July 2020. Ottawa is seeking a private company to take over the logistics of ordering, receiving, storing and distributing PPE every month.

#### **20. Major new infrastructure projects must show path to ‘net zero’**

Proposals for new mines, power plants, pipelines or railways in Canada will have to include plans to hit “net zero” emissions by 2050 if they have any hope of getting approved. But the new rules, contained in the government’s final strategic assessment on climate change released are not the all-encompassing climate test environment groups had been hoping to see.

#### **21. Brazil Joins ITF as Observer**

Brazil has become an observer country in the International Transport Forum. Brazil’s request to participate as an observer in the ITF was granted by the 60 current ITF member countries with effect from 16 July, 2020. The ITF is the only global body that covers all transport modes. Its mission is to foster a deeper understanding of the role of transport in economic growth, environmental sustainability, and social inclusion and to raise the public profile of transport policy.

#### **22. Travel between Canada and other countries, May 2020**

International travel remained low throughout May 2020, the second full month that travel restrictions were in effect to contain the spread of COVID-19. Arrivals from overseas countries (those other than the United States) to Canada dropped by 97.9% compared with May 2019, while arrivals from the United States were down 96.6%. Similarly, the number of Canadians returning from trips to the United States declined 95.5% year over year and those returning from overseas countries were down 97.3%.

#### **23. CBSA cuts service hours at checkpoints**

The Canada Border Services Agency (CBSA) said on July 23, 2020 that it is temporarily reducing service hours at two ports of entry in Quebec and one in Manitoba because of Covid-19. The new schedules will be in effect as of July 24, 2020.

#### **24. U.S. Transportation Secretary Chao Releases Pathways to the Future of Transportation**

One year after announcing the launch of the Non-Traditional and Emerging Transportation Technology (NETT) Council, U.S. Transportation Secretary Elaine L. Chao on July 23, 2020 released ‘Pathways to the Future of Transportation’, a policy document that is intended to serve as a roadmap for innovators of new cross modal technologies to engage with the Department. Chao said “Pathways to the Future of Transportation guidance on new, cross-modal technologies will help address legitimate public concerns about safety, security and privacy without hampering innovation.”

#### **25. U.S. Transportation Secretary Elaine L. Chao Announces Key Resource for Rural Communities**

U.S. Secretary of Transportation Elaine L. Chao on July 27, 2020 announced the Applicant Toolkit (Toolkit) for the Rural Opportunities to Use Transportation for Economic Success (ROUTES) Initiative at the U.S. Department of Transportation. It is the latest effort by the Department and the Trump Administration to improve rural access to federal grant funds. The Toolkit provides user-friendly information and resources to enhance rural applicants’ familiarity with the Department’s discretionary grant programs and the funding process.