

Transportation Information Update*

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AIR TRANSPORTATION

1. Air Canada Reports Second Quarter 2020 Results

Air Canada on July 31, 2020 reported unrestricted liquidity of \$9.120 billion at June 30, 2020, in line with Air Canada's expectations, compared to unrestricted liquidity of \$7.380 billion at December 31, 2019. Total revenues fell from \$4.738 billion in the second quarter of 2019 to \$527 million in the second quarter this year, a decline of \$4.211 billion or 89 per cent. Cargo revenue increased 52 per cent to \$269 million. The airline reported second quarter 2020 negative EBITDA (excluding special items) or (earnings before interest, taxes, depreciation and amortization) of \$832 million compared to second quarter 2019 EBITDA of \$916 million. Air Canada reported an operating loss of \$1.555 billion in the second quarter of 2020 compared to operating income of \$422 million in the second quarter of 2019. As with many other major airlines worldwide, Air Canada's second quarter results confirm the devastating and unprecedented effects of the COVID-19 pandemic and government-imposed travel and border restrictions and quarantine requirements.

2. Monthly civil aviation statistics, May 2020

Major Canadian airlines carried 224,000 passengers on scheduled and charter services in May 2020, down 96.7% from the same month in 2019. This follows the unprecedented decline of 97.0% observed in April 2020. As a result, air traffic plunged to 457.2 million passenger-kilometres, pushing operating revenues down 89.2% to \$217.3 million in May 2020, a mild uptick from the 92.9% decline recorded in April 2020. Passenger load factor—the ratio of passenger-kilometres to available seat-kilometres—which has remained near or above 80% since 2015, plunged in March (64.6%), April (26.0%) and May (34.1%) 2020.

3. Air Canada rips Trudeau over rules, may cancel plane orders

Air Canada escalated a fight with the government of Prime Minister Justin Trudeau over the country's stringent travel rules, threatening to suspend more routes and cancel orders of locally made planes. Chief Executive Officer Calin Rovinescu lambasted the government during the airline's second-quarter earnings call July 31, 2020, saying that current restrictions—especially a mandatory 14-day quarantine for all travelers coming into Canada, regardless of origin—are preventing a recovery. Among top global competitors, Air Canada is at an additional disadvantage because the government opted against airline-specific financial aid, he said. "Without government industry support and as travel restrictions are extended, we'll look at other opportunities to further reduce costs and capital, including further route suspensions and possible cancellations of Boeing and Airbus aircraft on order," Rovinescu said.

4. Weekly aircraft movements, July 18 to 24

Data on weekly aircraft itinerant movements are now available for July 18 to 24, 2020 on the statcan website.

5. U.S. Airlines June 2020 Fuel Use Up 25% from May

The Department of Transportation's Bureau of Transportation Statistics

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1. Air Canada Reports Second Quarter 2020 Results, July 31, 2020, www.aircanada.ca
2. Monthly civil aviation statistics, May 2020, July 30, 2020, www.statcan.gc.ca
3. Air Canada rips Trudeau over rules, may cancel plane orders, July 31, 2020, www.ajot.com
4. Weekly aircraft movements, July 18 to 24, August 5, 2020, www.statcan.gc.ca
5. U.S. Airlines June 2020 Fuel Use Up 25% from May, August 5, 2020, www.bts.gov
6. Government of Canada announces new measures to support essential air access to remote communities, August 6, 2020, www.tc.gc.ca
7. Canadian airfreight carriers post strong Q2 results, Aug. 6, 2020, www.insidelogistics.ca
8. Mid-June Airline Employment Up 2,000 from Mid-May, August 6, 2020, www.bts.gov
9. Air Canada Unveils Details of Transformed Aeroplan Program, Offering More Value and New Benefits, August 11, 2020, www.aircanada.ca
10. U.S. Airline June 2020 Passengers Decrease 80% from June 2019 but Rise 93% from May 2020 (Preliminary), August 10, 2020, www.bts.gov
11. Weekly aircraft movements, July 25 to 31, 2020, August 12, 2020, www.statcan.gc.ca
12. Annual Rise in U.S. Airlines June Cargo (Over 9%) Largest Increase Since January 2018, August 13, 2020, www.bts.gov
13. Government of Canada releases Canada's Flight Plan for safe air travel, August 14, 2020, www.tc.gc.ca
14. Air Canada, WestJet, Greater Toronto Airports Authority, and Vancouver Airport Authority Jointly Comment on Transport Canada's Flight Plan for Navigating COVID-19, August 14, 2020, www.westjet.ca
15. Canada's airports welcome Flight Plan, the government's new guidelines for safe air travel, August 14, 2020, www.cacairports.ca
16. How Air Canada beat US airlines removing seats for cargo, August 14, 2020, www.freightwaves.com
17. Air Canada Releases Sustainability Report Highlighting Progress and Continued Commitment to Environmental, Social and Governance (ESG), August 17, 2020, www.aircanada.ca

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

(BTS) on August 5, 2020 released U.S. airlines' June 2020 Fuel Cost and Consumption numbers. June 2020 fuel consumption was 23% higher than May 2020 and 25% higher than April 2020, which was the lowest monthly fuel usage on record dating back to 2000. The June 2020 cost per gallon (\$1.08) for aviation fuel was up 5 cents from May 2020 (\$1.03), which was the lowest since April 2004 (\$1.01).

6. Government of Canada announces new measures to support essential air access to remote communities

On August 6, 2020, the Minister of Transport, the Honourable Marc Garneau; the Minister of Northern Affairs, the Honourable Daniel Vandal; and the Minister of Indigenous Services, the Honourable Marc Miller, announced new measures to support essential air access to remote communities. These include: Seeking bilateral agreements with provinces and territories to ensure continuity of service for at least six months; and Establishing a \$75-million funding program for the federal contribution for the first six months and maintaining these essential services through an investment of up to \$174 million over 18 months, if needed.

7. Canadian airfreight carriers post strong Q2 results

Air Canada Cargo and Cargojet both reported improving results in the second quarter of 2020. Air Canada Cargo reported a revenue increase of 52 percent in the second quarter over the previous year, and for the first time cargo revenues outpaced passenger income as a result of the Covid-19 pandemic.

8. Mid-June Airline Employment Up 2,000 from Mid-May

U.S. airlines employed 699,683 workers in the middle of June 2020, 2,446 more than in mid-May 2020 and 53,602 fewer than in March 2020. The June 2020 numbers consist of 508,688 full-time and 111,075 part-time workers.

9. Air Canada Unveils Details of Transformed Aeroplan Program, Offering More Value and New Benefits

Air Canada on August 11, 2020 revealed the details of its transformed

Aeroplan loyalty program, outlining the program attributes and credit card benefits members can enjoy when the new program launches November 8, 2020. The new Aeroplan program offers customers more personalized, flexible and easier-to-use features, delivering a truly rewarding loyalty experience. Additionally, the program is poised to provide better value for Aeroplan credit card holders redeeming flights on Air Canada than the value provided by major Canadian bank travel programs. It also allows family to share benefits.

10. U.S. Airline June 2020 Passengers Decrease 80% from June 2019 but Rise 93% from May 2020 (Preliminary)

U.S. airlines carried 80% fewer scheduled service passengers in June 2020 than in June 2019, according to preliminary data filed with the Bureau of Transportation Statistics (BTS) by 20 airlines that carry more than 90% of the passengers. Despite the large annual drop from pre-pandemic numbers a year earlier, when compared to the previous month U.S. airlines carried almost twice as many passengers (93% more) in June 2020 than in May 2020.

11. Weekly aircraft movements, July 25 to 31, 2020

Data on weekly aircraft itinerant movements are now available for July 25 to 31, 2020 on the statcan website.

12. Annual Rise in U.S. Airlines June Cargo (Over 9%) Largest Increase Since January 2018

U.S. airlines carried 9.4% more cargo by weight in June 2020 than in June 2019, the largest annual gain since January 2018 fueled by a gain of almost 14% in domestic cargo. A 3.6% decline in international cargo was the smallest annual loss since November 2019, according to preliminary data filed with the Bureau of Transportation Statistics (BTS) by 13 of the leading cargo airlines.

13. Government of Canada releases Canada's Flight Plan for safe air travel

On August 14, 2020, the Minister of Transport, the Honourable Marc Garneau, announced Canada's Flight Plan for Navigating COVID-19 (Canada's Flight Plan), which is the foundation for Canada's current and future efforts to reduce the public health risks of COVID-19 while travelling by aircraft. Key changes apply to all aspects of air travel, including in airports and aircraft. They include travel restrictions; mandatory use of face masks for passengers and crew; mandatory health checks by air carriers prior to passenger boarding; temperature screening at the busiest Canadian airports and at points of origin for all incoming flights to Canada; restricted services and passenger movement during flights; and enhanced cleaning and sanitation protocols and practices. In airports, these designs and measures

18. Air Cargo Down 5% Between the U.S. and Foreign Points, June 2020 (Preliminary), August 18, 2020, www.bts.gov

19. U.S. Department of Transportation modifies Order Regarding Chinese Carriers, August 18, 2020, www.dot.gov

20. Mid-June 2020 U.S. Passenger Airline Employment Down Over 1,000 FTEs from Mid-May, August 19, 2020, www.bts.gov

21. Travel between Canada and other countries, June 2020, August 21, 2020, www.statcan.gc.ca

22. Air Travel Consumer Report: May 2020 Numbers, August 21, 2020, www.bts.gov

23. Quarterly civil aviation statistics, first quarter 2020, August 24, 2020, www.statcan.gc.ca

24. Statement by the Minister of Transport and the Minister of Foreign Affairs concerning the release of Ukrainian Airlines Flight 752's voice/data recorder read out report by the Civil Aviation Organization of the Islamic Republic of Iran, August 23, 2020, www.tc.gc.ca

25. Weekly aircraft movements, August 8 to 14, 2020, August 26, 2020, www.statcan.gc.ca

26. Purolator International expands next-day air service into Canada, August 26, 2020, www.ajot.com

27. Monthly civil aviation statistics, June 2020, August 27, 2020, www.statcan.gc.ca

28. Aircraft movement statistics: Major airports, June 2020, August 27, 2020, www.statcan.gc.ca

29. WestJet reinforces commitment to safety with zero-tolerance mask policy, August 28, 2020, www.westjet.ca

include enhanced air conditioning and filtration systems; frequent cleaning of high-touch areas; new touchless technologies to scan boarding passes; and physical distancing measures.

14. Air Canada, WestJet, Greater Toronto Airports Authority, and Vancouver Airport Authority Jointly Comment on Transport Canada's Flight Plan for Navigating COVID-19

Canada's two largest airlines and two largest airports on August 14, 2020 welcomed Transport Canada's long-awaited Flight Plan for Navigating COVID-19 as a major step forward in restarting Canada's air travel industry by confirming the country's biosafety standards. The document is a clear endorsement of biosafety programs already put in place by Air Canada, WestJet, the Greater Toronto Airports Authority and the Vancouver Airport Authority.

15. Canada's airports welcome Flight Plan, the government's new guidelines for safe air travel

The Canadian Airports Council welcomes Minister Garneau's release of Flight Plan for Navigating COVID-19 (Canada's Flight Plan), the foundation for Canada's current and future efforts to reduce the public health risks of COVID-19 while travelling by aircraft, especially important when jurisdictions both within Canada and beyond begin to lift travel restrictions.

16. How Air Canada beat US airlines removing seats for cargo

It took the Federal Aviation Administration two months to authorize U.S. airlines to remove seats from passenger aircraft for cargo purposes. Air Canada received its governmental OK in a week. Industry urgency to innovate also was greater north of the border. Canada's flag carrier was already flying cabin-loaded flights by mid-April 2020, one month before U.S. carriers even applied through their trade association to remove seats from their airplanes. The delay may have cost U.S. carriers their window of opportunity to maximize returns from transforming aircraft in response to space shortages caused by the withdrawal of passenger service due to the coronavirus.

17. Air Canada Releases Sustainability Report Highlighting Progress and Continued Commitment to Environmental, Social and Governance (ESG)

Air Canada on August 17, 2020 issued its 2019 corporate sustainability report *Citizens of the World*, outlining the airline's progress in key areas of sustainability, including some 2020 updates. In addition to committing to the Global Reporting Initiative, recognized as a leader in sustainability reporting standards, Air Canada also supports and promotes the United Nations Sustainable Development Goals. Through three fundamental sustainability pillars – Our Business, Our People, Our Planet, all centred around the airline's core priority of Safety First, Always, Air Canada is proud to share the positive impact of its initiatives on issues that matter most.

18. Air Cargo Down 5% Between the U.S. and Foreign Points, June 2020 (Preliminary)

U.S. and foreign airlines carried 5% less cargo by weight between the U.S. and foreign points in June 2020 than in June 2019, despite a rise of almost 11% in cargo between the U.S. and Asia, according to data filed with the Bureau of Transportation Statistics (BTS) by large air carriers. June's 2020 decline was smaller than year-over-year decreases in March 2020 (down 17%), April 2020 (down 16%) and May 2020 (down 14%).

19. U.S Department of Transportation modifies Order Regarding Chinese Carriers

On August 18, 2020, the Department of Transportation issued an Order to allow the four Chinese airlines currently performing scheduled passenger services to the United States to increase their services to eight weekly round-trip flights. This aggregate level of service is equivalent to the total number of flights now permitted by the Chinese aviation authorities for U.S. carriers.

20. Mid-June 2020 U.S. Passenger Airline Employment Down Over 1,000 FTEs from Mid-May

The 23 U.S. scheduled passenger airlines employed 0.3% fewer full-time equivalents (FTEs) in mid-June 2020 than in mid-May 2020: 1) Mid-June's total number of FTEs (410,594) was down over 1,000 FTEs from mid-May 2020 (411,817 FTEs) and down more than 49,000 FTEs from mid-March 2020. It was the lowest FTE total for any month since May 2016 (410,338 FTEs). 2) Mid-June 2020 FTEs were down more than 39,000 FTEs (-8.7%) from June 2019 (449,775 FTEs).

21. Travel between Canada and other countries, June 2020

June 2020 marked the third full month of travel restrictions, which have considerably limited international travel to and from Canada. Overall, international travel was down substantially in June 2020 compared with the same month the year before. Travel from overseas countries (those other than the United States) to Canada fell 97.8% from June 2019, while travel from the United States was down 96.6%. Similarly, the number of Canadian residents returning from either overseas countries (-95.4%) or the United States (-94.0%) declined year over year.

22. Air Travel Consumer Report: May 2020 Numbers

The U.S. Department of Transportation today released its July 2020 Air Travel Consumer Report (ATCR) on reporting marketing and operating air carrier data compiled for the month of May 2020. The full consumer report and other aviation consumer matters of interest to the public can be found at <http://www.transportation.gov/airconsumer>. Results for a few consumer matters are: *May On-Time Performance* - In May 2020, reporting marketing carriers posted an on-time arrival rate of 89.1%, up from both the 55.1% on-time rate in April 2020 and the 77.9% rate in May 2019. *May*

Cancellations - In May 2020, reporting marketing carriers cancelled 6.4% of their scheduled domestic flights, down from 42.0% in April 2020, the highest cancellation rate on record, but up from 2.0% in May 2019. *Complaints About Airline Service* - In May 2020, DOT received 21,914 complaints about airline service from consumers, up 1,590.9 percent from the total of 1,296 filed in May 2019 and up 10.4 percent from the 19,856 received in April 2020.

23. Quarterly civil aviation statistics, first quarter 2020

Operating revenue for the 26 largest Canadian air carriers totalled \$5.8 billion in the 2020 first quarter, down 12.8% from the first quarter of 2019. This was the first year-over-year quarterly decline in three years and resulted in the first net operating loss (-\$390.1 million) in eight years. The 26 Canadian air carriers carried 19.4 million passengers in the first quarter of 2020, down 16.7% from the first quarter of 2019, the sharpest year-over-year quarterly decrease since the second quarter of 2009 (-8.5%) in the midst of a global economic downturn. With the decline in demand for air travel larger than the decrease in capacity during the first quarter, the passenger load factor for scheduled services fell sharply to 76.9%, down from 82.4% in the same quarter last year. These first quarter results reflect the severity and abruptness of the impact of the COVID-19 pandemic on the largest Canadian airlines.

24. Statement by the Minister of Transport and the Minister of Foreign Affairs concerning the release of Ukrainian Airlines Flight 752's voice/data recorder read out report by the Civil Aviation Organization of the Islamic Republic of Iran

The Minister of Transport, the Honourable Marc Garneau, and the Minister of Foreign Affairs, the Honourable François-Philippe Champagne, issued a statement on August 23, 2020. Part of the statement is: "Canada was deeply affected by the lives lost on January 8, 2020, when Ukraine International Airlines Flight PS752 was shot down near Tehran, Iran. Fifty-five of the 176 people who perished were Canadian. Others had close ties to Canada. "The Government of Canada has received a copy of the Civil Aviation Organization of the Islamic Republic of Iran's Ukrainian Airline's Flight Recorder Read-out Report. "This preliminary report only provides limited and selected information regarding this tragic event. The report only mentions what transpired after the first missile strike but not the second and only confirms information that we already know. ..."

25. Weekly aircraft movements, August 8 to 14, 2020

Data on weekly aircraft itinerant movements are now available for August 8 to 14, 2020. Domestic movements fell to 43,161 from 37,521 for the previous week.

26. Purolator International expands next-day air service into Canada

Purolator International, a leading provider of North American logistics services, has expanded its next-day air delivery into Canada, making the service available to more U.S.-based shippers. Fully customizable, Purolator International's cross-border air network is ideal for critical parts, healthcare supplies, and high-value goods.

27. Monthly civil aviation statistics, June 2020

After two disastrous months for aviation in Canada and around the world, key operating metrics showed some signs of recovery in June 2020—the third full month with travel restrictions in effect to fight the spread of COVID-19. Although major Canadian airlines carried 440,000 passengers on scheduled and charter services in June 2020, down 93.9% from the same month in 2019, this represents a mild uptick from the year-over-year declines observed in April (-97.0%) and May (-96.7%). On a monthly basis, these airlines carried almost twice as many passengers (+96.2% more) in June 2020 as in May 2020. Compared with June 2019, air traffic plunged to 885.4 million passenger-kilometres, pushing operating revenues down 90.2% to \$221.2 million in June 2020. Passenger load factor—the ratio of passenger-kilometres to available seat-kilometres—was 45.8% in June 2020, almost half of what it was in June 2019. Since 2015, this ratio had remained near or above 80.0% until falling to a low of 26.0% in April.

28. Aircraft movement statistics: Major airports, June 2020

June 2020 was the third full month with global travel restrictions in effect because of the COVID-19 pandemic, but domestic air traffic recovered somewhat. Helicopter and piston-engine aircraft movements approached normal levels in June 2020, whereas jet aircraft movements remained well below levels typically reported. In June 2020, aircraft take-offs and landings were 44.7% lower than in June 2019, following a 63.3% decline in May. Year-over-year domestic movements fell 47.9%, which is less drastic than May's 62.8% decrease, while traffic to the United States (-87.9%) and other international movements (-81.7%) remained as low as in May (-90.2% and -81.4%, respectively). Boundary Bay in British Columbia, Québec/Jean Lesage International in Quebec and Calgary/Springbank in Alberta were Canada's busiest airports in June 2020.

29. WestJet reinforces commitment to safety with zero-tolerance mask policy

The WestJet Group on August 28, 2020 announced multiple safety updates including the potential for denied travel and a one-year WestJet Group travel ban for those who fail to comply with the airlines' mask regulation. The WestJet Group also announced the mandatory input of all guests' contact information at online and kiosk check-in to help the Public Health Agency of Canada and the provincial public health agencies across Canada with contact tracing in the case of infected individuals on board. The WestJet Group includes WestJet, WestJet Encore, WestJet Link and Swoop.

Effective, September 1, 2020, the WestJet Group will implement a zero-tolerance policy in support of the requirement for all guests, over the age of two, to wear masks and face coverings. Non-compliant guests will face penalties including denied boarding, return of the aircraft to the gate to offload the passenger and the suspension of travel on any WestJet Group aircraft for up to one year. Effective, September 1, 2020, the input of contact information for those travelling on WestJet, WestJet Encore, WestJet Link and Swoop will become mandatory at the 24-hour check-in process online and at kiosks. Mandatory information at WestJet check-in kiosks will be phased into the policy change by the end of September.

WATER TRANSPORTATION

1. Boaters are reminded to keep safety a top priority this summer

As we continue to see an increase of recreational boating on the waterways during summer months, the Vancouver Fraser Port Authority is strongly encouraging boaters to follow important safety guidelines. While it's a great time to go boating in the sunshine, it's also important we each do our part to help keep everyone safe on the water. The Vancouver Fraser Port Authority is responsible for maintaining the safe and efficient movement of marine traffic within the Port of Vancouver. In partnership with other agencies, the port authority regularly assists to keep shipping lanes clear of small vessel traffic. Boaters heading out on the waterways in the Port of Vancouver are advised to review our safe boating tip.

2. Oshawa port beginning to burgeon after merger

Just over a year after the ports of Hamilton and Oshawa amalgamated, the Port of Oshawa is attracting investment and building new awareness of its critical role as a gateway to the Greater Toronto Area. Starting this week, on the port's west wharf, the former Petrocor tank facility is being decommissioned and removed. The amalgamated Hamilton-Oshawa Port Authority (HOPA Ports) acquired the lands in late 2019, and has moved to improve the function and appearance of the area, fulfilling a goal of the City of Oshawa and residents. The parcel will be incorporated into the port's footprint, allowing for increased cargo handling capacity and traffic flow.

3. Update on Port of Montreal at the strike

The Maritime Employers Association has advised that the Longshoremen's Union has filed another 72 hour notice of a strike commencing: Monday, August 3rd at 07:00 and ending on Friday, August 7th at 06:59. This strike will affect only Termont Terminal. MGT Terminals will continue to work normally. The situation remains fluid and may change at short notice.

4. Container lines diverting ships from strike-hit Montreal

One marine terminal in Montreal has begun turning away refrigerated exports as a series of strikes will last until at least August 7, 2020.

5. Voluntary ship slowdown through Swiftsure Bank begins August 1

Beginning August 1, 2020, the commercial shipping industry is encouraged to participate in a new voluntary ship slowdown trial through Swiftsure Bank as part of transboundary efforts to reduce underwater noise and support the recovery of southern resident killer whales. The Vancouver Fraser Port Authority-led Enhancing Cetacean Habitat and Observation (ECHO) Program is coordinating the voluntary slowdown trial in collaboration with its many advisors and partners in both Canada and the United States.

6. Trans-Atlantic shipping sinks as trans-Pacific soars

It's a tale of two oceans for U.S. container imports. Freight rates for Asian exports crossing the Pacific are reaching new heights even as fleet capacity rebounds. Rates for European exports crossing the Atlantic are sliding even as fleet capacity declines. Prior to the coronavirus, the secular shipping pendulum was swinging toward the East Coast ports. Now, the pendulum is swinging back — at least temporarily. The West Coast is seizing a bigger

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1. Boaters are reminded to keep safety a top priority this summer, July 30, 2020, www.portofmetrovancover.ca
2. Oshawa port beginning to burgeon after merger, July 31, 2020, www.insidelogistics.ca
3. Update on Port of Montreal at the strike, August 3, 2020, www.ajot.com
4. Container lines diverting ships from strike-hit Montreal, August 5, 2020, www.joc.com
5. Voluntary ship slowdown through Swiftsure Bank begins August 1, August, 4, 2020, www.portmetrovancover.com
6. Trans-Atlantic shipping sinks as trans-Pacific soars, August 5, 2020, www.americanshipper.com
7. Port authority completes construction of Deltaport Truck Staging Facility, August 6, 2020, www.portofmetrovancover.com
8. Montreal union workers ready to walk out Monday, August 9, 2020, www.insidelogistics.ca
9. Feds won't stop Montreal strike, August 11, 2020, www.insidelogistics.ca
10. US Coast Guard to consider regulations on autonomous vessels, August 10, 2020, www.americanshipper.com
11. DP World finishes high-bay build, August 12, 2020, www.insidelogistics.ca
12. Vessel traffic restrictions on the St. Clair River on August 16, 2020, August 11, 2020, www.tc.gc.ca
13. CargoM calls for end to port strike, August 13, 2020, www.insidelogistics.ca
14. South Carolina Ports sees signs of economic recovery, August 13, 2020, www.americanshipper.com
15. U.S. ports posting four-year low for container imports, August 13, 2020, www.insidelogistics.ca
16. Hapag-Lloyd shrugs off COVID-19 impact with surging Q2 profit, August 14, 2020, www.joc.com
17. Port of Long Beach posts biggest month ever, August 17, 2020, www.ajot.com
18. Quebec, Ontario want Ottawa to intervene in Montreal port strike, August 17, 2020, www.insidelogistics.ca
19. Diverted Montreal cargo puts pressure on Halifax, Saint John ports, August 19, 2020, www.joc.com
20. Vancouver port rail dwell times rise on Asia import surge, August 19, 2020, www.joc.com
21. Port of Baltimore sets new record for most

share of U.S. imports in the COVID era.

7. Port authority completes construction of Deltaport Truck Staging Facility

In the first week of August 2020, a new truck staging facility opened in Delta, B.C, making room for up to 140 trucks, including early arrivals to the Deltaport container terminal at the Port of Vancouver. This will help to address long-standing road safety concerns in the Delta community when port-destined container truck queues reach more than 15 trucks along the Roberts Bank causeway. The new staging facility is located on provincial land at the intersection of Highway 17, Highway 17A and Deltaport Way in Delta, British Columbia, and includes: 1) A secure vehicle access control system gate requiring a valid port pass; 2) A commercial vehicle safety and enforcement area for truck safety inspections; 3) A new highway exit ramp to facilitate access from Highway 17; 4) An additional road exit to allow traffic access onto Deltaport Way; and 5) A 24-hour remote surveillance courtesy of the port authority;

8. Montreal union workers ready to walk out Monday [August 9, 2020]

Montreal dock workers plan to launch a port-wide strike without an end date starting August 10, 2020, the latest move in an escalating standoff between the union and the Maritime Employers Association. The announcement on August 7, 2020 builds on a series of temporary strikes by the Canadian Union of Public Employees over the past month that have diverted several ships to ports in Halifax, New York City and Saint John, N.B.

9. Feds won't stop Montreal strike

Canada's labour minister has rejected requests to intervene in a strike launched on August 10, 2020 by Port of Montreal workers. Filomena Tassi said in a statement "We have faith in the collective bargaining process, as we know the best deals are made at the table. Our government's clear expectation is for both parties to work together to resolve their differences quickly. We will be monitoring the situation closely, and looking into how to support the ongoing mediation efforts."

10. US Coast Guard to consider regulations on autonomous vessels

The country's top maritime regulator is asking for the public's view on the economic opportunities and the safety consequences of automated vessel technology as a precursor to potential regulations affecting commercial shipping in the United States. In a Request for Information (RFI) scheduled to be published on August 11, 2020, the U.S. Coast Guard has asked for responses to 16 questions on how automated commercial vessels and vessel technologies will affect U.S.-flagged commercial vessels as well as all shipping within U.S. port facilities. The Coast Guard also wants to evaluate potential barriers to developing autonomous vessels.

11. DP World finishes high-bay build

DP World has completed assembly of the world's first container High Bay Store system (HBS) at Jebel Ali Port. BoxBay is a joint venture by DP World and German industrial engineering specialist SMS group GmbH. The technology is set to dramatically change the way containers are handled in ports with smart innovation. Traditionally containers are stacked one on top of the other, which means many containers have to be moved to access containers lower down in the stacks. The patented High Bay Store is an automated container handling system that stacks containers up to 11 stories high. It delivers more than three times the capacity of a conventional yard with enhanced performance, so the footprint of terminals can be reduced by up to 70 percent, and enables any container to be accessed individually without moving any other.

12. Vessel traffic restrictions on the St. Clair River on August 16, 2020

In the interest of safe navigation, Transport Canada has exercised its authority under Sections 58 and 76 of the *Canada Marine Act* to restrict the movement of vessel traffic within the public Port of Sarnia. Under these restrictions, no unauthorized traffic will be permitted on the Canadian side of the St. Clair River, from the Blue Water Bridge, to the upper end of Stag Island, between noon and 8 p.m. on August 16, 2020. A Navigational Warning (NAVWARN) about temporary vessel restrictions for this day was issued on August 11, 2020. Mariners are requested to adjust the timing of their transit in the area to avoid entering the safety zone during the temporary restrictions. All vessels seeking to manoeuvre within these waters must obtain authorization from Transport Canada.

13. CargoM calls for end to port strike

CargoM, Montreal's logistics and transportation business cluster, has weighed in, saying the longshore workers' strike is "seriously impacting the supply chain in Greater Montreal supply chain and throughout Quebec and Ontario." The organization issued a statement on August 13, 2020 calling for an immediate intervention by the federal government to facilitate and accelerate negotiations between the longshore workers and the Maritime Employers Association.

14. South Carolina Ports sees signs of economic recovery

The South Carolina Ports Authority (SCPA) sees the cars parked at its terminal as a drive toward pre-coronavirus days.

container moves from one ship, August 19, 2020, www.ajot.com
22. Montreal port strike into 10th day, August 20, 2020, www.freightlogistics.ca
23. Montreal port strike truce reached, but cargo backlog to last weeks, August 21, 2020, www.joc.com
24. Port of Montreal to reopen Sunday after strike truce, August 21, 2020, www.freightwaves.ca
25. Port of Montreal returns to work after 12-day strike, August 24, 2020, www.ajot.com
26. Unifor demands action against container trucking black market, August 27, 2020, www.todaystrucking.com

The SCPA said its busiest July 2020 ever for vehicles handled shows its strength in the roll-on/roll-off vessel sector and signals “a return to normalcy at automotive plants throughout South Carolina and the Southeast.” The SCPA said it moved 25,128 vehicles, a 47% year-over-year increase, at the Port of Charleston’s Columbus Street Terminal in July 2020.

15. U.S. ports posting four-year low for container imports

Imports at major U.S. retail container ports during 2020 are expected to see their lowest total in four years as the impact of the coronavirus pandemic on the U.S. economy continues. July 2020 was estimated at 1.76 million TEU, down 10.2 percent year-over-year. August 2020 is forecast at 1.81 million TEU, down 7.3 percent; September 2020 at 1.69 million TEU, down 9.5 percent; October 2020 also at 1.69 million TEU, down 10.4 percent; November 2020 at 1.59 million TEU, down 5.8 percent, and December 2020 at 1.56 million TEU, down 9.6 percent.

16. Hapag-Lloyd shrugs off COVID-19 impact with surging Q2 profit

A steep drop in Hapag-Lloyd’s volume during the second quarter was matched by capacity cuts and lower operating costs that delivered a solid first half result for the carrier. The result was it beat the negative impact of Covid-19 and reported a profit in the 2020 second quarter.

17. Port of Long Beach posts biggest month ever

July 2020 marked the busiest month in the 109-year history of the Port of Long Beach as terminal operators and dockworkers moved 753,081 cargo container units, topping a record set two years ago. Trade increased 21.1% in July 2020 compared to the same month in 2019. The previous single-month record of 752,188 twenty-foot-equivalent units (TEUs), set in June 2018, was surpassed by nearly 900 TEUs.

18. Quebec, Ontario want Ottawa to intervene in Montreal port strike

The Quebec and Ontario governments are asking Ottawa to intervene in the Montreal port strike, which entered its second week August 17, 2020. If it drags on, the shutdown will harm Eastern Canada’s economy and erode the competitiveness of a port that generates \$2.6 billion in annual economic activity, according to a letter to the federal government from four provincial cabinet ministers. Quebec Labour Minister Jean Boulet said “This situation comes on top of an economic crisis linked to the COVID-19 pandemic which is already having negative effects on many companies needing to import and export via port facilities.”

19. Diverted Montreal cargo puts pressure on Halifax, Saint John ports

The federal government shows no signs of intervening in the Montreal strike, which has caused carriers to send several vessels to the alternative ports of Halifax and Saint John.

20. Vancouver port rail dwell times rise on Asia import surge

Freight forwarders in the US Midwest and Eastern Canada fear the rail problems plaguing Vancouver could quickly result in excessive delays in delivering containers to the eastern half of the continent.

21. Port of Baltimore sets new record for most container moves from one ship

A new record was set last night at the Helen Delich Bentley Port of Baltimore’s Seagirt Marine Terminal, with 5,536 container moves conducted by longshore workers handling the Maersk Edinburgh over three days with the final move completed at 11 p.m. It was the largest number of moves for a single ship in the Port’s 314-year history, surging past the previous record of 5,181 moves set last year. Container moves are the number of times an imported container is unloaded from a ship, as well as when an export or empty container is loaded onto a ship.

22. Montreal port strike into 10th day

Employers at the Port of Montreal say they are at an impasse with striking dockworkers as the port shutdown hits the 10-day mark. “The negotiations are not really progressing,” said Martin Tessier, head of the Maritime Employers Association, at a press conference on August 19, 2020. “We’re making very slow progress.” The remarks are a contrast to Labour Minister Filomena Tassi’s depiction on August 17, 2020 of “encouraging progress made between the two parties.” Ottawa has so far declined to intervene despite pleas from industry groups and the Ontario and Quebec governments.

23. Montreal port strike truce reached, but cargo backlog to last weeks

Leaders from the Maritime Employers Association and the Canadian Union of Public Employees (CUPE) say they are confident they can agree to a new contract before the truce expires in March 2021.

24. Port of Montreal to reopen Sunday after strike truce

The Port of Montreal is expected to reopen August 23, 2020 after longshore workers and employers agreed to a seven-month truce that will end an 11-day strike. The Maritime Employers Association (MEA) and Canadian Union of Public Employees (CUPE), the union representing longshore workers, announced the truce on August 21 2020. Both sides voiced optimism that they can agree on a new contract before the seven months ends. “We are truly confident we will reach a deal,” Martin Tessier, MEA president, told reporters in Montreal.

25. Port of Montreal returns to work after 12-day strike

After a 12-day strike, the Longshoremens Union CUPE Local 375 and the Montreal Checkers’ Union at the Port of

Montreal have returned to work. A deal was reached on August 21, 2020, laying out a seven-month plan to continue negotiations with management without the threat of work stoppages. The two sides hope to find a mutually-acceptable deal by mid-March, 2021. During the strike, at least eight container ships were diverted to New Brunswick and New York City. Thousands of containers were left dockside, and many of the 2,500 trucks that serve the port daily were at a standstill. Most sources expect it will take two to four weeks to clear the backlog of containers out of the port. The Longshoremens Union has not had a contract in place since September of 2018, and the most recent work disruptions have revolved around wages and scheduling.

26. Unifor demands action against container trucking black market

Canada's largest private sector union is calling for a crackdown on the growing container trucking black market at the Port of Vancouver. Unifor said on August 27, 2020 that unlicensed truckers are moving containers off-dock within the Lower Mainland at steeply discounted prices and undermining licensed, fee-paying companies. The union is urging the provincial government to give the Office of the Container Truck Commissioner more tools to properly monitor the off-dock shipments, and levy fines. "We have been raising this issue since June of 2018," said Gavin McGarrigle, the union's director for Western Region.

RAIL TRANSPORTATION

1. CP releases climate change statement; reiterates commitment to sustainability

Canadian Pacific Railway Limited has released its first public statement on climate change. The statement acknowledges the effects of rising global temperatures and lays out CP's commitment to ongoing efforts to mitigate the impacts. The statement supports the goals of the Paris Agreement and the Pan-Canadian Framework on Clean Growth and Climate Change, which seek to limit global temperature rise to well below 2°C above pre-industrial levels. In support of this initiative, CP will establish a science-based emissions reduction target to guide its climate action.

2. CN Announces Record Crop Year and Increase to Maximum Supply Chain Capacity in 2020-2021 Grain Plan

On July 30, 2020, CN published its 2020-2021 Grain Plan, announcing that it set a new record by moving over 30 million metric tonnes (MMT) of grain from across Canada during the 2019-2020 crop year. CN also announced that it is prepared to move up to 7,600 bulk and processed hopper cars per week outside of winter, and up to 6,100 per week during winter in the upcoming crop year. During the 2019-2020 crop year, over 28.2 MMT of grain moved from Western Canada as well as over 1.1 MMT moved through intermodal containers.

3. CN sets grain record in past year

CN set a new record by moving over 30 million metric tonnes (MMT) of grain from across Canada during the 2019-2020 crop year. During the 2019-2020 crop year, over 28.2 MMT of grain moved from Western Canada as well as over 1.1 MMT moved through intermodal containers. The railway also published its 2020-2021 Grain Plan, announcing that it is prepared to move up to 7,600 bulk and processed hopper cars per week outside of winter, and up to 6,100 per week during winter in the upcoming crop year.

4. Continued interruption of via rail services leads to temporary layoffs of management and professional employees

As the impact of the current pandemic continues to be felt in the passenger transportation industry across the country, VIA Rail Canada (VIA Rail) is announcing temporary layoffs of some 30 management and professional employees, effective August 14, 2020. This measure is in addition to retirements and vacant positions that will not be filled, which brings the total of impacted positions to 80.

5. Canadian railways expect steady grain carload volumes in 2020-2021

RAIL TRANSPORTATION

Canada

1. CP releases climate change statement; reiterates commitment to sustainability, July 30, 2020, www.cpr.ca
2. CN Announces Record Crop Year and Increase to Maximum Supply Chain Capacity in 2020-2021 Grain Plan, July 30, 2020, www.cn.ca
3. CN sets grain record in past year, July 31, 2020, www.insidelogistics.ca
4. Continued interruption of via rail services leads to temporary layoffs of management and professional employees, July 31, 2020, www.viarail.ca
5. Canadian railways expect steady grain carload volumes in 2020-2021, August 3, 2020, www.americanshipper.com
6. EC Approves Alstom's Bombardier Transportation Acquisition, July 31, 2020, www.railwage.com
7. CP reports highest grain record ever, August 5, 2020, www.insidelogistics.ca
8. AAR: "Rail Traffic Is Generally Trending in the Right Direction", August 5, 2020, www.railwage.com
9. CP highlights generational growth opportunity in meeting with New Brunswick Premier Blaine Higgs, www.cpr.ca
10. Canadian company partners to buy USA Rail, August 6, 2020, www.insidelogistics.ca
11. Major Milestone Reached for Kitchener GO Rail Tunnels Project, August 6, 2020, www.mto.gov.on.ca
12. CP: "The Opportunities Created by Our Return to New Brunswick Are Generational", August 7, 2020, www.railwage.com
13. BNSF's Q2 net earnings fall, but operating ratio improves, August 10, 2020, www.americanshipper.com
14. Canadian Pacific launches first train of international containers from Port of Saint John, August 11, 2020, www.cpr.ca
15. Labor unions press Class I railroads on healthcare benefits, August 11, 2020, www.americanshipper.com
16. CP committed to sustainability, investing in solar power at its Calgary headquarters, August

The Canadian railways anticipate their grain volume movement in the 2020-2021 crop year will be roughly in line with how much they've hauled in recent years, according to outlooks from Canadian Pacific. CP's and CN's expectations come amid record grain volumes hauled in 2019-2020, and amid capital investments to expand grain-handling capacity through initiatives such as acquiring more hopper cars. The Canada Transportation Act requires CP and CN to submit outlooks for the upcoming crop year to the Canadian government by July 31, 2020. The outlooks provide grain volume expectations for the year, taking into account harvesting conditions and market conditions.

6. EC Approves Alstom's Bombardier Transportation Acquisition

The European Commission (EC) has approved Alstom's bid to take over rival Bombardier Transportation, a move which will create the second largest manufacturer in the rail sector behind CRRC.

7. CP reports highest grain record ever

Canadian Pacific hauled more Canadian grain and grain products in the 2019-2020 crop production year than any in its 139-year history. In total, CP moved 29.52 million metric tonnes (MMT) this crop year, exceeding last year's record of 26.77 MMT by 2.75 MMT, or 10 percent. "The world depends on Canadian farmers for food and we understand the important role CP and the grain supply chain play in getting crops to market," said Keith Creel, CP's president and CEO.

8. AAR: "Rail Traffic Is Generally Trending in the Right Direction"

U.S. railroads originated 1,042,017 carloads in July 2020, down 17.6%, or 222,337 carloads, from July 2019. U.S. railroads also originated 1,295,960 containers and trailers in July 2020, down 1.4%, or 18,403 units, from the same month last year. Combined U.S. carload and intermodal originations in July 2020 were 2,337,977, down 9.3%, or 240,740 carloads and intermodal units from July 2019. Canadian railroads reported 72,466 carloads for the week, down 11.2%, and 68,044 intermodal units, down 9.5% compared with the same week in 2019. For the first 31 weeks of 2020, Canadian railroads reported cumulative rail traffic volume of 4,288,997 carloads, containers and trailers, down 8.5%.

9. CP highlights generational growth opportunity in meeting with New Brunswick Premier Blaine Higgs

Canadian Pacific (CP) reaffirmed its commitment to grow traffic at the Port of Saint John and stimulate economic growth and investment in New Brunswick at a meeting with Premier Blaine Higgs on August 6, 2020. With its purchase of the Central Maine & Quebec Railway, CP makes its return to Atlantic Canada with an exceptional growth opportunity. This expansion of CP's network more directly and efficiently connects Atlantic Canada to Montreal, Toronto and the U.S. Midwest (Chicago, Minneapolis, Kansas City), creating a competitive transportation service that will support economic growth in New Brunswick and throughout Atlantic Canada.

10. Canadian company partners to buy USA Rail

Connor, Clark & Lunn Infrastructure (CC&L Infrastructure) and its partner, Alpenglow Rail LLC (Alpenglow), have acquired USA Rail Terminals from the High Roller Group and Jim Donnan Companies, both family-controlled investment companies based in Center, Texas. USA Rail is a short-line rail logistics business, which provides first- and last-mile rail transportation and storage solutions to customers in the Gulf Coast region of the United States.

11. Major Milestone Reached for Kitchener GO Rail Tunnels Project

Ontario is continuing its transformation of the Kitchener GO line from a rush hour commuter service to a two-way, all-day rail service. On August 6, 2020, Kinga Surma, Associate Minister of Transportation, announced the breakthrough and completion of excavation on tunnel one of two rail tunnels under Highways 401 and 409.

12. CP: "The Opportunities Created by Our Return to New Brunswick Are Generational"

Canadian Pacific reaffirmed "its commitment to grow traffic at the Port of Saint John and stimulate economic growth and investment in New Brunswick" at a recent meeting with Premier Blaine Higgs. With its purchase of the Central Maine & Quebec Railway, CP makes its return to Atlantic Canada. This expansion of CP's network more directly connects Atlantic Canada to Montreal, Toronto and the U.S. Midwest (Chicago, Minneapolis, Kansas City), with an aim of creating "a competitive transportation service that will support economic growth in New Brunswick and throughout Atlantic Canada." The Port of Saint John is a deep-water, congestion-free port on Canada's Atlantic Coast with the

12, 2020, www.cpr.ca

17. AAR: U.S. Weekly Intermodal Volume Slightly Up From 2019, August 12, 2020, www.railwayage.com

18. CP releases 2019 corporate sustainability data supplement, highlighting strong performance in safety, operational excellence and social impact, August 13, 2020, www.cpr.ca

19. CN adjusts operations amid strike at Port of Montreal, Aug 13, 2020, www.freightwaves.com

20. Edmonton to Launch LRV Procurement Tender, August 13, 2020, www.railwayage.com

21. KCS, NS and CN sign onto campaign to prevent plastic pellet spills, August 18, 2020, www.americanshipper.com

22. AAR: U.S. Weekly Intermodal Volume Up Again, August 19, 2020, www.railwayage.com

23. VIA rail announces new daily frequencies in the Québec-Windsor corridor, August 20, 2020, www.viarail.ca

24. Mexican Rail Regulators Turn Up The Heat, August 20, 2020, www.railwayage.com

25. Crude by rail shipments drop to eight-year low in June, August 24, 2020, www.insidelogistics.ca

26. Environmental groups, states sue feds over LNG by rail, August 24, 2020, www.freightwaves.ca

27. Railway carloadings, June 2020, August 26, 2020, www.statcan.gc.ca

28. Freight Rail Services Price Index, July and August, 2020, August 26, 2020, www.statcan.gc.ca

29. Three Cheers for Intermodal!, August 26, 2020, www.railwayage.com

30. National Steel Car to build grain cars for CN, August 28, 2020, www.insidelogistics.ca

31. CN Announces Major Order of Hamilton-made Grain Hopper Cars, August 27, 2020, www.cn.ca

ability to handle cargos including containers, automobiles and bulk commodities. Together with the Port of Saint John, CP “offers access to major North American markets via the EMRY and NBSR, and a compelling transportation service which will help drive economic growth and support the Port’s \$205 million modernization project.”

13. BNSF’s Q2 net earnings fall, but operating ratio improves

Like its other Class I counterparts, the COVID-19 pandemic hit BNSF’s bottom line in the 2020 second quarter, with revenue falling 22% amid an 18% drop in rail volumes. Berkshire Hathaway, which owns BNSF, said in a statement “BNSF is an important part of the national and global supply chain and, as an essential business, has continued to operate throughout the duration of the COVID-19 pandemic. However, the COVID-19 pandemic has caused a significant economic slowdown that has adversely affected the demand for transportation services.” Berkshire Hathaway’s statement continued, “The COVID-19 pandemic continues to evolve, and the full extent to which it may impact BNSF’s business, operating results, financial condition, or liquidity will depend on future developments which are highly uncertain and cannot be predicted with confidence. We believe BNSF’s fundamental business remains strong and it has ample liquidity to continue business operations during this volatile period.”

14. Canadian Pacific launches first train of international containers from Port of Saint John

Canadian Pacific On August 11, 2020 launched its international intermodal service through the Port of Saint John, N.B. The inaugural train carries containers from the Hapag-Lloyd vessel Detroit Express bound for intermodal terminals on the CP network in Canada and the U.S. “The new Port of Saint John service offers shippers a compelling value: a congestion-free port with a world-class operator, matched with CP’s precision scheduled railroading model,” said Keith Creel, CP President and Chief Executive Officer. “CP has been without access to a deep-water Atlantic Ocean port for a quarter-century, and today I’m pleased to deliver a simple message: We’re back.”

15. Labor unions press Class I railroads on healthcare benefits

Twelve rail unions have banded together to sue the Class I railroads over proposed healthcare benefit-related provisions, saying that the railroads have refused to address the provisions during the collective bargaining process that began on November 1, 2019. The unions say they want the U.S. operations of the Class I railroads to address proposed restrictions to accessing certain medications and proposed reconfigurations of healthcare networks during the collective bargaining process and not through another channel.

16. CP committed to sustainability, investing in solar power at its Calgary headquarters

Canadian Pacific has begun work to install a solar energy farm at its corporate headquarters in Calgary. The installation is expected to generate more power than consumed annually at CP’s main headquarters building by early 2021. The project, which will be built over five hectares and see 500 parking stalls covered and a solar garden created, will generate up to five megawatts of electricity while avoiding an estimated 2,600 tonnes of carbon emissions a year, equal to taking approximately 570 cars off the road. The project will also assist in reducing CP’s Scope 2 emissions, a category specific to indirect emissions related to electricity usage.

17. AAR: U.S. Weekly Intermodal Volume Slightly Up From 2019

The Association of American Railroads (AAR) reported U.S. rail traffic for the week ended Aug. 8, 2020, which saw U.S. weekly intermodal volume at 277,054 containers and trailers, up 1.9% compared to 2019—more trending in the right direction. However, total U.S. weekly rail traffic for the week was 497,397 carloads and intermodal units, down 6.7% compared with the same week last year. And total carloads for the week ended Aug. 8, 2020 were 220,343 carloads, down 15.6% compared with the same week in 2019. Canadian railroads reported 70,663 carloads for the week, down 12.9%, and 69,338 intermodal units, down 2.8% compared with the same week in 2019. For the first 32 weeks of 2020, Canadian railroads reported cumulative rail traffic volume of 4,428,998 carloads, containers and trailers, down 8.5%.

18. CP releases 2019 corporate sustainability data supplement, highlighting strong performance in safety, operational excellence and social impact

Canadian Pacific on August 13, 2020 released its 2019 corporate sustainability data supplement to the company’s 2018 sustainability report, *Sustainably Driven*. The information in the report was prepared in accordance with the Global Reporting Initiative Standards and aligns closely with the Sustainability Accounting Standards Board for Rail Transportation framework. Keith Creel, CP’s President and Chief Executive Officer said “CP is committed to operating in an ethical and responsible manner that considers our obligations to employees, customers, communities and shareholders. We are resolute in our approach to sustainability and to meeting the needs of our key stakeholders and the broader environment.”

19. CN adjusts operations amid strike at Port of Montreal

Canadian railway CN is relying on port terminals in Halifax and elsewhere on the East Coast as longshore workers continue to strike at the Port of Montreal. “We are monitoring the situation at the Port of Montreal closely and we are in regular contact with the responsible authorities. While we wish the parties [would] reach an agreement quickly, we are adjusting our operations in order to continue to provide service to our customers,” CN told *FreightWaves*. Those

adjustments entail “leveraging [the] network by using port terminals in Halifax and elsewhere on the East Coast to continue importing and exporting goods that are vital for the economy,” CN said.

20. Edmonton to Launch LRV Procurement Tender

The City of Edmonton has announced its intention to launch a procurement tender in October 2020 for the supply of 40 low-floor LRVs to operate on its 14-km Valley Line West light rail extension. Delivery will take place by 2027. All of the 40-m bidirectional articulated vehicles must be compatible with Edmonton’s existing 1435-mm-gauge light rail infrastructure, 600V dc overhead electrification and VLSE communications systems. The LRVs must also easily integrate with wayside, operation and maintenance areas on both sections of the Valley Line, and allow for level-entry boarding at all stops.

21. KCS, NS and CN sign onto campaign to prevent plastic pellet spills

Freight railroads (KCS, NS and CN) and the plastics industry have started to work together to address a side effect of North America’s booming plastics production: the dispersion of wayward plastic pellets in transit. Plastic pellets, or resin pellets, are a feedstock used in plastics production. They can look like small round orbs or balls. But because of their size, they can easily disperse during transport. Environmental groups have said that following a storm, these pellets, which are also called nurdles, can be carried by stormwater runoff, becoming waste in the marine ecosystem.

22. AAR: U.S. Weekly Intermodal Volume Up Again

The Association of American Railroads (AAR) reported U.S. rail traffic for the week ended Aug. 15, 2020, which saw, for the second consecutive week, U.S. weekly intermodal volume up from the same week last year. Indeed, U.S. weekly intermodal volume was up again—278,210 containers and trailers, up 1.9% compared to 2019. However, for this week, total U.S. weekly rail traffic was 500,563 carloads and intermodal units, down 6.9% compared with the same week last year. And total carloads for the week ended Aug. 15 were 222,353 carloads, down 15.9% compared with the same week in 2019. Canadian railroads reported 73,488 carloads for the week, down 9.6%, and 69,963 intermodal units, down 8.2% compared with the same week in 2019. For the first 33 weeks of 2020, Canadian railroads reported cumulative rail traffic volume of 4,572,449 carloads, containers and trailers, down 8.5%.

23. VIA rail announces new daily frequencies in the Québec-Windsor corridor

Due to the increase in demand for intercity travel and the progressive deconfinement between the provinces of Québec and Ontario, VIA Rail Canada announces the increase in daily frequencies in the Corridor as of September 1st, 2020, restoring the services to close to 50% of the usual offering. “We are very pleased to announce today an important milestone in our efforts to resume our services,” said Cynthia Garneau, President and CEO. “This represents our biggest addition of frequencies in the Corridor since the start of the pandemic. This initiative prioritizes the health and safety of our employees and passengers, balancing the possible service offerings and the recommendations issued by public health authorities in the context of the ongoing situation.”

24. Mexican Rail Regulators Turn Up The Heat

The Board of Commissioners of the Mexican Federal Economic Competition Commission (COFECE) determined, in January 2020, “the absence of effective competition conditions in 20 origin-destination pairs for the transportation of chlorine, ethylene oxide, anhydrous ammonia, and caustic soda in the south of the state of Veracruz.” For Ferrocarril Mexicano, SA de CV (Ferromex), Ferrosur, SA de CV, and Kansas City Southern de México, SA de CV (KCSM), Rail Transportation Regulatory Agency of Mexico’s (ARTF) resolution set out rate regulation limited to 6 segments of 5 routes where the railroad provides freight transportation of chlorine (4 segments of 3 routes) and ethylene oxide (2 segments of 2 routes). KCSM, in a statement to *Railway Age*, noted that during 2019, its revenue associated with these segments was less than \$1.5 million.

25. Crude by rail shipments drop to eight-year low in June

Canadian exports of crude oil by rail fell to an eight-year low in June 2020 as North American fuel demand remained low due to measures taken to control the COVID-19 pandemic. The Canada Energy Regulator says rail shipments of oil in June 2020 fell to about 42,820 barrels per day, down from 58,000 bpd in May and 156,000 bpd in April 2020. Shipments were 10 times as high in February 2020, when they reached a record high of 412,000 bpd.

26. Environmental groups, states sue feds over LNG by rail

Environmental groups, 14 states and the District of Columbia are suing federal agencies over regulation allowing the transport of liquefied natural gas (LNG) via rail. The U.S. Department of Transportation (DOT) and the Pipeline and Hazardous Materials Safety Administration (PHMSA) in June 2020 authorized the bulk transportation of LNG by rail, and the rule was expected to take effect August 20, 2020, a month after it was published in the Federal Register. The rule, which was made in consultation with the Federal Railroad Administration (FRA), allows for the bulk transportation of LNG using DOT-113 tank cars with enhanced outer tank requirements and additional operational controls. But the states and the environmental groups argue that the rule violates the Administrative Procedure Act, the Hazardous Materials Transportation Act and the National Environmental Policy Act. U.S. House Democrats have also criticized federal agencies for moving along with LNG-by-rail regulations, saying more reviews on the safety and

operational practices to haul LNG via rail need to be conducted.

27. Railway carloadings, June 2020

Although most jurisdictions had reopened their economies by June 2020, Canadian railways reported the third consecutive month of declines of at least 10%, year over year, in the volume of freight transported by rail. In June 2020, Canadian railways carried 29.8 million tonnes of freight, down 10.4% from June 2019. This followed the 12.9% year-over-year decrease reported in May 2020. The decline in June 2020 was primarily attributable to weak demand for some key export commodities, despite increases in exports and imports—largely driven by parts and accessories for motor vehicles—reported in the June 2020 data on Canadian international merchandise trade.

28. Freight Rail Services Price Index, July and August, 2020

The Freight Rail Services Price Index (2018=100) is now available for July 2020 and August 2020. The index of 104.6 in August fell by 0.9 from 105.5 in July.

29. Three Cheers for Intermodal!

The Association of American Railroads (AAR) reported U.S. rail traffic for the week ended Aug. 22, 2020, which saw, for the third consecutive week, U.S. weekly intermodal volume up from the same week last year. U.S. weekly intermodal volume was 285,086 containers and trailers, up 5% compared to 2019. However, total U.S. weekly rail traffic was 514,914 carloads and intermodal units, down 3.3% compared with the same week last year. And total carloads for the week ended Aug. 22 were 229,828 carloads, down 12% compared with the same week in 2019. Canadian railroads reported 71,766 carloads for the week, down 14.2%, and 68,970 intermodal units, down 5.8% compared with the same week in 2019. For the first 34 weeks of 2020, Canadian railroads reported cumulative rail traffic volume of 4,713,185 carloads, containers and trailers, down 8.6%.

30. National Steel Car to build grain cars for CN

Canadian National Railway Co. has awarded a contract for 1,150 high-capacity grain cars to National Steel Car Ltd. in Hamilton. The railroad operator says the deal brings to \$1 billion the amount it plans to invest in Ontario by the end of 2022, including \$250 million to build a proposed logistics hub in Milton. The order for the high-efficiency hopper cars comes amid a year of record grain movement at both CN and rival Canadian Pacific Railway Ltd.

31. CN Announces Major Order of Hamilton-made Grain Hopper Cars

CN is pleased to announce that it has awarded a contract to build 1,150 new generation, high-capacity, grain hopper cars to National Steel Car Ltd. of Hamilton, ON, bringing to \$1-billion the amount CN plans to invest in Ontario by the end of 2022. In addition to its purchase of 1,150 rail cars, as well as CN's ongoing annual capital investments, CN has also pledged to invest more than \$250-million in the construction of the proposed Milton Logistics Hub, an essential transportation infrastructure project that is critical to the economic future of consumers in Ontario and Canada. On July 21, 2020, CN announced it was purchasing the new closed 55-foot eight-inch jumbo grain hopper cars, each with 5,431 cubic feet of capacity. CN's Western Canadian grain fleet is comprised of CN-owned hoppers, leased cars and private customer equipment. The new grain hopper cars will enable the company to move more tonnage of grain per year.

HIGHWAY TRANSPORTATION

1. Urban public transit, May 2020

The collapse in ridership on the country's buses, trains and subways continued in May 2020, resulting in another month of historic decreases compared with the previous year. On a year-over-year basis, the number of transit passengers started declining in March 2020 (-42.0%), fell sharply in April 2020 (-85.0%) and remained low in May 2020—down 82.8% compared with May 2019. Consequently, the total operating revenues (excluding subsidies) of urban transit companies also remained low, down 85.3% to \$48.8 million in May 2020. While local transit revenues represent less than 5% of total local government revenue across the country, they account for a much greater share in larger cities. According to the Canadian Urban Transit Association, farebox revenue was down by about \$400 million per month during the depths of the lockdown—forcing transit operators to actively consider reductions in service—and as provinces continue to expand re-openings, ridership will continue to grow. As

HIGHWAY TRANSPORTATION Canada

1. Urban public transit, May 2020, July 30, 2020, www.statcan.gc.ca
2. Intermodal growth here to stay, says Hub Group, July 30, 2020, www.americanshipper.com
3. Couriers and Messengers Services Price Index, June 2020, July 31, 2020, www.statcan.gc.ca
4. TFI grabs another asset, buys Ontario's Keith Hall & Sons, August 1, 2020, www.americanshipper.com
5. Ontario Safely and Gradually Reopens DriveTest Centres, July 31, 2020, www.mto.gov.on.ca
6. TFI's Bedard signals growing focus on company's LTL operations, August 3, 2020, www.americanshipper.com

businesses, services and public spaces began to reopen on a regional basis, some cities in central and western Canada started to show gradual increases in the number of passenger trips.

2. Intermodal growth here to stay, says Hub Group

Management from intermodal marketing company Hub Group said several customers are approaching them to talk about peak season capacity needs. A number of customers have indicated the recent strength in demand in the West will likely continue through peak season and possibly November 2020 as inventories remain depleted and restocking continues. Management said intermodal volumes were up 5% year-over-year in June 2020 and 8% in July 2020, significantly better than the mid-teen percentage declines seen in April and May 2020. They expect volumes to be up in the high-single-digit range year-over-year for the rest of 2020.

3. Couriers and Messengers Services Price Index, June 2020

The Couriers and Messengers Services Price Index (2003=100) is now available for June, 2020 on the statcan website. It stood at 203.4 for June 2020 down 1.8 from May 2020. Both components of it: courier, and local messengers and local delivery were down for June 2020 from May 2020.

4. TFI grabs another asset, buys Ontario's Keith Hall & Sons

In the earnings call last week for TFI International, Alain Bédard, the company's chairman, president and CEO said when the company restarted acquisitions, "we're going to start with small tuck-ins." On July 31, 2020, TFI did just that, acquiring Keith Hall & Sons Transport of Ontario. The price was not disclosed. In the prepared statement announcing the acquisition, TFI described Keith Hall as "hauling liquid and dry foods and general freight across North America." It had started as a milk hauler.

5. Ontario Safely and Gradually Reopens DriveTest Centres

People will be able to access more drive testing services as the Ontario government moves DriveTest centres into the second phase of its reopening plan. Beginning on Tuesday, August 4, 2020 road testing for class G2 and all motorcycle licences will resume and the number of locations offering commercial driver road tests will expand. "As we continue to reopen our economy, resuming driver testing is another way our government is helping people get back to work," said Caroline Mulroney, Minister of Transportation. "We are phasing-in these services to ensure important health and safety measures are in place at all DriveTest centres and our staff and customers are fully protected."

6. TFI's Bedard signals growing focus on company's LTL operations

Alain Bedard, the only executive of Canada's TFI International who spoke on the company's second-quarter conference call, has plenty of acquisitions he'd still like to do. But the area that appears to need the biggest assistance while being a key target is less than truckload (LTL). The fundamental problem that Chairman, President and CEO Bedard sees, according to his statements in the call, is that TFI's LTL business depends heavily on retail business that has been suffering for years and is now likely to be decimated further by the pandemic. "Our [Canadian LTL] revenue dropped like 25%. It's terrible, but don't forget that the LTL in Canada is suffering from e-commerce," Bedard said, according to a transcript of the earnings call supplied by *SeekingAlpha*.

7. BTS Offers COVID-19 Related Daily, Weekly and Monthly Transportation Statistics

Responding to heightened interest in the most recent transportation data, the Bureau of Transportation Statistics (BTS) has created new web pages of daily, weekly and monthly statistics. These pages allow comparison of pre-COVID-19 and current numbers for passenger travel and freight shipments. The new pages present a wide range of data on all transportation modes from various sources, and BTS will add more measures as they become available.

8. Ontario Reaches Next Milestone On Priority Subway Projects

Ontario has shortlisted three teams each to advance tunnelling work on the Scarborough Subway Extension and the Eglinton Crosstown West Extension projects, part of the largest subway expansion in the province's history. Teams were shortlisted based on criteria identified in the Request for Qualifications (RFQ) process that began in March 2020.

7. BTS Offers COVID-19 Related Daily, Weekly and Monthly Transportation Statistics, August 4, 2020, www.bts.gov

8. Ontario Reaches Next Milestone On Priority Subway Projects, August 5, 2020, www.mto.gov.on.ca

9. FedEx Freight expanding cross-border operation in Laredo, August 5, 2020, www.americanshipper.com

10. Volumes in cruise control, up 35% year-over-year, August 8, 2020, www.americanshipper.com

11. EDITORIAL: Post COVID, Trucking Still Needs to Consider the Driver Shortage, August 7, 2020, www.ontruck.ca

12. Fastfrate Group buys Bestway, August 20, 2020, www.todaystrucking.com

13. TFI share offering could add \$200 million to M&A war chest, August 11, 2020, www.freightwaves.ca

14. Keystone Western acquires Darcol, August 11, 2020, www.todaystrucking.com

15. Truck arrivals fall 4% during Aug. 3-9, August 12, 2020, www.todaystrucking.com

16. U.S. Transportation Secretary Elaine L. Chao Announces \$464 Million in Grant Awards Nationwide to Revitalize America's Bus Infrastructure, August 11, 2020, www.dot.gov

17. June 2020 Freight Transportation Services Index (TSI), August 12, 2020, www.bts.gov

18. TFI raises \$219 million in share offering, August 17, 2020, www.freightwaves.ca

19. ECONOMIC WATCH: Truck tonnage dips in July, August 18, 2020, www.todaystrucking.com

20. Ransomware attack hits TFI's Canadian courier divisions, August 21, 2020, www.freightwaves.ca

21. Quebec to allow LCVs on statutory holidays, August 21, 2020, www.todaystrucking.com

22. CTA's recovery roadmap promotes trucking crackdowns and incentives, August 24, 2020, www.todaystrucking.com

23. Canadian ELD timeline remains firm: CTA, August 25, 2020, www.todaystrucking.com

24. June 2020 North American Transborder Freight Up 46% from May 2020, August 25, 2020, www.bts.gov

25. U.S. Transportation Secretary Elaine L. Chao Announces \$400 Million in Federal Funding Allocations for Four Transit Infrastructure Projects, August 26, 2020, www.dot.gov

Criteria included design and construction experience and the financial capacity to deliver a project of this size and complexity. Teams with the top three scores were then shortlisted for each project.

9. FedEx Freight expanding cross-border operation in Laredo

Bullish on cross-border trade, FedEx Freight is expanding the size of its operations in Laredo, Texas. FedEx Freight's new, 166-door service center will be more than 142,000 square feet, located on 61 acres, said FedEx spokesman Ron Mears. "The new service center is larger and allows us to better serve our customers in the region now and in the future," Mears said. "The site was chosen because of its ease of access to major highways, proximity to customers and a strong local community workforce." Mears did not disclose the cost of the new FedEx Freight center.

10. Volumes in cruise control, up 35% year-over-year

Load volumes continue to soar, rising another 2.9% this week. The Outbound Tender Volume Index (OTVI) continues to surge upward and hit another all-time high on August 7, 2020 at 13,799. This freight level is remarkable for a few reasons. First, there are no signs of any sort of typical seasonality this year; secondly, other parts of the economy have stalled and unemployment remains extremely high; lastly, OTVI has crossed into uncharted territory by climbing higher than the March 2020 panic-buying spree. The yearly comparisons are stunning – up 34% over 2019 and 38% above the 2018 value. The pace of reefer volumes picked up again after a down week last week and is up 7% this week.

11. EDITORIAL: Post COVID, Trucking Still Needs to Consider the Driver Shortage

Employment in trucking and logistics is tied to economic activity. And, the trucking industry is expected to lose \$3.2 billion in revenue this year. The latest forecast of truck driver employment is 296,600 in 2020, roughly 21,000 below our pre-COVID estimate of 317,600 for 2020. The labour shortages the trucking and logistics sector was experiencing pre-COVID-19 should moderate in the near-term, however, as demand recovers, vacancies within the sector will return as early as 2022, especially among truck drivers.

12. Fastfrate Group buys Bestway

Fastfrate Group has purchased cross-border carrier Bestway Cartage and Bestway Global Limited, giving it a stronger foothold in the U.S. Bestway has been in business since 1976, serving the Ontario and U.S. markets. Discussions regarding this deal began about two years ago, Fastfrate reported, and Bestway moved into its Woodbridge facility in September 2019.

13. TFI share offering could add \$200 million to M&A war chest

TFI International plans to sell 4 million shares of common stock in an offering that could raise more than \$200 million, which could fuel potential acquisitions. Canada-based TFI announced the share offering on August 11, 2020. The company said it will use the proceeds for working capital and to pay down a credit facility that it may use "for general corporate purposes, including acquisitions." TFI has been active on the acquisition front in recent months. The company has made four acquisitions since June 2020, including two from bankrupt Comcar.

14. Keystone Western acquires Darcol

Keystone Western has acquired Darcol International, a transportation company based in Winnipeg. "This acquisition adds capacity that will allow both organizations to leverage their industry expertise in order to enhance the unique service offerings of both Keystone Western and Darcol," The company said.

15. Truck arrivals fall 4% during Aug. 3-9

The number of truck drivers entering the country dropped 4% to 103,470 during the week of Aug. 3-9, from 108,087 in the comparable period last year, the Canada Border Services Agency said on August 12, 2020. It is the fifth consecutive drop since the week of June 29-July 5, 2020 when truck arrivals returned to normal for the first time since Covid-19 struck earlier this year.

16. U.S. Transportation Secretary Elaine L. Chao Announces \$464 Million in Grant Awards Nationwide to Revitalize America's Bus Infrastructure

U.S. Transportation Secretary Elaine L. Chao on August 11, 2020 announced the Federal Transit Administration (FTA) will award \$464 million in transit infrastructure grants nationwide to improve the safety and reliability of America's bus systems and enhance mobility for transit riders. A total of 96 projects in 49 states and territories receive funding from FTA's Grants for Buses and Bus Facilities Program. A list of the selected projects is available online.

17. June 2020 Freight Transportation Services Index (TSI)

The Freight Transportation Services Index (TSI), which is based on the amount of freight carried by the for-hire transportation industry, rose 0.9% in June 2020 from May 2020, rising for the second consecutive month, according to the U.S. Department of Transportation's Bureau of Transportation Statistics' (BTS). From June 2019 to June 2020, the index fell 7.6% compared to a rise of 1.2% from June 2018 to June 2019 and a rise of 8.7% from June 2017 to June 2018.

18. TFI raises \$219 million in share offering

TFI International raised nearly \$219 million in its newly closed share offering, positioning the transportation and logistics company to aggressively pursue acquisitions in the United States and Canada. TFI announced the closing of

the share offering on August 17, 2020, saying it issued over 5 million shares of common stock. It included more than 600,000 shares to offering's underwriters, who fully exercised their purchase option. The Montreal-based company said it will use the proceeds it raised as working capital and to pay down a credit facility. The credit facility could be used for future acquisitions, TFI said in a statement. The company has continued to pursue acquisitions even while experiencing a steep slowdown from the COVID-19 pandemic.

19. ECONOMIC WATCH: Truck tonnage dips in July

U.S. for-hire truck tonnage dropped 5.1% in July 2020, after a 8.9% surge in June 2020, according to the latest data from the American Trucking Associations (ATA). "After a very strong June, for-hire contract freight tonnage, which dominates ATA's index, slipped in July for a couple of reasons," said ATA chief economist Bob Costello.

20. Ransomware attack hits TFI's Canadian courier divisions

A ransomware attack hit TFI International's our Canadian courier divisions on August 20, 2020, two days after the transportation and logistics company raised millions of dollars in a share offering. The attack impacted "some systems" of Canpar Express, ICS Courier, Loomis Express and TForce Integrated Solutions, according to notices posted to the couriers' websites. "We continue to meet most customer shipping needs and we are not aware of any misuse of client information," the notices state. "Out of an abundance of caution we want to make our clients aware of the incident, should you be experiencing any issues." The extent of the attack wasn't clear as of August 23, 2020. A spokesperson for TFI International did not immediately respond to *FreightWaves'* request for comment. Ransomware attacks typically involve hackers locking down systems and demanding money to restore it.

21. Quebec to allow LCVs on statutory holidays

The Quebec Ministry of Transport (MTQ) announced it is lifting the ban on the movement of long combination vehicles (LCVs) for all statutory holidays for a period of three years. This measure comes into effect on Sept. 6, 2020. A ministerial order was published in the official gazette on Aug. 21, 2020. "Due to the benefits of using large longhaul trains in terms of manpower, greenhouse gas emissions, logistics and their road safety record, it is timely that LCVs be authorized to circulate on statutory holidays in Quebec for an extended period," said the MTQ in a press release.

22. CTA's recovery roadmap promotes trucking crackdowns and incentives

The Canadian Trucking Alliance (CTA) is promoting a series of trucking-specific carrots and sticks alike, as politicians look for ways to stimulate the economy in the midst of Covid-19. "We all know how some carriers in our industry compete. They cheat," says CTA president Stephen Laskowski, calling for a crackdown on trucking businesses that play fast and loose with compliance requirements as a way to slash costs and undercut rates. He points directly at Driver Inc. – businesses that misclassify employees as independent contractors – as a leading example of the problem.

23. Canadian ELD timeline remains firm: CTA

Don't expect a reprieve from the Canadian electronic logging device (ELD) mandate, set to go into effect in June 2021. That was the message from Geoff Wood, senior vice-president of policy for the Canadian Trucking Alliance (CTA), while speaking at Trimble's virtual in.sight user conference Aug. 25, 2020.

24. June 2020 North American Transborder Freight Up 46% from May 2020

Transborder freight between the U.S. and other North American countries (Canada and Mexico) in June 2020 was as follows:- Total Transborder freight: \$82.1 billion moved by all modes of transportation, up 46.3% compared to May 2020 and up 41.2% from April 2020; Transborder freight value: Transborder freight value in June was down 20.9% compared to June 2019. Most-used mode: Trucks moved \$56.5 billion of freight, up 44.2% compared to May 2020, down 13.9% compared to June 2019. Second most-used mode: Railways moved \$11.2 billion of freight, up 105% compared to May 2020, down 28.9% compared to June 2019. U.S.-Canada trade was (both directions): Truck: \$25.4b; Rail: \$5.7b; Pipeline: \$2.4b; Air: \$2.4b; and Vessel: \$1.3b

25. U.S. Transportation Secretary Elaine L. Chao Announces \$400 Million in Federal Funding Allocations for Four Transit Infrastructure Projects

The Trump Administration on August 26, 2020 announced a total of \$400 million in federal funding will be allocated by the U.S. Department of Transportation's Federal Transit Administration (FTA) to four transit infrastructure projects in Arizona, Indiana, Missouri, and New Jersey. The projects are advancing towards readiness to receive a Full Funding Grant Agreement (FFGA) under FTA's Capital Investment Grants (CIG) Program. The projects must meet additional requirements in law before a grant can be awarded.

GENERAL TRANSPORTATION

Canada

1. Canada's economy recovering, but still well below pre-pandemic levels

Canada's real GDP rebounded by 4.5% in May, 2020, following two months of unprecedented declines, according to the latest data from Statistics Canada released on July 31, 2020. However, economic activity remained 15% below February's pre-pandemic level. For trucking, the important goods producing GDP numbers were up 8%, with 17 of 20 industrial sectors posting increases in May 2020.

2. Canadian wins global young forwarder award

A Canadian has won a Young International Freight Forwarder of the Year Award (YIFFYA) for 2020. Anastasia Gureeva, is an ocean import coordinator with Traffic Tech in Toronto is one of four regional winners from around the world.

3. Leading indicator of cross-border traveller volume, July 2020

July 2020 marked the fourth consecutive full month of restrictions on non-essential travel at the Canada-US border and crossings by automobiles remained flat. The number of Canadian residents returning from the United States in Canadian-licensed automobiles was nearly 95% below July 2019. Similarly, automobile arrivals to Canada by US residents were 97% lower at the same land ports compared with a year before.

4. Trump proceeds with aluminum tariff

Less than a month after Trump's U.S.-Mexico-Canada Agreement took effect July 1, 2020 the Trump administration is scheduled to re-impose a 10 percent import tax on Canadian aluminum Sunday, raising tensions between the two allies. Trump accuses Canada of flooding the U.S. market with its raw, unprocessed aluminum. The Aluminum Association, which represents U.S. and foreign aluminum companies opposes the tariffs, counters that a jump in Canadian raw aluminum shipments to the United States is within historical norms and reflects stepped-up production from a Canadian smelter that had been shut down by a labour dispute.

5. Predicting the Unpredictable: Attempting to plot out the economic recovery

The sudden, devastating economic collapse caused by the Covid-19 pandemic was so unprecedented, that even seasoned economists admit it's difficult to predict what the recovery will look like. But two such economists, Laura Speake, chief economist, energy and transportation with Caterpillar and Bill Witte, chief economist for industry forecaster FTR, both indicated it will be 2022 before the U.S. economy fully recovers to pre-pandemic levels. And many businesses will never recover at all.

6. Automation will be key to post-pandemic e-commerce success

In the wake of Covid-19 pandemic lockdowns, e-commerce demand has skyrocketed, prompting retailers to look closely at warehouse and distribution centre automation as a means of keeping up with demand. "Demand has spiked to the point where some of our customers are saying every day is like Black Friday," said Nick Klein, Bastian Solutions's sales director for Canada. Even purpose-built omnichannel operations have not been able to keep up in some cases, he noted. Given this increasing e-commerce demand and changing inventory strategies make automated solutions worth considering.

7. Trump pledges tax credits, tariffs to redirect jobs from China

President Donald Trump said he'll punish American companies that move jobs abroad and reward firms with tax breaks for shifting work from China to the U.S., proposals aimed at hastening the decoupling of the world's largest economies. "We will create tax credits for companies that bring jobs from China back to America, and we'll impose tariffs on companies that leave America to produce jobs overseas," he said in a speech on August 17, 2020 in Minnesota. With 11 weeks to go before his re-election bid, and with the unemployment rate at 10.2%, Trump is doubling-down on a message imploring domestic corporations to produce goods and services at home rather than in places like China where it's less expensive.

8. Sluggish recovery in Cass freight data

Freight data provided by *Cass Information Systems* for July 2020 continues to lag other market indicators. While the freight index displayed a 4.8% sequential monthly improvement in shipments from June 2020 to July 2020, with

GENERAL TRANSPORTATION

Canada

1. Canada's economy recovering, but still well below pre-pandemic levels, July 31, 2020, www.todaystrucking.com
2. Canadian wins global young forwarder award, August 4, 2020, www.insidelogistics.ca
3. Leading indicator of cross-border traveller volume, July 2020, August 11, 2020, www.statcan.gc.ca
4. Trump proceeds with aluminum tariff, August 17, 2020, www.insidelogistics.com
5. Predicting the Unpredictable: Attempting to plot out the economic recovery, August 14, 2020, www.todaystrucking.com
6. Automation will be key to post-pandemic e-commerce success, August 18, 2020, www.insidelogistics.ca
7. Trump pledges tax credits, tariffs to redirect jobs from China, August 18, 2020, www.ajot.com
8. Sluggish recovery in Cass freight data, August 19, 2020, www.americanshipper.com
9. Canadians embrace online grocery shopping, August 21, 2020, www.insidelogistics.ca
10. ECONOMIC WATCH: Canada's spot market volumes continue to rise, August 24, 2020, www.todaystrucking.com
11. Preparing for an upswing, August 25, 2020, www.insidelogistics.ca
12. Canada Post sees Covid-19 related losses in Q2, August 26, 2020, www.insidelogistics.ca

expenditures increasing 2.8%, the dataset is still a long way off of prior-year levels, posting a 13.1% year-over-year decline in shipments, with expenditures falling 14.3%. The report's author, Stifel Financial equity research analyst David Ross, pointed to headwinds like consumer confidence, the economy not being fully open and uncertainty on future stimulus payments as reasons for the shipments index remaining 6.3% below March's reading.

9. Canadians embrace online grocery shopping

Grocers will need new strategies to entice consumers back into stores. The COVID-19 pandemic accelerated Canadian usage of e-commerce, and online grocery was one of the main benefactors. By mid-April, 37 percent Canadians were shopping more online, with 22 percent of Canadians specifically noting they were buying more groceries online due to COVID-19, including 10 percent of seniors (those aged 65+).

10. ECONOMIC WATCH: Canada's spot market volumes continue to rise

There were more spot market loads available in Canada in July 2020 than June 2020 for the first time in *Loadlink* history, the company reports. Freight demand during a traditionally slow period actually strengthened this July 2020, as freight continued to recover from the Covid-19 economic shutdown. Historically, July 2020 load volumes have been 18% below June levels, however this year July 2020 came out on top as the economic recovery continued.

11. Preparing for an upswing

In spite of the pandemic's chilling effect on economic activity, two major Canadian intermodal infrastructure projects have announced significant progress in recent weeks, alongside a mixed prognosis for short-term recovery in the sector. One, with the signing of several memoranda of understanding among seven major players, the Quebec Port Authority's Laurentia container terminal project took a step closer to reality in June, 2020. Two, The Alaska – Alberta Railway Corporation (A2A Rail) has commissioned an engineering firm to begin detailed land surveying along the Alberta segment of the railway's proposed route to Alaska. A2A Rail and its technical team will now begin a three-month planned process of field investigation and topographic modeling.

12. Canada Post sees Covid-19 related losses in Q2

Canada Post recorded a loss before tax of \$378 million in the second quarter of 2020. This increased loss was largely due to the impact Covid-19 had on revenue and costs, combined with the added costs stemming from the June 2020 arbitrator's ruling. The ruling resulted in new collective agreements with the Canadian Union of Postal Workers (CUPW).