

Transportation Information Update*

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AIR TRANSPORTATION

1. Government of Canada introduces further restrictions on international travel

On January 29, 2021, the Government of Canada announced new rules on international travel, in addition to the multi-layered approach on COVID-19 already in place. The government and Canada's airlines have agreed to suspend all flights to and from Mexico and Caribbean countries until April 30, 2021. This will be in effect as of January 31, 2021. Further, effective midnight February 3, 2021, in addition to proof of a negative pre-departure test, Transport Canada will expand the existing international flight restrictions which funnel scheduled international commercial passenger flights into four Canadian airports: Montréal-Trudeau International Airport, Toronto Pearson International Airport, Calgary International Airport, and Vancouver International Airport. The new restrictions will include scheduled commercial passenger flights arriving from the United States, Mexico, Central America, the Caribbean and South America, which were exempted from the previous restriction. Private/Business and charter flights from all countries will also be required to land at the four airports. Flights from Saint-Pierre-et-Miquelon and cargo-only flights will remain exempt.

2. Canada to implement new testing and quarantine measures to reduce COVID-19 infection related to non-essential international air travel

The Government of Canada continues to take unprecedented action to protect the health and safety of Canadians by introducing new measures to help prevent further introduction and transmission of COVID-19 and new variants of the virus into Canada. Canadians are strongly advised to cancel or postpone any non-essential travel plans outside of Canada. Now is not the time to travel. Additionally, air travellers who decide to travel for non-essential reasons will face new expenses when they return to Canada. This is in addition to providing proof of a negative pre-departure test. In the coming weeks, they will be required to: 1) take a COVID-19 molecular test on arrival at their own cost; and 2) reserve a room in a Government of Canada-approved hotel for three nights at their own cost, while they await their test results. Travellers will stay in and pay for their hotel, as well as all associated costs for food, cleaning and security, while they await the results of the COVID-19 molecular test they received on arrival.

3. WestJet cuts flying to Mexico and Caribbean at request of Canadian government

The WestJet Group on January 29, 2021 announced it would temporarily cease international flying to 14 sun destinations in Mexico and the Caribbean in response to a request from the Government of Canada. "The government asked, and we agreed," said Ed Sims, WestJet President and CEO. "While we know that air travel is responsible for less than two per cent of cases since the start of the crisis, and even less today, we recognize the Government of Canada's ask is a precautionary measure. We also note that the overwhelming

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1. Government of Canada introduces further restrictions on international travel, January 29, 2021, www.tc.gc.ca
2. Canada to implement new testing and quarantine measures to reduce COVID-19 infection related to non-essential international air travel, January 29, 2021, www.tc.gc.ca
3. WestJet cuts flying to Mexico and Caribbean at request of Canadian government, January 29, 2021, www.westjet.ca
4. Air Canada to Suspend Flights to the Caribbean and Mexico at the request of, and to Support Government of Canada COVID-19 Mitigation Efforts, January 29, 2021, www.aircanada.ca
5. Cooperation is essential if air industry is to survive latest travel restrictions, January 29, 2021, www.cacairports.ca
6. Air Canada, Suncor and other companies launch 'rapid screening consortium' to test for coronavirus, February 1, 2021, www.nationalpost.ca
7. Monthly civil aviation statistics, November 2020, January 29, 2021, www.statcan.gc.ca
8. Airline bailout begins in Canada with \$375 million loan to Sunwing after beach holidays barred, February 2, 2021, www.nationalpost.ca
9. Government of Canada announces agreement with Government of Manitoba to support essential air access to remote communities, February 1, 2021, www.tc.gc.ca
10. Weekly aircraft movements, January 16 to 22, 2021, February 3, 2021, www.statcan.gc.ca
11. Air Passenger Market Analysis December 2020, February 3, 2021, www.iata.org
12. Air Cargo Market Analysis December 2020, February 3, 2021, www.iata.org
13. U.S. Airlines December 2020 Fuel Use Up 9% from November, February 3, 2021, www.bts.gov
14. Montreal airports up landing fees, February 4, 2021, www.insidelogistics.ca
15. Cargojet plans fleet expansion, February 4, 2021, www.insidelogistics.ca
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18. Mid-December Airline Industry Employment Up 16,000 Employees from Mid-November, February 9, 2021, www.bts.gov
19. Weekly aircraft movements, January 23 to

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majority of quarantine exemptions, well over 90 per cent in fact, are connected to land borders and not air travel. We have responded to their request and will suspend service to destinations in Mexico and the Caribbean."

4. Air Canada to Suspend Flights to the Caribbean and Mexico at the request of, and to Support Government of Canada COVID-19 Mitigation Efforts

Air Canada on January 29, 2021 said that, beginning January 31, 2021 it is temporarily suspending flights to Mexican and Caribbean destinations for 90 days in response to ongoing COVID-19 concerns, particularly during the Spring Break period. The decision, designed to achieve an orderly reduction in service and minimize customer impact, was taken in collaboration with the Government of Canada following consultations.

5. Cooperation is essential if air industry is to survive latest travel restrictions

With the new travel restrictions announced on January 29, 2021 by the Prime Minister, the Canadian air sector has been plunged into its most severe crisis since March 2020. Additional measures may be warranted, but Canada's airports say the federal and provincial governments should be working more closely with industry on health measures. Federal and provincial governments must work with industry stakeholders, including airports, to successfully implement new measures.

6. Air Canada, Suncor and other companies launch 'rapid screening consortium' to test for coronavirus

With the help of University of Toronto business professors, 12 major Canadian corporations have banded together to develop a system for quickly screening workers — and hopefully speeding up the economy's restart. The "rapid-screening consortium" may be the only group of its sort in the Western world. Air Canada has even agreed to work with rival airlines like WestJet to help them implement the screening program, says Ajay Agrawal, founder of the University of Toronto's Creative Destruction Lab and an overseer of the initiative. It raises the issue of why it took the private sector so long to implement what seems like a sensible way to hasten the return to normalcy.

7. Monthly civil aviation statistics, November 2020

In November 2020, air travel recovery appeared to stall, as major Canadian airlines carried 780,000 passengers on scheduled and charter services. This was down 87.3% from the same month in 2019 and 12.0% from October 2020, somewhat larger than a typical seasonal decline. As in previous months, most travel was domestic as international demand remained generally weak amid border travel restrictions and enforcement of quarantines. However, domestic passenger volumes declined month over month in November 2020, while international passenger volumes increased. Compared with November 2019, air traffic fell to 1.6 billion passenger-kilometres in November 2020, pushing operating revenues down 81.8% to \$316.7 million.

8. Airline bailout begins in Canada with \$375 million loan to Sunwing after beach holidays barred

Canada granted an emergency loan to a company selling beach holidays, the first sign of a rescue package awaited by the industry after Prime Minister Justin Trudeau barred travel to Mexico and other sun destinations. Two related firms, Sunwing Airlines Inc. and Sunwing Vacations Inc., will receive a combined \$375 million under a federal loan facility aimed at large employers, a government agency said on February 1, 2021. The Sunwing companies have nearly 3,000 Canadian employees, the agency said in a statement.

9. Government of Canada announces agreement with Government of

- 29, 2021, February 10, 2021, www.statcan.gc.ca
20. Federal government approves Air Canada's \$190M purchase of Transat, with conditions, February 12, 2021, www.financialpost.ca
21. Canada closed to competition, February 11, 2021, www.westjet.ca
22. Air Canada Reports 2020 Annual Results, February 12, 2021, www.aircanada.ca
23. November 2020 U.S. Airline Traffic Data, February 11, 2021, www.bts.gov
24. Government of Canada approves proposed purchase of Transat A.T. Inc. by Air Canada, February 11, 2021, www.tc.gc.ca
25. Government ignores advice of its own Competition Bureau in Air Canada takeover of Transat, February 12, 2021, www.westjet.ca
26. Looking back at weekly aircraft movements in 2020, February 15, 2021, www.statcan.gc.ca
27. Rovinescu leaves Air Canada, February 16, 2021, www.insidelogistics.ca
28. U.S. Airlines December 2020 Passengers Decreased 62% from December 2019 (Preliminary), February 16, 2021, www.bts.gov
29. Opinion: To survive, Canada's airlines need grants, not loans, February 16, 2021, www.nationalpost.ca
30. Weekly aircraft movements, January 30 to February 5, 2021, February 17, 2021, www.statcan.gc.ca
31. U.S. Airlines Carried 17% More Cargo in December 2020 than in December 2019, February 17, 2021, www.bts.gov
32. WestJet to temporarily suspend service to four domestic stations, www.westjet.ca
33. Mid-December 2020 U.S. Passenger Airline Employment Up Nearly 13,000 FTEs from Mid-November, February 18, 2021, www.bts.gov
34. Loss of summer holidays and furlough could cost travel industry up to 500,000 jobs, survey reveals, February 17, 2021, www.iata.org
35. Transport Canada fines two individuals for presenting falsified COVID-19 test results, February 18, 2021, www.tc.gc.ca
36. Quarterly civil aviation statistics, third quarter 2020, February 19, 2021, www.statcan.gc.ca
37. Collective Letter from Aviation Groups to the Standing Committee on Transport, Infrastructure and Communities (TRAN), February 22, 2021, www.atac.ca
38. Airports Council Statement on Conclusion of U.S. – Canadian Bilateral Meeting, February 23, 2021, www.cacairports.ca
39. Weekly aircraft movements, February 6 to 12, 2021, February 24, 2021, www.statcan.gc.ca
40. U.S. aviation regulator warns of new safety risks from pandemic, February 23, 2021, www.reuters.com
41. Government of Canada invests in transportation infrastructure at Edmonton International Airport to move goods to market, February 24, 2021, www.tc.gc.ca
42. Aircraft movement statistics: Major airports, December 2020, February 25,

Manitoba to support essential air access to remote communities

On February 1, 2021, the Minister of Transport, the Honourable Omar Alghabra, the Minister of Northern Affairs, the Honourable Daniel Vandal, and the Manitoba Minister of Economic Development and Jobs, the Honourable Ralph Eichler, announced a new agreement with the Government of Manitoba to support essential air access to remote communities. The Government of Canada is contributing up to \$12,031,000 for air services to remote communities to cover the period of July 1 to December 31, 2020.

Under this agreement, the Government of Manitoba will allocate funding to air operators to ensure the continued supply of food, medical supplies, and other essential goods and services to these communities.

10. Weekly aircraft movements, January 16 to 22, 2021

Data on weekly aircraft itinerant movements are now available for January 16 to 22, 2021. Domestic movements for the week ending January 16, 2021 were 27,154 compared to 24,642 for the week ending January 9, 2021.

11. Air Passenger Market Analysis December 2020

There was no global air travel improvement in the fourth quarter of 2020. The global resurgence of the virus and the related shutdowns halted the air travel recovery during the fourth quarter of the 2020 year. The industry-wide revenue passenger-kilometres (RPKs) fell by 69.7% year-on-year, which was a similar contraction as in November (-70.4%) and October (-70.6%). In month-on-month terms, passenger volumes ticked up by ~4% – the second weakest growth since the air travel recovery started in May 2020. The December 2020 highlights were: 1) The December figures confirm that the recovery in air travel has been stagnating. Industry-wide revenue passenger kilometres (RPKs) fell by 69.7% year-on-year, which was broadly in line with the declines in November and October 2020. In 2020 as a whole, passenger traffic plunged by 66% – by far the sharpest decline in the aviation history; 2) The RPK rebound was impacted by a sharp spike in COVID-19 cases and new travel restrictions. Forward bookings have been falling sharply since late-December 2020, which points to a challenging start for 2021. 3) The 2020 industry-wide passenger load factor was on average 17.8 percentage points lower vs. 2019, at 64.8%.

12. Air Cargo Market Analysis December 2020

Air cargo experienced a robust end of 2020, as industry-wide cargo tonne-kilometres (CTKs) declined by only 0.5% year-on-year in December 2020, the best growth performance since November 2019. This confirms the positive trends already seen in recent months, despite a large decline in November 2020 (6.2%) relative to the same month in 2019. The December 2020 highlights were: 1. Air cargo volumes improved significantly during the course of the year, from the Q2 low point, with global cargo tonne-kilometres (CTKs) down only 0.5% year-on-year in December 2020. However, in 2020 overall, industry-wide CTKs fell by 10.6% year-on-year, the largest decline since our series started in 1990. 2. World goods trade fell by around 6% in 2020, better than air cargo. While an inventory restocking cycle has started in the later part of the year, benefiting air cargo, capacity constraints are still hampering a fuller recovery. 3. Industry-wide available cargo tonne-kilometres (ACTKs) was down 23.3% year-on-year in 2020 while cargo load factors, yields and revenues all rose to record-high levels, providing support to airlines and some long-haul passenger services in the face of collapsing passenger revenues. 4. International CTKs declined in all the main regions except Africa (up 1.9% year-on-year) in 2020.

13. U.S. Airlines December 2020 Fuel Use Up 9% from November

The Department of Transportation's Bureau of Transportation Statistics (BTS) on February 3, 2021 released U.S. airlines' 2020 December Fuel Cost and Consumption numbers. U.S. airlines' December 2020 fuel consumption was 8.7% higher than November 2020, and more than double April 2020. Fuel consumed by U.S. airlines scheduled service: December 2019 - 1.6 billion gallons; November 2020 - 845 million gallons; and December 2020 - 918 million gallons

14. Montreal airports up landing fees

Montreal's airport authority, ADM Aeroports de Montreal, is increasing fees in an attempt to stay financially afloat during the pandemic. ADM Aeroports de Montreal is the airport authority for the Greater Montreal area responsible for the management, operation and development of YUL Montreal-Trudeau International Airport, and YMX International Aerocity of Mirabel. For 2020, the not-for-profit ADM estimates it will have a shortfall of \$300 million. It says new restrictions, the emergence of variants of Covid-19, and the extended border closure will continue to put significant pressure on its financial performance in 2021.

15. Cargojet plans fleet expansion

Cargojet Inc. is planning to purchase five Boeing 767 freighters and two B-777 freighters to keep up with pandemic-fueled e-commerce activity. The Hamilton, Ontario-based company has raised \$350,000 through a stock offering.

16. Government of Canada announces one-year ban for pleasure craft and cruise vessels

On February 4, 2021, the Minister of Transport, the Honourable Omar Alghabra, announced two new Interim Orders,

www.statcan.gc.ca

43. Monthly civil aviation statistics, December 2020, February 25, 2021, www.statcan.gc.ca

44. WestJet to lay off 415 pilots as pandemic weighs on outlook for summer travel, February 26, 2021, www.globeandmail.ca

45. Air Travel Consumer Report: December 2020, Full Year 2020 Numbers, February 25, 2021, www.dot.gov

which prohibit pleasure craft in Canadian Arctic waters and cruise vessels in all Canadian waters until February 28, 2022. This means: 1) Adventure-seeking pleasure craft are still prohibited from entering Arctic waters. 2) Passenger vessels carrying more than 12 people are still prohibited from entering Arctic coastal waters, including Nunatsiavut, Nunavik, and the Labrador Coast. 3) Cruise vessels carrying more than 100 people are still prohibited from operating in Canadian waters. 4) Pleasure craft used by local Arctic residents will not be affected by these measures. With these prohibitions in place, public health authorities will be able to continue focusing on the most pressing issues, including the vaccine rollout and new COVID-19 variants.

17. 2020 Worst Year in History for Air Travel Demand

The International Air Transport Association (IATA) announced full-year global passenger traffic results for 2020 showing that demand (revenue passenger kilometers or RPKs) fell by 65.9% compared to the full year of 2019, by far the sharpest traffic decline in aviation history. Furthermore, forward bookings have been falling sharply since late December 2020. 1) International passenger demand in 2020 was 75.6% below 2019 levels. Capacity, (measured in available seat kilometers or ASKs) declined 68.1% and load factor fell 19.2 percentage points to 62.8%. 2) Domestic demand in 2020 was down 48.8% compared to 2019. Capacity contracted by 35.7% and load factor dropped 17 percentage points to 66.6%.

18. Mid-December Airline Industry Employment Up 16,000 Employees from Mid-November

U.S. airlines employed 694,638 workers in the middle of December 2020, 16,351 more than in mid-November 2020 (678,287) but 60,389 fewer than in March 2020. The December total was the highest since September (702,068) before the expiration of the *CARES Act* which prohibited layoffs by airlines receiving funds. American Airlines reported an increase of 10,631 employees in December 2020 from November 2020. The 2020 December industry numbers consist of 579,042 full-time and 115,596 part-time workers.

19. Weekly aircraft movements, January 23 to 29, 2021

Data on weekly aircraft itinerant movements are now available for January 23 to 29, 2021 on statcan website. Domestic movements were 24,647 on January 23, 2021 compared to 27,154 on January 16, 2021.

20. Federal government approves Air Canada's \$190M purchase of Transat, with conditions

Transport Minister Omar Alghabra announced the approval of the Transat purchase on February 11, 2021 evening, saying the government concluded the purchase is in the public interest. He said it considered a range of factors, including level of service, wider social and economic implications, the financial health of the air transportation sector, and competition. "Given the devastating impact of the COVID-19 pandemic on the air industry, the proposed purchase of Transat A.T. by Air Canada will bring greater stability to Canada's air transport market," he said in a statement. The pandemic was also cited as a factor when Montreal-based Transat noted it may not be able to continue on its own because of the significant financial challenges.

21. Canada closed to competition

The government of Canada on February 11, 2021 evening approved the purchase of Transat by Air Canada, without significant remedies. "This decision shows blatant disregard for all Canadians who believe in healthy competition," said Ed Sims, WestJet President and CEO. "When Canadians look to explore the world and reunite with family and friends once again, they will face fewer choices and higher fares." The government's own Competition Bureau stated in regards to the proposed purchase, "Eliminating the rivalry between these airlines would result in increased prices, less choice, decreases in service and a significant reduction in travel by Canadians on a variety of routes where their existing networks overlap." "It is hard to imagine a deal as anti-competitive in any industry where the number one player buys number three without meaningful remedies," continued Mr. Sims. "This is a serious setback to Canada's economy. The Competition Bureau themselves described such cosmetic remedies as inadequate. Canadians should be profoundly disappointed." In sum, the Government ignored the advice of its own Competition Bureau in the Air Canada takeover of Transat.

22. Air Canada Reports 2020 Annual Results

Total revenues of \$5.833 billion in 2020 declined \$13.298 billion or 70 per cent from 2019. The airline reported 2020 negative EBITDA (excluding special items) or (earnings before interest, taxes, depreciation and amortization) of \$2.043 billion compared to 2019 EBITDA of \$3.636 billion. Air Canada reported an operating loss of \$3.776 billion in 2020 compared to operating income of \$1.650 billion in 2019. Unrestricted liquidity amounted to \$8.013 billion at December 31, 2020. "With today's release of 2020 fourth quarter and full year results, we close the book on the bleakest year in the history of commercial aviation, after having reported several years of record results and record growth at Air Canada. The catastrophic impact of COVID-19 and government-imposed travel restrictions and quarantines has been felt across our entire network, deeply affecting all of our stakeholders. It has resulted in a 73 per cent decline in passengers carried at Air Canada during the year and an operating loss of nearly \$3.8 billion. Yet, despite a year-long onslaught of bad news, uncertainty and challenges posed by constantly changing requirements, our employees valiantly served our remaining customers professionally and transported them safely to their destinations,

operated hundreds of repatriation flights and our Cargo team transported essential Personal Protective Equipment to Canada and around the world. I commend them for their courage as well as for their tireless efforts in these exceptionally trying circumstances to position our company well for when we emerge from the pandemic," said Calin Rovinescu, President and Chief Executive Officer of Air Canada.

23. November 2020 U.S. Airline Traffic Data

U.S. airlines carried 29.7 million systemwide (domestic and international) scheduled service passengers in November 2020, seasonally-adjusted, according to the Bureau of Transportation Statistics' (BTS), up 1.1% from October 2020. Of the total, 26.9 million were domestic passengers and 2.9 million were international passengers on U.S. airlines flights.

24. Government of Canada approves proposed purchase of Transat A.T. Inc. by Air Canada

The Honourable Omar Alghabra, Minister of Transport, on February 11, 2021 announced that the Government of Canada has approved the proposed purchase of Transat A.T. Inc. by Air Canada, subject to strict terms and conditions that are in the interests of Canadians. In determining the proposed purchase is in the public interest, the Government of Canada considered a broad range of factors, such as level of service, wider social and economic implications, the financial health of the air transportation sector, and competition. The COVID-19 pandemic was a key factor in the final decision. As Transat A.T. itself noted in December 2020, current uncertainty casts doubt on its ability to continue, as it faces significant financing challenges. Noting the effects of the pandemic on air service in general, and on Transat A.T. in particular, the Government of Canada has determined that the proposed acquisition offers the best probable outcomes for workers, for Canadians seeking service and choice in leisure travel to Europe, and for other Canadian industries that rely on air transport, particularly aerospace. The public interest assessment conducted by Transport Canada was complex, and necessitated a rigorous analysis and consultation with Canadians and stakeholder groups.

25. Government ignores advice of its own Competition Bureau in Air Canada takeover of Transat

The Government of Canada on February 11, 2012 approved the purchase of Transat by Air Canada, without significant remedies. "This decision shows blatant disregard for all Canadians who believe in healthy competition," said Ed Sims, WestJet President and CEO. "When Canadians look to explore the world and reunite with family and friends once again, they will face fewer choices and higher fares." The government's own Competition Bureau stated in regards to the proposed purchase, "Eliminating the rivalry between these airlines would result in increased prices, less choice, decreases in service and a significant reduction in travel by Canadians on a variety of routes where their existing networks overlap." "It is hard to imagine a deal as anti-competitive in any industry where the number one player buys number three without meaningful remedies," continued Mr. Sims. "This is a serious setback to Canada's economy. The Competition Bureau themselves described such cosmetic remedies as inadequate. Canadians should be profoundly disappointed."

26. Looking back at weekly aircraft movements in 2020

The introduction of measures to contain the COVID-19 pandemic hit Canada's air transportation industry harder than either the events of September 11, 2001, or the 2003 SARS outbreak. During the week starting April 11, 2020—within four weeks of the mid-March COVID-19 restrictions being imposed, total itinerant aircraft movements (flights from one airport to another) at airports with NAV CANADA towers reached their lowest level. The 14,105 take-offs and landings that week represented a little over 25% of the weekly average reported in 2020 prior to the outbreak (i.e., before the week of March 14). With the drop in air passenger traffic, air cargo became a mainstream business for some airlines. Prior to the pandemic, for example, goods revenue accounted for less than 10% of air carrier operating revenue, while the second quarter of 2020 saw cargo revenue increase to 44%. Canada's post-lockdown increase in itinerant movements was driven largely by the domestic sector. With air traffic normally peaking over the summer, which, in 2020, coincided with a drop in new COVID-19 cases, domestic itinerant movements (i.e., take-offs and landings) edged up steadily, reaching their highest post-COVID-19 level in the week starting August 8, 2020.

27. Rovinescu leaves Air Canada

Calin Rovinescu, Air Canada's president and CEO, retired on February 15, 2021. The deputy CEO and CFO, Michael Rousseau, succeeds him. "I have enjoyed a unique and very special relationship with Air Canada and our outstanding people for over three decades, on the front lines of many of the company's defining moments – the 1988-1989 privatization, the defence against a hostile bid for Air Canada in 1999, our merger with Canadian Airlines in 2000, the aftermath of 9/11, leading the 2003-2004 restructuring and many others," Rovinescu said.

28. U.S. Airlines December 2020 Passengers Decreased 62% from December 2019 (Preliminary)

U.S. airlines carried 62% fewer scheduled service passengers in December 2020 than in December 2019 (preliminary), according to data filed with the Bureau of Transportation Statistics (BTS) by 22 airlines that carry more than 90% of the passengers. The 62% decline from December 2019 was slightly larger than the 61% year-to-year decline from November 2019 to November 2020. The large airlines carried 30 million passengers in December 2020 (preliminary), compared to 79 million passengers in December 2019 and up from 3 million in April 2020, which was the lowest monthly total in BTS records dating back to 1974. The previous low was 14.6 million passengers in February 1975.

29. Opinion: To survive, Canada's airlines need grants, not loans

The federal government has finally approved Air Canada's \$190-million purchase of Transat A.T. While this is certainly the right decision, it remains to be seen whether or not it will weigh down Canada's largest carrier at a time when the company has been suffering steep losses, first from the pandemic, then from aggressive government travel restrictions far exceeding international best practice. If the government is serious about enabling Canadian airlines to thrive, or even just survive, it must reverse course. On Feb. 3, 2021, in the wake of Prime Minister Justin Trudeau's suspension of all Canadian flights to the Caribbean and Mexico, Air Canada's low-cost carrier Rouge suspended all operations and laid off staff after its final flight. Meanwhile, American carriers continue to offer such flights, connecting through the U.S.

30. Weekly aircraft movements, January 30 to February 5, 2021

Data on weekly aircraft itinerant movements are now available for January 30 to February 5, 2021 on Statistic Canada website. Domestic movements for the week ending January 30, 2021 were 24,088 compared to 24,647 for the week ending January 23, 2021.

31. U.S. Airlines Carried 17% More Cargo in December 2020 than in December 2019

U.S. airlines carried 17% more cargo by weight in December 2020 (preliminary) than in December 2019. The rise was fueled by gains of 16% in domestic cargo and 20% in international cargo, according to data filed with the Bureau of Transportation Statistics (BTS) by 15 of the leading U.S. cargo airlines. The 15 airlines carry 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.

32. WestJet to temporarily suspend service to four domestic stations

On February 18, 2021, WestJet announced it will temporarily suspend operations to St. John's, N.L., London, Ont., and Lloydminster and Medicine Hat, Alberta, as of March 19, 2021 until June 24, 2021. "We have continued to operate in the face of uncertainty as domestic and international travel restrictions and quarantines have caused demand to plummet," said Ed Sims, WestJet President and CEO. "Unfortunately, with new and increasingly restrictive policies, we are left once again, with no other option than to suspend service to these communities." With today's announcement, flights between St. John's and Halifax will be suspended as of March 21, 2021 while service between London, Ont., and Toronto will cease on March 22, 2021. WestJet Link service from Calgary to Lloydminster will end on March 19, and Calgary to Medicine Hat discontinued as of March 21. "Our ability to return to markets remains directly correlated to government policies and the prioritization of a domestic travel program," continued Sims. "As we look ahead to contributing to the economic recovery of Canada, the relationship between testing and quarantine must evolve based on data and science."

33. Mid-December 2020 U.S. Passenger Airline Employment Up Nearly 13,000 FTEs from Mid-November

The 17 U.S. scheduled passenger airlines employed 3.4% more full-time equivalents (FTEs) in mid-December 2020 than in mid-November 2020: 1) Mid-December's total number of FTEs (379,302) was up 12,552 from mid-November (366,750 FTEs) and down 80,731 from mid-March 2020 (460,033). December 2020 was the lowest FTE total for the month of December in Bureau of Transportation Statistics (BTS) records dating from January 1990. The previous record low for December was in 2009 (379,698). 2) Mid-December FTEs were down 76,264, a 16.7% drop from mid-December 2019 (455,566). In mid-December, scheduled passenger airlines employed 60% of the total airline industry FTEs, down from 66% in March 2020. Total industry FTEs, released on Feb. 9, rose 15,055 FTEs (2.4%) from November 2020 to December 2020. Total industry includes cargo and charter.

34. Loss of summer holidays and furlough could cost travel industry up to 500,000 jobs, survey reveals

Nearly two thirds of travel firms say they will lay off more than a fifth of their staff without a clear roadmap from Boris Johnson for reopening travel, a poll of the industry has found. This would equate to about 500,000 jobs, according to the survey of 255 travel businesses by the new campaign group Save our Summer (SOS). The survey found that 60 per cent said that they expected to lay off 20 per cent of staff if furlough ended in April 2021 and travel remained restricted over the Summer. More than a third (37 per cent) said they expected to lay off more than 40 per cent of their staff without furlough and a clear roadmap for reopening the travel sector after May 1, 2021.

35. Transport Canada fines two individuals for presenting falsified COVID-19 test results

Following a comprehensive investigation, Transport Canada has issued fines to two individual passengers for \$10,000 and \$7,000 respectively, for presenting a false or misleading COVID-19 test and for making a false declaration about their health status. In both cases, the individuals knowingly boarded a flight to Canada from Mexico on January 23, 2021, after having tested positive for COVID-19 only a few days before their flight. Under Interim Order Respecting Certain Requirements for Civil Aviation Due to COVID-19, travellers must obtain a negative result on a COVID-19 molecular test within 72 hours of boarding any flight inbound to Canada or a proof of a positive test result within at least 14 days and no more than 90 days prior to arrival, and present the results to the air crew prior to boarding their flight. Passengers are also prohibited from knowingly providing false or misleading COVID-19 test documentation.

Any passenger failing to comply with the Interim Order could be subject to fines of up to \$5,000 per violation.

36. Quarterly civil aviation statistics, third quarter 2020

The 2020 third quarter results continued to reflect the severity and abruptness of the impacts of the COVID-19 pandemic on Canadian airlines. In the 2020 third quarter, however—typically the best period for the Canadian airline industry—there were improvements to key operating metrics and financial measures from the low point in the second quarter of 2020. Operating revenue for the 26 largest Canadian air carriers totalled \$1.6 billion in the third quarter, down 79.9% from the third quarter of 2019. This third consecutive year-over-year quarterly decline resulted in a net operating loss of \$811.1 million, which was about half the record loss of \$1.6 billion in the previous quarter. Air cargo continued to be a key revenue stream for some airlines in the wake of the COVID-19 pandemic, generating \$474.7 million. Passenger revenue, however, which totalled \$1.0 billion, reverted to the main source of revenue for the airlines. Canadian air carriers transported 3.6 million passengers on scheduled and charter services in the third quarter of 2020. While this was two and a half times more passengers than in the second quarter, it was down 85.8% from the third quarter of 2019. Despite this growth from the second quarter, it was a disastrous summer travel season as international demand (-96.0%) remained weak amid border travel restrictions and quarantine enforcements.

37. Collective Letter from Aviation Groups to the Standing Committee on Transport, Infrastructure and Communities (TRAN)

As the Standing Committee completes its study on the impact of COVID-19 on the aviation sector, the undersigned aviation organizations would like to thank the Committee for their work over the past several months. As they heard from numerous witnesses since their study began, the pandemic and the economic chaos has created a severe and debilitating impact on the sector, our employees, and the communities ATAC serves. Each of our organizations appeared before the Committee during the course of your study. ATAC proposed recommendations that should be included in the Committee's report to Parliament: 1) acknowledge the importance of the aviation and aerospace sector; 2) establish an aviation re-start strategy; 3) support program for air carriers, airports, and aerospace firms; 4) suspend the full reliance on user-pay for service providers such as NAV CANADA and the Canadian Air Transport Security Authority (CATSA), and financially 2 support these organizations through the pandemic to preserve Canada's strategic transportation infrastructure.

38. Airports Council Statement on Conclusion of U.S. – Canadian Bilateral Meeting

Airports Council International – North America (ACI-NA), the trade association representing commercial service airports in the United States and Canada, on February 23, 2021 issued the following statement following the first bilateral meeting between U.S. President Joe Biden and Canadian Prime Minister Justin Trudeau. “The longstanding relationship between Canada and the United States is an important economic driver for both countries. For decades, our airports, airlines, and governments have worked together to find new ways to steadily improve the cross-border flow of travelers and goods. We welcome the renewed commitment from President Biden and Prime Minister Trudeau to further strengthen our historic bilateral relationship with the new “United States/Canada Partnership Roadmap” and our continent's leadership around the world in the areas of health, safety, security, and sustainability.” The entire statement can be found on their website.

39. Weekly aircraft movements, February 6 to 12, 2021

Data on weekly aircraft itinerant movements are now available for February 6 to 12, 2021. For the week ending February 6, 2021, domestic movements were 23,702 compared to 24,088 for January 30, 2021.

40. U.S. aviation regulator warns of new safety risks from pandemic

U.S. Federal Aviation Administration chief Steve Dickson warned on February 23, 2021 of a changed industry in the wake of the COVID-19 pandemic that has shaken air travel over the past year and created new safety risks that must be addressed. “The industry that existed last March in many respects no longer exists today,” Dickson said at a town hall about commercial aviation safety shown on social media, citing the retirement of veteran pilots, new fleets with complex aircraft and less international flying. “All these changes are creating a whole new set of stressors that can inject new safety risks into the system,” he said.

40. Government of Canada invests in transportation infrastructure at Edmonton International Airport to move goods to market

On February 24, 2021, the Minister of Transport, the Honourable Omar Alghabra, announced a significant new investment of \$18 million under the National Trade Corridors Fund to upgrade three infrastructure assets at Edmonton International Airport. These upgrades will expand the region's capacity to handle inbound and outbound trade, and meet growing demand from the business community to reach international markets. The project involves: 1) Expanding the airport's Apron 7 by 47,000 square metres to accommodate two additional wide-body aircraft parking positions, including a new connection between the runway and apron. 2) Installing a new hydrant fueling system connected to Shell Aviation's new cargo fuel farm, which will reduce fuel trucks on Apron 7 and improve turn-around times. 3) Building 1,400 square metres of cold storage and equipment in the international cargo area to store temperature

sensitive and perishable export products.

41. Aircraft movement statistics: Major airports, December 2020

In December 2020, total aircraft movements at Canada's major airports were down 31.1% compared with December 2019, following the 26.6% decline reported in November 2020. Despite the significant year-over-year declines, transborder (flights between Canada and the United States) and other international movements each reached their highest levels in December since travel restrictions were first announced in March. Domestic movements (within Canada) declined 35.8% in 2020, from 3.4 million movements in 2019 to 2.2 million in 2020. Scheduled service, particularly in Eastern Canada, was impacted heavily by the collapse in passenger demand. The magnitude of the overall decline was masked in part by domestic non-scheduled aircraft movements such as flight training and fire-fighting operations.

42. Monthly civil aviation statistics, December 2020

Air travel recovery remained essentially flat in the final month of 2020 as major Canadian airlines carried 934,000 passengers on scheduled and charter services. This was down 87.0% from the same month in 2019 but up 19.7% from November 2020, which is typical for December. Most travel continued to be domestic as international demand remained generally weak amid border travel restrictions and enforcement of quarantines. However, compared with November international passenger volumes in December increased more than domestic volumes. Compared with December 2019, operating revenues were down 80.6% to \$424.3 million in December 2020—wrapping up the worst year in history for Canadian airlines. Canadian level I air carriers flew 934,000 passengers on scheduled and charter services in December 2020, down 87.0% from the same month in 2019. This was similar to the 87.3% decrease registered in November, and marked the tenth consecutive year-over-year monthly decline—a period with the sharpest drop on record.

43. WestJet to lay off 415 pilots as pandemic weighs on outlook for summer travel

WestJet to lay off 415 pilots as pandemic weighs on outlook for summer travel. The Calgary-based carrier issued the notices as it negotiates with the union that represents its pilots to renew a six-month memorandum of agreement that expires at the end of March 2021.

44. Air Travel Consumer Report: December 2020, Full Year 2020 Numbers

The U.S. Department of Transportation today released its February 2021 Air Travel Consumer Report (ATCR) on reporting marketing and operating air carrier data compiled for the month of December 2020 and calendar year 2020. The ATCR is designed to assist consumers with information on the quality of services provided by airlines. The full consumer report and other aviation consumer matters of interest to the public can be found at <http://www.transportation.gov/airconsumer>. The Coronavirus Disease 2019 (COVID-19) public health emergency has resulted in significant changes to airline schedules and operations, contributing to airlines' on-time performance and cancellation statistics in December 2020 and the full year 2020.

WATER TRANSPORTATION

1. Trois-Rivières records “average” 2020 throughput

In 2020, the Port of Trois-Rivières handled 3.3 million tonnes (MMT) of cargo. Although this is down from the record year of 2019, it is in line with the average of the last five years and with the port's forecasts. Dry bulk traffic of 2.9 MMT made up 85 percent of the total tonnage. Liquid bulk was 300,000 tonnes (10 percent), and general cargo was 170,000 metric tonnes (five percent). A total of 209 vessels docked at the Port.

2. ONE has second quarter of ‘significantly increased’ profit

Ocean Network Express' announcement that its quarterly profit “significantly increased” could be the understatement of understatements. ONE's third-quarter after-tax profit skyrocketed by something along the lines of 18,800% — from \$5 million in 2019 to \$944 million in 2020. ONE's fiscal year runs from April 1 to March 31. The Singapore-headquartered ocean carrier, which launched service in April 2018, has been steadily gaining steam, turning the ship around from a fiscal-year loss of \$585 million in 2018 to report a fiscal-year 2019 profit of \$105 million. ONE also used the words “significantly increased” in October 2020 to report its Q2 profit had ratcheted up by a whopping 326% — from \$121 million in 2019 to \$515 million in 2020.

WATER TRANSPORTATION Canada

1. Trois-Rivières records “average” 2020 throughput, Feb 1, 2021, www.insidelogiscs.ca
2. ONE has second quarter of ‘significantly increased’ profit, February 2, 2021, www.freightwaves.com
3. Trans-Atlantic container trade growth accelerating, February 3, 2021, www.joc.com
4. Prince Rupert port authority begins seal cove waterfront restoration project, February 3, 2021, www.rupertport.com
5. Port of Baltimore continues strong rebound from COVID-19 impacts, February 3, 2021, www.ajot.com
6. Green transportation plan comes to Montreal Port, Feb. 5, 2021, www.todaystrucking.com
7. Panama Canal sets LNG transit and tonnage record, February 3, 2021, www.ajot.com
8. Final penalties handed down in Australian car carrier cartel case, February 5, 2021, www.joc.com

3. Trans-Atlantic container trade growth accelerating

US imports from Europe have been rising steadily since August 2020, with the trans-Atlantic so far able to shrug off the severe disruption experienced on the trades out of Asia.

4. Prince Rupert port authority begins seal cove waterfront restoration project

The Prince Rupert Port Authority (PRPA) announced on February 3, 2021 that work has begun on a habitat restoration project in the Seal Cove area that will feature new and improved community recreational access on the Prince Rupert waterfront. The Seal Cove Salt Marsh's value as fish habitat has been highly impacted by historical human activity and industrial development, including the clearing of natural vegetation, disturbed intertidal habitat, and collection of waste and refuse. This habitat enhancement project will revitalize a freshwater creek, marine riparian areas, intertidal marshes and mudflats, eelgrass beds and other shoreline plantings, and enhance connectivity to Fern Passage and Seal Cove under the existing trestle bridge for marine life.

5. Port of Baltimore continues strong rebound from COVID-19 impacts

The Helen Delich Bentley Port of Baltimore's state-owned, public marine terminals finished a challenging 2020 in strong fashion, with key cargo commodities showing significant gains in recent months despite the continued impact of COVID-19. December 2020 totals show a triple-digit increase for cars/light trucks for the fifth consecutive month compared to lows during the early months of the pandemic, and general cargo, containers and roll on/roll off (farm and construction equipment) each posted double-digit jumps for the sixth straight month. December 2020 figures for general cargo, containers and roll on/roll off categories represent year-over-year monthly gains versus December 2019.

6. Green transportation plan comes to Montreal Port

Europe's Lean and Green certification program has landed in Greater Montreal, introducing a program to measure the environmental performance of the Montreal area's logistics and transportation operations. Recognized transportation companies cut their carbon dioxide emissions by at least 20% over no more than five years. Central to this is a related action plan that must address at least 50% of those emissions, factoring in how activities will develop and grow. The businesses can also assess previous work by determining a reference year. A related pilot project is underway.

7. Panama Canal sets LNG transit and tonnage record

The Panama Canal set a new monthly record for transits and tonnage of liquefied natural gas (LNG) vessels in January 2021, which shows its capacity to respond to the demand of this segment, as a result of the recent surge in the energy market. In January 2021, a total of 58 LNG vessels transited through the Neopanamax Locks, totaling 6.74 million Panama Canal tons (PC/UMS). The previous monthly records were set in January 2020 with 54 transits and in November 2020 with 6.23 million PC/UMS. "These achievements reaffirm the Canal's ability to adapt and guarantee our competitiveness and reliability to capture the opportunities presented by market changes, including the liquefied natural gas segment," said Panama Canal Administrator, Ricaurte Vásquez Morales. "For more than a century, the Panama Canal has demonstrated its responsiveness to global trade changes, and what the world has experienced in the past year will not be the exception."

8. Final penalties handed down in Australian car carrier cartel case

Regulators have now fined ocean carriers Wallenius Wilhelmsen Ocean (WVO), NYK RORO, and "K" Line a total of \$63 million for price fixing on vehicle shipping services on routes to Australia.

9. Port of Long Beach has best January on record

The Port of Long Beach began 2021 the same way it ended 2020 — by setting records. The port reported this week it just had its best January 2021 on record, moving 764,006 twenty-foot equivalent units (TEUs), a 21.9% jump from the same month last year. It was the first time the nation's second-busiest seaport handled more than 700,000 TEUs in the month of January 2021, surpassing the previous record set in January 2018 by a whopping 106,176 TEUs. During his State of the Port address on February 4, 2021, Executive Director Mario Cordero announced that 2020 had been Long

9. Port of Long Beach has best January on record, Feb. 5, 2021, www.freightwaves.com
10. Ports expected to keep breaking records through spring, February 9, 2021, www.insidelogistics.ca
11. Port of Long Beach's 2020 grew from bad to best, Feb. 4, 2021, www.freightwaves.com
12. Seaspans commissions two 24,000-TEU ships, Feb. 8, 2021, www.insidelogistics.ca
13. Maersk reports a rebound, February 10, 2021, www.insidelogistics.ca
14. Maersk posts \$2.9 billion 2020 profit, expects even stronger 2021, February 10, 2021, www.joc.com
15. Shares of ocean carrier ZIM jump 64% after 'abysmal' debut, February 11, 2021, www.freightwaves.com
16. Windsor Salt and CSL building custom salt ship, Feb. 12, 2021, www.insidelogistics.ca
17. The Quebec government grants \$55 million to the Contrecoeur container terminal project, February 12, 2021, www.portofmontreal.ca
18. Minister of Transport approves new projects to address abandoned boats across Canada, February 16, 2021, www.tc.gc.ca
19. Multi-level funding will rehab St. Lawrence port, February 16, 2021, www.insidelogistics.ca
20. Multi-level funding will rehab St. Lawrence port, February 16, 2021, www.insidelogistics.ca
21. Cargo surge shows no sign of letting up in Ports of Los Angeles and Long Beach, February 18, 2021, www.cargonews.com
22. Government of Canada outlines its 2021 measures to protect North Atlantic right whales, February 18, 2021, www.tc.gc.ca
23. Major economic and logistics impacts for Quebec and Ontario businesses that use the Port of Montreal, February 17, 2021, www.ajot.com
24. The big get bigger in public dry bulk shipping, February 18, 2021, www.freightwaves.com
25. Associations sound alarm over looming strike at Port of Montreal, February 22, 2021, www.todaystrucking.com
26. JAXPORT positioned 'for great things to come', Feb. 23, 2021, www.freightwaves.com

Beach's best year, with 8,113,315 TEUs handled. The port attributed the strong January 2021 to the ongoing rise in American consumers' online spending. Imports were up 17.5% year-over-year to 364,255 TEUs. Exports were up too, an increase of 7% year-over-year to 116,254 TEUs.

10. Ports expected to keep breaking records through spring

Following a record year during 2020, imports at the largest retail container ports in the United States are expected to set new monthly records from now into the summer as the U.S. economy continues to recover from the pandemic. Retail sales during the November-December holiday season in 2020 hit a record US\$789.4 billion, up 8.3 percent from 2019, and preliminary figures show retail sales for all of 2020 were up 6.8 percent year-over-year. These results are supplied in the monthly Global Port Tracker report released by the National Retail Federation and Hackett Associates.

11. Port of Long Beach's 2020 grew from bad to best

When naming a tune to describe 2020, "Bad" comes to mind. But Port of Long Beach Executive Director Mario Cordero thinks more along symphonic lines, describing the year just past as a crescendo. "We started soft, in a sea of uncertainty, and we finished strong, topping 8.1 million TEUs — our best year ever," Cordero said during his State of the Port address on February 4, 2021. "After a dire first half of the year, cargo came roaring back." In fact, despite a coronavirus-caused volume drought last spring, the port was able to finish the year with imports up more than 6% over full-year 2019.

12. Seaspan commissions two 24,000-TEU ships

In December 2020, Seaspan announced an agreement for five newbuild 12,200-TEU vessels which, together with the two 24,000-TEU vessels, will add new capacity of 109,000 TEU to the fleet over the next two years. These vessels will bolster Seaspan's core 9,000 to 15,000 TEU size category and add a new ultra-large offering. As of September 30, 2020, Seaspan's global fleet consisted of 127 vessels and approximately 1,073,000 TEU. Contracted revenue from the fleet is approximately US\$4.1 billion, and the existing ships have average remaining lease period of approximately four years.

13. Maersk reports a rebound

The Copenhagen-based company reported a net profit of US\$1.3 billion in the fourth quarter of 2020. The world's biggest ocean carrier, Denmark's A.P. Moller-Maersk, on February 10, 2021 reported a sharp rise in earnings for the 2020 fourth quarter, when global demand for goods rebounded from an earlier slump caused by the coronavirus pandemic. The Copenhagen-based company reported a net profit of US\$1.3 billion in the fourth quarter of 2020 from a loss of \$72 million a year earlier. Revenue rose 16 percent to \$11.3 billion.

14. Maersk posts \$2.9 billion 2020 profit, expects even stronger 2021.

Maersk expanded deeper into landside logistics during 2020, strongly boosting its non-ocean revenue during a highly profitable year. It posted a profit of \$2.9 billion in 2020 and expects even better results in 2021.

15. Shares of ocean carrier ZIM jump 64% after 'abysmal' debut

After years of failed attempts, ocean carrier ZIM finally went public on Jan. 28, 2021 pricing an IPO and listing on the New York Stock Exchange. At first blush, its debut looked like an embarrassing flop. The IPO had to be downsized. Shares immediately plunged. But just two weeks later, ZIM is riding high. The IPO was priced at \$15 per share, below the \$16-\$19 per share target range. Then it got worse: Shares collapsed all the way to \$11.38 within hours of being listed. Since then, however, it's been all up. On February 10, 2021, the stock closed at \$18.69, 64% higher than its post-IPO nadir. Over the past 11 trading sessions, its market capitalization (shares outstanding times share price) increased \$837 million — to \$2.14 billion.

16. Windsor Salt and CSL building custom salt ship

The keel laying ceremony for the new Windsor Salt-CSL new ship was held on January 29, 2021. K+S Windsor Salt Ltd. (Windsor Salt) and Canada Steamship Lines (CSL), a division of The CSL Group, are working together to build a new state-of-the-art self-unloading ship with a deadweight of 26,000 tonnes. Windsor Salt and CSL began construction of the custom-made vessel in August 2020 after several years of collaborative planning, which included an environmental impact analysis, ship and shore personnel safety reviews, an efficiency evaluation of cargo operations, and navigational optimization.

17. The Quebec government grants \$55 million to the Contrecoeur container terminal project

This morning, the Government of Quebec announced \$55 million in financial assistance to the Montreal Port Authority (MPA) towards its expansion project in Contrecoeur. "The Government of Quebec's backing is an important signal for the MPA and reflects a shared commitment to provide local businesses with a highly efficient supply chain," said MPA President and CEO Martin Imbleau. "This funding will enable us to undertake the work necessary to develop the new container terminal in Contrecoeur and to participate fully in the economic recovery."

18. Minister of Transport approves new projects to address abandoned boats across Canada

On February 16, 2021, the Minister of Transport, the Honourable Omar Alghabra, announced the most recent initiatives to receive funding for the assessment, removal and disposal of abandoned boats in Canadian waters. Under the

Abandoned Boats Program, \$1,692,079 is being provided to assess 44 boat removal projects in British Columbia and Newfoundland and Labrador, and to remove 51 abandoned boats in British Columbia and Nova Scotia. These announcements follow the coming-into-force of the *Wrecked, Abandoned or Hazardous Vessels Act* on July 30, 2019. The Act makes it illegal to abandon boats, increases vessel owner liability, and strengthens the Government of Canada's response in cases where owners do not behave responsibly in disposing of their vessels at the end of their useful life. In light of the economic impacts related to the COVID-19 pandemic, the Government of Canada will pay 100% of costs for boat removal assessment projects and for boat removal and disposal projects, for a maximum of \$50,000 per project instead of 75% as in previous years.

19. Multi-level funding will rehab St. Lawrence port

Contributions from the federal government, local municipality and the Quebec government will assist in the rehabilitation of the Port of Forestville, Quebec. Located on the north shore of the St. Lawrence River in the Côte-Nord region about half-way between Quebec City and Sept-Îles, the port handles approximately 65,000 tons of mainly dry bulk goods. A 50-kilometre-long ferry service also operates between Forestville and Rimouski on the south shore. It moves close to 40,000 passengers and 20,000 vehicles every year.

20. Multi-level funding will rehab St. Lawrence port

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21. Cargo surge shows no sign of letting up in Ports of Los Angeles and Long Beach

The cargo surge that exploded in the last several months of 2020 at the Ports of Los Angeles and Long Beach has continued into the new year, including the latter setting a January 2021 record — but the spike in imports has also caused massive congestion and sent some ships to smaller ports.

22. Government of Canada outlines its 2021 measures to protect North Atlantic right whales

On February 18, 2021 Government officials announced the 2021 measures to help protect North Atlantic right whales from interactions with fishing gear and vessels in Canadian waters. To help prevent entanglements with fishing gear, Fisheries and Oceans Canada is building on last year's successful measures by continuing to close fishing areas wherever and whenever North Atlantic right whales are present in the Gulf of St. Lawrence, Bay of Fundy, and Roseway Basin Critical Habitat, but the Department will improve its efforts to determine if right whales remain present in closed area before deciding to extend a closure. This change will maintain world-class protection for the whales while also ensuring that harvesters are not prevented from accessing lucrative fishing grounds. Fisheries and Oceans Canada is also establishing a new technical working group for harvesters, right whale experts, and departmental officials. This new collaboration will have regular, in-depth discussions about the right whale measures to ensure continued improvements. To help prevent collisions with vessels, Transport Canada will be re-implementing its 2020 season measures, including a restriction on vessel speed throughout much of the Gulf of St. Lawrence to protect areas where whales are detected, and issuing fines to those who are not compliant with these measures. In addition to these measures, Transport Canada will introduce the following modifications this year: 1) the mandatory restricted area in and near the Shediac Valley will be refined by size, location, and duration to better protect right whales when they are anticipated to be present in greatest numbers; and 2) the speed limit exemption in waters of less than 20 fathoms will be expanded to all commercial fishing vessels.

23. Major economic and logistics impacts for Quebec and Ontario businesses that use the Port of Montreal

As the negotiation process is currently suspended and the truce between the dockworkers' union CUPE 375 and the Maritime Employers Association (MEA) draws to a close, and in the context of an unprecedented pandemic that the Canadian economy must continue to face, the Montreal Port Authority (MPA) hopes that the parties will quickly reach an agreement to avoid a new work stoppage by the dockworkers. Already, the Port of Montreal's user companies and clients are feeling the impacts. Nearly a month before the end of the truce between the employer and the union, scheduled for March 21 at 6:59 a.m., the MPA has found that several Quebec and Ontario businesses that use the Port of Montreal, including some that move critical cargo to combat COVID-19, are already diverting containerized goods to other ports, and that others are planning to do so if a new work stoppage occurs soon. This situation, similar to the 19-day work stoppage during the summer of 2020 when dozens of companies publicly disclosed the impacts on their

operations, could cause major delays in the supply chain and higher freight costs, right as the economic recovery and a broader reopening of the retail sector in Quebec and Ontario get under way.

24. The big get bigger in public dry bulk shipping

The largest U.S.-listed dry bulk shipping companies are buying up ships in the second hand market in anticipation of higher rates ahead. During conference calls on February 18, 2021, executives of both Golden Ocean and Star Bulk highlighted stronger fundamentals for 2021, with vaccine-fueled cargo demand growth expected to outpace vessel supply growth. According to Star Bulk CEO Petros Pappas, “Clarksons expects the dry bulk trade to expand by 3.7% in terms of ton-miles. On the macro side, we expect a world economic rebound, a weak dollar, strong oil prices and low interest rates.”

25. Associations sound alarm over looming strike at Port of Montreal

The threat of another strike is looming at the Port of Montreal, following the recent breakdown in negotiations between the Maritime Employers Association (MEA) and longshore workers represented by the Canadian Union of Public Employees (CUPE). Mediators appointed by federal Labor Minister Filomena Tassi found, after just a few days, that the parties were too far apart.

26. JAXPORT positioned ‘for great things to come’

Last year JAXPORT CEO Eric Green delivered his State of the Port 2020 address to a crowd of more than 450 over lunch in a Jacksonville, Florida, hotel ballroom. The world has changed, but the Jacksonville Port Authority chief executive officer still delivered an optimistic forecast for 2021 in an across-the-table conversation with Jamie Shelton, the JAXPORT board chairman, on February 23, 2021. “We continue to see container growth in the Puerto Rico market as well as an uptick and a rebound on the Asian international trade,” Green said. “As you know, we all took a hit in the auto market, but our military cargo made up for that, so we’ve seen a tremendous rebound.” He expects to continue to ride on vehicle volumes in 2021. “We’re one of the top vehicle-handling ports in the entire nation. Last year we handled almost 700,000 vehicles here. Land is in demand. We’re currently looking at how do we actually create the ability to grow our vehicle-handling capabilities. The Southeast U.S. is a huge consumer market when it comes to autos,” Green said.

RAIL TRANSPORTATION

1. VIA rail reaches tentative agreements with Unifor

VIA Rail Canada (VIA Rail) has reached tentative agreements for a two-year contract renewal of the collective agreements with Unifor, the union representing more than 2,400 VIA Rail employees in stations, on board trains, in maintenance centres and administrative offices. These tentative agreements are subject to ratification vote by VIA Rail’s Unifor members.

2. Class I railroads upbeat about intermodal in 2021

The COVID-19 pandemic is continuing to spur high e-commerce levels, with consumer spending expected to remain elevated, executives said over the last two weeks in fourth-quarter earnings calls to investors and analysts. Meanwhile, executives also hope to convert some truck volumes to rail amid the tight truck market. “Projected strength in consumer spending, low inventory levels, record tightness in the trucking industry and our best-in-class channel partners will continue to spur growth in our robust intermodal franchise,” said Norfolk Southern Chief Marketing Officer Alan Shaw during his company’s fourth-quarter earnings call on January 27, 2021. “Goods spending is forecasted to rise 7% in 2021 due to continued pandemic-induced spending patterns and high levels of personal savings triggering increased demand for our intermodal product,” Shaw said. To encourage more profit from its intermodal segment, Norfolk Southern (NS) is planning to undertake productivity measures on its intermodal trains, including increasing train weights, lengthening trains and improving its ability to double-stack containers on trains.

3. Canadian Pacific and the TCRC-RCTC reach a tentative three-year agreement

Canadian Pacific Railway Limited (CP) and the Teamsters Canada Rail Conference Rail Canada Traffic Controllers (TCRC-RCTC) are pleased to

RAIL TRANSPORTATION

Canada

1. VIA rail reaches tentative agreements with uniform, January 30, 2021, www.viarail.ca
2. Class I railroads upbeat about intermodal in 2021, January 29, 2021, www.freightwaves.com
3. Canadian Pacific and the TCRC-RCTC reach a tentative three-year agreement, February 1, 2021, www.cpr.ca
4. CP: Land assets and partners provide growth opportunities, January 28, 2021, www.freightwaves.com
5. CN’s 2020 Annual Financial Statements and Annual Information Form available on Company Website, February 1, 2021, www.cn.ca
6. New Record Grain Movement Announces Strong Start to 2021, February 2, 2021, www.cn.ca
7. CP and union reach tentative deal, February 2, 2021, www.insidelogistics.ca
8. CN Delivers January Grain-Haul Record, February 3, 2020, www.railwayage.com
9. North American intermodal volumes climbed nearly 10% in Q4: IANA, February 3, 2021, www.freightwaves.com
10. AAR: Carload Gain Lies Mainly in the Grain, February 3, 2021, www.railwayage.com
11. Intermodal, chemicals and grain boost US rail traffic in January, February 4, 2021, www.freightwaves.com
12. CP reports record January for Canadian grain transport, February 8, 2021, www.cpr.ca
13. CN Named One of Montreal’s Top

announce a tentative three-year agreement. "I want to congratulate the TCRC-RCTC and CP's negotiating team on this successful outcome," said CP President and CEO Keith Creel. "This is positive news for these important members of our CP family, who are integral to our safe and efficient operation." The TCRC-RCTC represents approximately 300 rail traffic controllers in Canada. "We believe this tentative agreement is in the best interests of our members, and look forward to its successful ratification," said TCRC-RCTC General Chair Jason Bailey.

4. CP: Land assets and partners provide growth opportunities

Canadian Pacific (CP) is looking to build upon its existing network and land assets as a way to expand capacity, company executives said during the railway's fourth-quarter earnings call on January 27, 2021. "I'm not aware of any CMQ-like opportunities. I would say that we keep a strong financial position or keep our balance sheet strong and pattern our pockets so that we can be opportunistic if one of those comes up," said CP President and CEO Keith Creel during the call. Creel was referring to CP's acquisition of the Central Maine and Quebec (CMQ) Railway, which CP views as an opportunity to expand into Atlantic Canada. "But in the meantime, it's about building out this network that we have," Creel said. In addition to strategic partnerships with companies such as Maersk, CP can also use its land holdings nearby its terminals should it decide to expand localized opportunities, he said. For instance, CP is considering building a multimodal transload and logistics facility near Vancouver.

5. CN's 2020 Annual Financial Statements and Annual Information Form available on Company Website

CN announced on February 1, 2021 that the Company's 2020 Annual Financial Statements, Notes thereto and Management's Discussion and Analysis, and its 2020 Annual Information Form and Form 40-F, have been filed with Canadian and U.S. securities regulators and are now available in the Investor section of its website, www.cn.ca/investors.

6. New Record Grain Movement Announces Strong Start to 2021

CN is proud to announce that for the 11th consecutive month it has set a new record by shipping over 2.95 million metric tonnes (MMT) of Canadian grain and processed grain products via carload in January 2021. This exceeds the previous January record set in 2019 of 2.33 MMT by 27%, as well the three-year average of 2.24 MMT by 32%. This brings the volume of grain moved via carload in the first half of the 2020-2021 crop year, which spans from early August to the end of the following July, to over 17.5 MMT. This is 24% higher than the three-year average of 14.1 MMT, and 17% higher than the record of 14.9 MMT set in the 2018-2019 crop year.

7. CP and union reach tentative deal

Canadian Pacific Railway Limited and the Teamsters Canada Rail Conference Rail Canada Traffic Controllers (TCRC-RCTC) are pleased to announce a tentative three-year agreement. "I want to congratulate the TCRC-RCTC and CP's negotiating team on this successful outcome," said CP president and CEO Keith Creel. "This is positive news for these important members of our CP family, who are integral to our safe and efficient operation."

8. CN Delivers January Grain-Haul Record

In January 2021, CN's 2.95 MMT of Canadian grain and processed grain products via carload was 27% higher than the previous January record set in 2019 (2.33 MMT). CN moved more than 2.95 million metric tonnes (MMT) of Canadian grain and processed grain products via carload in January, the 11th consecutive record-setting month, the railroad reported. This volume is 27% higher than the previous January record set in 2019 (2.33 MMT), and 32% higher than the three-year average (2.24 MMT). CN reported that it hauled more than 17.5 MMT of grain via carload in the first half of the 2020-21 crop year, which spans from early August to the end of the following July. This is a 24% increase from the three-year average of 14.1 MMT, and a 17% increase from the record 14.9 MMT set in the 2018-19 crop year. The railroad also noted that there were more than 600,000 metric tonnes of grain moving direct from western Canada via container, in addition to volumes shipped from eastern Canada.

Employers, February 9, 2021, www.cn.ca

14. BNSF touts customer investments in railroad's development program, February 9, 2021, www.freightwaves.com

15. CN Announces New Partnership with Earth Rangers, February 10, 2021, www.cn.ca

16. AAR: Traffic Holding Steady, February 10, 2021, www.railwage.com

17. Kitchener GO Rail Tunnel Excavation Complete, Feb. 11, 2021, www.mto.gov.on.ca

18. CN Continues to set Ambitious Goals for Sustainability with Advisory Vote on the Company's Climate Action Plan, February 11, 2021, www.cn.ca

19. Zero-Emission Locomotives on U.S. Railways?, Feb. 12, 2021, www.railwage.com

20. News Alert: Canadian National train derailed in Chicago suburb, February 15, 2021, www.freightwaves.com

21. Everyone Wins With PSR, February 15, 2021, www.railwage.com

22. CSX, Union Pacific caution about bad winter weather, February 15, 2021, www.freightwaves.com

23. AAR: Total Weekly Traffic Near 2020 Levels, February 18, 2021, www.railwage.com

24. Government of Canada approves changes to improve rail safety, February 22, 2021, www.tc.gc.ca

25. Freight Rail Services Price Index, February 2021, February 22, 2021, www.statcan.gc.ca

26. US Class I rail headcount sinks to near decade low, February 22, 2021, www.freightwaves.com

27. Discussions among railroads to be allowed as evidence in price-fixing lawsuits, February 23, 2021, www.freightwaves.com

28. Railway carloadings, December 2020, February 24, 2021, www.statcan.gc.ca

29. CN Undertakes Major New Environmental, Social and Governance Initiatives, February 24, 2021, www.cn.ca

30. AAR Week 7: Intermodal, Carloads Post Double-Digit Losses, February 24, 2021, www.railwage.com

9. North American intermodal volumes climbed nearly 10% in Q4: IANA

North American intermodal volumes gained nearly 10% in the fourth quarter of 2020, setting the pace for the first quarter of 2021, according to the Intermodal Association of North America (IANA). Intermodal volumes rose amid record U.S. holiday sales of \$789.4 billion in November and December 2020. “Intermodal continued its comeback in the fourth quarter after declines in the first half of the year. Against the backdrop of COVID, all market sectors posted gains, setting the pace into at least Q1 of 2021,” said IANA President and CEO Joni Casey. IANA estimates that 2021 intermodal volumes could grow by 8% after falling by 2% in 2020 because of COVID-19 pandemic-induced volume losses in the first half of 2020. Intermodal volumes increased by 9.6% in the fourth quarter year-over-year. Of those gains, domestic containers rose 8.7%, international shipments grew 9.4% and trailers jumped 17.5%.

10. AAR: Carload Gain Lies Mainly in the Grain

In January 2021, U.S. intermodal shipments and carloads of chemicals set new records, and grain was up 40%, its “biggest-ever” year-over-year increase, Association of American Railroads (AAR) Senior Vice President John T. Gray reported on Feb. 3, 2021. Total carloads (930,303) were the highest they have been in a year, he added—an encouraging sign. Excluding coal, carloads “actually grew year-over-year for the second straight month,” Gray said. They were up by 15,557, or 2.3%, in January 2021 from January 2020. Carloads excluding coal and grain, however, were down by 15,877, or 2.7%. Canadian railroads reported 81,944 carloads for the week, falling 3.4%, and 70,571 intermodal units, declining 3.3% compared with the same week in 2020. For the first four weeks of 2021, they reported cumulative rail traffic volume of 620,608 carloads and containers and trailers, up 5.6%

11. Intermodal, chemicals and grain boost US rail traffic in January

Record intermodal and chemicals volumes as well as higher grain volumes boosted overall U.S. rail traffic in January, 2021 according to data from the Association of American Railroads (AAR). January 2021 intermodal traffic rose 12.1% year-over-year to 1.17 million containers and trailers, according to AAR. Chemicals carloads increased by 4.4% or 5,717 carloads, while grain carloads shipped increased by 31,434 from a year ago. That’s a 40% increase year-over-year. However, despite the increased volumes for chemicals and grains carloads, overall January 2021 carloads were down 2.1% to 930,303 carloads amid a 12.7% decrease in coal carloads, an 18.9% decline in carloads of crushed stone, sand and gravel, and a 12.1% drop in carloads of petroleum and petroleum products. Combined U.S. carload and intermodal traffic in January totaled 2.1 million, up 5.3% from last year.

12. CP reports record January for Canadian grain transport

Canadian Pacific (CP) moved 2.22 million metric tonnes (MMT) of Canadian grain and grain products in January 2021. This exceeds the previous January record in 2020 by 6 percent. CP has shipped 16 MMT of Canadian grain and grain products in the 2020-2021 crop year, exceeding the amount shipped at this time in the 2019-2020 crop year by more than 13 percent. Joan Hardy, CP Vice-President Sales & Marketing Grain and Fertilizers said “CP, our customers and other supply chain participants have once again collaborated to move record amounts of grain through the month. Despite a rainy start in Vancouver, the efficiency and effectiveness of the CP service model and the resiliency of the supply chain allowed for recovery through the month and supported this strong result.”

13. CN Named One of Montreal’s Top Employers

CN is pleased to be recognized as one of Montreal’s Top Employers for 2021 by Canada’s Top 100 Employers for the seventh consecutive year. Dorothea Klein, senior vice-president and chief human resources officer at CN said “I am pleased that CN has once again been named to this prestigious list, especially as it comes following a year of unprecedented challenges and changes. Railroaders play an essential role in the economy every day and this award belongs to all of them. Together, we will continue to build on the elements that make us a top employer while continuing to foster an inclusive, engaging and diverse environment for everyone.”

14. BNSF touts customer investments in railroad’s development program

Customers in BNSF’s rail development program in 2020 invested about \$1.1 billion to build or expand facilities on BNSF properties, according to the western U.S. railroad. The customers include agricultural, consumer and industrial producers. Among them are Coldpoint Logistics, a cold storage solutions provider that invested \$25 million and opened phase four of its facility at BNSF’s Logistics Park Kansas City in Kansas; Delta Peanut, which invested \$70 million to add two tracks for shipping outbound peanuts at its facility in Jonesboro, Arkansas; and Ingredient, an ingredients provider that invested more than \$100 million in its facility in South Sioux City, Nebraska.

15. CN Announces New Partnership with Earth Rangers

CN is pleased to announce it has entered a new partnership with Earth Rangers, a youth-focused Canadian environmental charity, to continue to engage employees, and their families to help make a difference through the EcoConnexions program. In 2011, CN and Earth Day Canada launched EcoConnexions, an award-winning employee engagement program, to embed sustainability into the corporate culture through targeted initiatives supporting the program’s three pillars: reducing energy consumption, minimizing waste, and improving housekeeping practices at CN yards and offices across North America. The program focuses on educating and engaging employees on the program’s

three pillars, identifying, and sharing best practices across the network and recognizing and celebrating employee initiatives.

16. AAR: Traffic Holding Steady

U.S. rail traffic for the week ending Feb. 6, 2021, largely reflected the previous week's figures, with an intermodal gain tamping down a carload decline, according to the AAR's Feb. 1, 2021 report. Total U.S. weekly rail traffic came in at 495,815 carloads and intermodal units, a 2.2% increase vs. the same week last year. Total carloads for the week were 226,393, down 2.5% compared with the same point in 2020, while intermodal volume was 269,422 containers and trailers, up 6.4% compared with last year. Canadian railroads reported 77,309 carloads for the week, up 1.1%, and 71,036 intermodal units, up 15.2% vs. the same week in 2020. For the first five weeks of 2021, they reported cumulative rail traffic volume of 768,953 carloads, containers and trailers, up 5.9%.

17. Kitchener GO Rail Tunnel Excavation Complete

The Ontario government has completed excavation of the second of two tunnels under Highways 401 and 409, bringing the Kitchener GO corridor one step closer to becoming a two-way, all-day rail service. This milestone represents a significant achievement in Ontario's GO Expansion program supporting the creation of a modern, sustainable rail transit network in the province.

18. CN Continues to set Ambitious Goals for Sustainability with Advisory Vote on the Company's Climate Action Plan

The Board of Directors of CN is pleased to announce it will seek an annual advisory vote on the Company's climate action plan. The non-binding vote will take place at CN's Annual General Meeting of Shareholders starting in April 2021. Robert Pace, chair of the Board of CN said "CN supports the Paris Agreement and is proud to be part of the climate solution, including being amongst the leading companies globally to enable shareholders to vote on the Company's climate action plan."

19. Zero-Emission Locomotives on U.S. Railways?

Based on emerging technologies in batteries, hydrogen fuel cells and renewable natural gas, zero-emission motive power is a possibility. In 2025, the U.S. EPA Tier 5 standard and the European Euro7 standard should come into effect. Both standards limit the emission of harmful substances by trains and locomotives to very low values. In particular, in the Tier 5 standard, in comparison with Tier 4, the value of NOx (oxides of nitrogen) decreases from 1.3 g/dHp-hr to 0.2 g/dHp-hr, and the value of PM (particulate matter) from 0.03 to 0.00. Thus, the standard requires zero PM emissions and almost zero NOx emissions. Typically, long before standards change, locomotive factories design and manufacture prototype locomotives that meet the requirements of these standards. Already today, prototypes and many production locomotives have been manufactured that meet these requirements.

20. News Alert: Canadian National train derailed in Chicago suburb

A Canadian National Railway freight train derailed about 8 a.m. Monday February 15, 2021 at an intersection with Metra UP-W tracks in West Chicago, according to Metra spokesman Michael Gillis. Metra UP-W is a commuter rail line operated by Union Pacific Railroad. Its trains were not passing West Chicago after the derailment. The West Chicago Police Department said in a brief tweet that the train derailed just north of Washington Street and that the crossings at Washington, Church and Ann streets would "all be blocked/closed until further notice. Keep this in mind as you travel through town. We will post updates as they become available."

21. Everyone Wins With PSR

"It's time to run another train east." These are the exact words I used [Harrison Hunter] when working for the Southern Pacific Railroad (SP) as an Assistant Terminal Superintendent at the Roseville, Calif., terminal in 1969. This was "smart railroading" for most railroads in the 20th Century. Now, Precision Scheduled Railroading (PSR) governs operating decisions on most railroads. What was this "old way?" Why is PSR the "go to" management tool for today's rail operations? This writing hopes to give the reader a better understanding of the light-year change in the railroad operation decision-making process, all to benefit the shipper, railroad management, employees and the investors.

22. CSX, Union Pacific caution about bad winter weather

Bitter cold and strong winter storms could impact rail operations over the next several days, according to service advisories from several U.S. Class I railroads. Snow and ice from a destructive winter storm was causing widespread power outages and highway accidents from eastern Texas to the Mississippi, Tennessee and Ohio valleys, *FreightWaves* reported. CSX warned about shipping delays in the Midwest as a winter storm passes through the region. "CSX is advising customers to expect delays on shipments moving through the Ohio Valley and Midwest, as a winter storm tracks across a large portion of the central United States toward the Northeast. The CSX team has resources in position and is ready to resolve any delays that may occur as quickly as possible," CSX said in a service advisory on February 15, 2021.

23. AAR: Total Weekly Traffic Near 2020 Levels

Traffic for the week ending Feb. 13, 2021 came in at 480,483 carloads and intermodal units, a 0.3% increase vs. the

same week last year. Continuing the trend, the week's intermodal volume of 269,063 containers and trailers was up 6.9%, lifting total traffic, as carloads of 211,420 were down 7%. North American rail volume for the week ending Feb. 13, 2021, on 12 reporting U.S., Canadian and Mexican railroads totaled 301,184 carloads, down 7.4% compared with the same week last year, and 351,190 intermodal units, up 7.8% compared with 2020. Total combined weekly rail traffic in North America was 652,374 carloads and intermodal units, up 0.2%. Rail volume for the first six weeks of this year was 4,181,488 carloads and intermodal units, up 3.3% compared with 2020. Canadian railroads reported 69,222 carloads for the week, down 8.4%, and 64,581 intermodal units, up 18.3% compared with the same week in 2020. For the first six weeks of this year, they reported cumulative rail traffic volume of 902,756 carloads, containers and trailers, up 5.4%.

24. Government of Canada approves changes to improve rail safety

February 22, 2021, the Minister of Transport, the Honourable Omar Alghabra, announced that changes to the *Rules Respecting Key Trains and Key Routes* have been approved by Transport Canada. These changes are the result of Ministerial Orders that were put in place in 2020, to address important risk factors for derailments caused by railway infrastructure, especially during winter operations. The revised *Rules Respecting Key Trains and Key Routes*, under the *Railway Safety Act*, now: 1) require railway companies to develop a winter operation plan that is specific to each subdivision where higher risk key trains operate, which must be approved by a professional engineer; 2) require use of new technology to detect a broken rail in areas where it is not currently present; 3) strengthen track inspection (increased frequency and improved quality) and track maintenance requirements (i.e., ultrasonically testing replacement rail and improved record-keeping); and, 4) define a 'higher risk key train' as a train carrying large quantities of crude oil or liquid petroleum gases and prescribe speed restrictions for these trains.

25. Freight Rail Services Price Index, February 2021

The Freight Rail Services Price Index (2018=100) is now available for February 2021 on Statistics Canada website. The Freight Rail Service Price Index for February 2021 was 105.2 compared to 104.3 for January 2021.

26. US Class I rail headcount sinks to near decade low

The number of employees working for the U.S. operations of the Class I railroads in January fell to its lowest level in years, according to data received by the Surface Transportation Board. U.S. Class I railroad operations had 113,461 employees working in their ranks in January, an 11.6% drop from January 2020 and a 3.7% decline from December. This total is the lowest since January 2012, the earliest date for which *FreightWaves* has data. January's total also beat October 2020's low of 114,960 employees. Both year-over-year and sequential declines occurred across all six categories: professional and administrative; executives, officials and staff assistants; maintenance of way and structures; maintenance of equipment and stores; transportation (other than train and engine); and transportation (train and engine). Employee headcount for the train and engine (T&E) category was 45,521 in January, which is 12% lower than January 2020 and 4.2% lower than December.

27. Discussions among railroads to be allowed as evidence in price-fixing lawsuits

U.S. District Court Judge Paul A. Friedman determined on February 19, 2021 (Friday) that four railroads — Union Pacific, BNSF, CSX and Norfolk Southern — must include certain evidence in ongoing legal proceedings concerning allegations of price fixing that occurred in the early 2000s. The proceedings, which involve over 200 shippers, are about whether the railroads applied fuel surcharges on rail rates that weren't related to fuel. The shippers argue that the purpose of the fuel surcharges and the fuel cost recovery program between 2003 and 2008 was to garner additional revenue. The evidence pertains to communications among the railroads. The railroads in August 2020 argued before Friedman that these communications should be excluded from the proceedings. But Friday's ruling denies that request.

28. Railway carloadings, December 2020

In December 2020, Canadian railways carried 32.4 million tonnes of freight, an amount unchanged (0.0%) from December 2019, and the second highest on record for the month of December. Following a strong 6.0% year-over-year growth in November 2020, this signals a recovery to more seasonal levels after seven straight months of year-over-year declines since March. On the whole, in 2020 the volume of rail freight amounted to 365.5 million tonnes, a decrease of 5.4% from 2019. While this marked the first such decline in four years, freight volume remained close to the five-year annual average. While non-intermodal freight loadings in Canada fell 3.9% to 295.6 million tonnes, intermodal freight traffic was down 10.7% to 33.2 million tonnes, the lowest annual level in four years. Finally, freight traffic coming from the United States saw a year-over-year decline for the first time in four years, dipping 11.7% to 36.7 million tonnes.

29. CN Undertakes Major New Environmental, Social and Governance Initiatives

The Board of Directors of CN is pleased to announce measures that will reinforce the Company's status as a leader in Environmental, Social, and Governance (ESG) among North American Class 1 railroads and across the transportation sector, including improvements to the effectiveness, transparency and accountability of the Board in line with emerging best practices. Our longer-term goal is to be at the leading edge of ESG best practices across North America and

globally. The new ESG measures include the creation of the CN Indigenous Advisory Council, an annual advisory vote on CN's climate change action plan, and a commitment to a Board of Directors that has at least 50 percent of the independent directors come from diverse groups, including gender parity, in 2022. They also encompass a revamping of governance policies to reduce the age limit and tenure of Directors, to restrict further the number of other boards on which Directors can serve, and to reduce the size of the Board.

30. AAR Week 7: Intermodal, Carloads Post Double-Digit Losses

For the week ending Feb. 20, 2021 total U.S. rail traffic of 377,904 carloads and containers fell 21.7% vs. the same week last year, reported the Association of American Railroads on Feb. 24, 2021. Carloads as well as intermodal containers and trailers posted double-digit losses compared with 2020, coming in at 171,642 (down 26.3%) and 206,262 (down 17.4%), respectively. Rail volumes decreased "as extreme winter weather gripped much of North America," Susquehanna Financial Group Analyst Bascome Majors noted in a Feb. 24 railroad report. It's the first time weekly intermodal volume has dipped since the week ending Sept. 12, 2020. And it's the first time this volume has not offset carload declines since the week ending Oct. 3, 2020. Canadian railroads reported 67,877 carloads for the week, a decline of 11.1%, and 63,968 intermodal units, an increase of 13.8% compared with the same week last year. For the first seven weeks of 2021 they reported cumulative rail traffic volume of 1,034,601 carloads, containers and trailers, a 4.6% rise.

HIGHWAY TRANSPORTATION

1. TFI International acquires Fleetway Transport

TFI International has purchased Fleetway Transport, a Brantford, Ont.-based truckload and heavy haul provider. Fleetway operates flatbeds, roll-tites, stepdecks and other equipment as well as providing warehousing and transportation for refrigeration equipment. It has more than 100 employees, with more than 80 tractors and 250 trailers. TFI International says its latest addition brings about \$25 million in annual revenue and will operate as a standalone company within its specialized truckload segment. President David Rees and vice-president of finance Scott Walker will continue to lead the company.

2. GCT becomes a sustaining member of WESTAC

The Western Transportation Advisory Council (WESTAC) is pleased to announce that GCT Global Container Terminals has become a sustaining member of the Council. Sustaining members make an enhanced commitment to support WESTAC's vision and goal of being the premier forum for transportation leaders in Western Canada. "WESTAC commends GCT for strongly supporting balanced dialogue and collaboration among leaders in order to drive positive outcomes for Western Canada," says Lindsay Kislock, President and CEO of WESTAC.

3. SmartTrack Program Moving Forward

On February 2, 2021, Caroline Mulroney, Minister of Transportation, Kinga Surma, Associate Minister of Transportation (GTA) and John Tory, Mayor of Toronto, issued the following joint statement after the Toronto City Council vote in favour of a revised "Ontario-Toronto Agreement in Principle" for the SmartTrack Stations Program: "The Government of Ontario and the City of Toronto are working together to deliver a shared vision of a modern, integrated transit network. Our transit plan for Toronto will help unlock gridlock, relieve congestion and aid in our economic recovery as a major driver for investment and a significant source of employment. ..."

4. Heniff Transportation buys Premier Bulk Systems

Premier Bulk Systems has a new owner, after being acquired by U.S.-based Heniff Transportation Systems. Premier will continue to operate as a separate Canadian entity led by founder Kevin Berry. The deal took effect Feb. 1, 2021. "This transaction enhances our customers' ability to leverage

HIGHWAY TRANSPORTATION

Canada

1. TFI International acquires Fleetway Transport, February 1, 2021, www.todaytrucking.ca
2. GCT becomes a sustaining member of WESTAC, February 1, 2021, www.westac.ca
3. SmartTrack Program Moving Forward, February 2, 2021, www.mto.gov.on.ca
4. Heniff Transportation buys Premier Bulk Systems, Feb. 2, 2021, www.todaytrucking.com
5. UPS shreds fourth-quarter estimates as demand surged, February 2, 2021, www.freightwaves.com
6. Titanium Transportation finds 'transformative' acquisition in ITS, February 5, 2021, www.insidelogistics.com
7. TFI International Announces 2020 Fourth Quarter and Full-Year Results, February 8, 2021, www.tfiintl.com
8. Ontario Urges Federal Government to Fund Updated Hamilton LRT Plan, February 9, 2021, www.mto.gov.on.ca
9. Nortrans buys Micra Transportation Services, February 9, 2021, www.todaytrucking.com
10. New equipment, revenue-generating terminals part of TForce Freight's plan, February 10, 2021, www.todaytrucking.com
11. December 2020 Freight Transportation Services Index (TSI) Rose to Highest Level since Start of Pandemic, Feb. 10, 2021, www.bts.gov
12. Trucking contract rates up 12% year-over-year, February 6, 2021, www.freightwaves.com
13. Mullen Group Ltd. Reports 2020 Financial Results, Feb. 11, 2021, www.mullen-group.com
14. Quiet on the M&A front, Mullen Group may eye U.S. market, February 11, 2021, www.todaytrucking.com
15. Ontario Restarting Passenger Road Tests in Most DriveTest Centres Across the Province, February 12, 2021, www.mto.gov.on.ca
16. XTL Group buys Transport Savoie, February 12, 2021, www.todaytrucking.com
17. Fastfrate acquires ASL Distribution Services,

the resources and services of both organizations across the entire North American liquid chemical supply chain” said Berry, president of Premier Bulk Systems. “In addition to seamless access to a broad range of complimentary services such as ISO/Depot services and third-party logistics services, our customers will benefit from Heniff’s integrated operating network that includes over 100 terminal and tank wash facilities across the U.S.” The acquisition gives Heniff an entry into the cross-border Canadian market. In addition to its network of more than 100 terminals, it also operates more than 30 rail transload sites, 50 maintenance locations and 15 depots for import/export and food grade operations through subsidiary Carry Transit.

5. UPS shreds fourth-quarter estimates as demand surged

UPS Inc. on February 2, 2021 reported solid 2020 fourth-quarter results as delivery demand roared during a holiday shipping season amplified by soaring e-commerce activity as the COVID-19 pandemic raged in the U.S. and most of Europe. The nation’s largest transportation company also reported all-time annual records for revenue at \$84.2 billion and adjusted diluted earnings per share of \$8.23. On an adjusted diluted basis, UPS posted a fourth-quarter gain of \$2.66 a share, way above consensus estimates that ranged between \$2.10 and \$2.14 a share. The adjusted EPS figures were 55 cents per share higher than the adjusted 2019 results, equating to a 26.1% year-on-year gain, Atlanta-based UPS said. After adjustments and dilution, UPS reported a 2020 fourth-quarter loss of \$3.75 a share. Fourth-quarter 2020 revenue rose 21% to \$24.9 billion, with double-digit growth across all of its three main segments, UPS said. On an adjusted basis, operating income rose 26% to \$2.2 billion, the highest quarterly operating profit in the company’s 114-year history.

6. Titanium Transportation finds ‘transformative’ acquisition in ITS

Titanium Transportation has found the “transformative” acquisition it has been looking for. The company announced this morning it has purchased International Truckload Services (ITS), a Belleville, Ont.-based truckload provider that adds 330 tractors, 1,600 trailers – and about \$80 million in annual revenue – to its books. Titanium has made no secret in recent years that it was looking to complete a major acquisition, one that would potentially double its size. While its purchase of ITS falls short of that lofty goal, it leapfrogs Titanium from the 24th largest Canadian fleet to the 12th, based on *Today’s Trucking’s* most recent Top 100 compilation.

7. TFI International Announces 2020 Fourth Quarter and Full-Year Results

TFI International Inc. a North American leader in the transportation and logistics industry, on February 8, 2021 announced its results for the fourth quarter and full year ended December 31, 2020. Total revenue of \$1.12 billion was up 13% and, net of fuel surcharge, revenue of \$1.05 billion was up 19% compared to the prior year period. Operating income from continuing operations grew 26% to \$117.1 million from \$92.8 million the prior year period, primarily driven by acquisitions, strong execution across the organization, increased quality of revenue, an asset-right approach, cost efficiencies, and Canadian Emergency Wage Subsidy contributions of \$6.3 million. Net income from continuing operations grew 49% to \$86.3 million from \$58.0 million the prior year period, and net income from continuing operations of \$0.91 (CAD \$1.18) per diluted share was up relative to \$0.70 (CAD \$0.92) the prior year period. Adjusted net income, a non-IFRS measure, was \$93.4 million, or \$0.98 (CAD \$1.27) per diluted share, as compared to \$60.1 million, or \$0.72 (CAD \$0.95) per diluted share, the prior year period. Total revenue grew 16% for Package and Courier, 2% for Truckload and 59% for Logistics, and declined 10% for Less-Than-Truckload, relative to the prior year period. Operating income was higher across all segments in Q4 in comparison to the prior year.

8. Ontario Urges Federal Government to Fund Updated Hamilton LRT Plan

Following extensive consultation with local partners, Ontario is seeking a financial commitment from the federal government to fund an updated Light Rail Transit (LRT) plan for the people of Hamilton. The province is identifying the Hamilton LRT project as a fifth priority transit project, joining the Ontario Line Subway, Scarborough Subway Extension, Eglinton Crosstown West Extension and Yonge North Subway Extension projects.

9. Nortrans buys Micra Transportation Services

builds e-commerce capabilities, February 16, 2021, www.todaystrucking.com

18. Road Freight in ASEAN: New Covid-19 Response and Recovery Guidelines, February 18, 2021, www.itf-oecd.org

19. Rates surge, no ‘significant rate relief’ in 2021, Cass says, February 18, 2021, www.freightwaves.com

20. CTA: Mandate for ArriveCAN App Must Not Come into Force for Trucking Industry, February 18, 2021, www.insidelogistics.ca

21. Trucking associations question new Covid-19 requirements at border, February 18, 2021, www.todaystrucking.com

22. Seaboard Group buys Armour Transportation, February 22, 2021, www.insidelogistics.ca

23. Goodyear to acquire Cooper Tire, February 22, 2021, www.todaystrucking.com

24. Seaboard Group buys Armour Transportation, February 22, 2021, www.freightwaves.com

25. Travel between Canada and other countries, December 2020, February 23, 2021, www.statcan.gc.ca

26. Truck tonnage gets 1.4% bump in January, February 23, 2021, www.todaystrucking.com

27. Urban public transit, December 2020, February 25, 2021, www.statcan.gc.ca

28. Loadlink: Lockdowns Impacting Spot Market, February 25, 2021, www.ontruck.ca

29. Freight costs down, Surcharges Rise in DEC: CGFI, December 25, 2021, www.cantruck.ca

30. BREAKING: Quebec won’t enforce ELD mandate in June, February 25, 2021, www.todaystrucking.com

Nortrans Freight Management has purchased Micra Transportation Services, which operates a fleet of roll title and curtain side trailers, specializing in third-party logistics. The acquisition expands Nortrans' fleet to 85 trailers and 65 power units, and adds to its existing fleet of curtain side trailers. "We're excited to announce that Micra will be joining the Nortrans family in the coming weeks," announced Derek Norman, founder and president of Nortrans. "Their deep experience in third-party logistics and fleet of specialized equipment will help us better serve our existing customers and expand into new markets across Canada and the U.S. Over the past 12 years, Micra has earned the reputation as a leading transportation service and has built a set of values and culture which align with our own."

10. New equipment, revenue-generating terminals part of TForce Freight's plan

TFI International's first step in integrating the UPS Freight fleet it purchased in January 2021 will be to upgrade the equipment to reduce maintenance and repair costs, and improve driver satisfaction. "Focus number one is equipment," Alain Bedard, chairman and CEO of TFI International said during a conference call with analysts this week. "We want to be lean and mean in terms of costs and one big thing we can do without making a mistake – because with customers, you can make mistakes – is replacing old equipment with new equipment. Replacing a 2004 truck with a 2021 truck, you can't make a mistake by doing that." Updating the fleet will reduce maintenance costs, improve safety and translate to happier drivers. The company also wants to immediately focus on reducing cargo claims, which are currently too high at about 1%, Bedard noted. He would like to see that sliced in half in short order.

11. December 2020 Freight Transportation Services Index (TSI) Rose to Highest Level since Start of Pandemic

The Freight Transportation Services Index (TSI), which is based on the amount of freight carried by the for-hire transportation industry, rose 2.7% in December 2020 from November 2020, rising to the highest level since the start of the pandemic, according to the U.S. Department of Transportation's Bureau of Transportation Statistics' (BTS). The index reached the level of 136.3, the highest level since 136.9 in January 2020. The index rose 8.4% since dropping to 125.7 in April 2020 at the start of the pandemic. Annually, from December 2019 to December 2020 the index fell 0.1% compared to a decline of 0.6% from December 2018 to December 2019 and a rise of 2.9% from December 2017 to December 2018.

12. Trucking contract rates up 12% year-over-year

Shippers spent 12% more per mile for dry van truckloads on average through most of the fourth quarter of 2020 than they did in 2019. That is according to *FreightWaves*' newest dataset that measures trends in long-term rates (not spot rates) between shippers and van carriers, Van Contract Base Rate Rate per Mile (VCRPMF). Trucking costs have been trending higher since late June 2020, following a dramatic increase in the Van Outbound Tender Reject Index (VOTRI). The tender rejection indices measure the rate at which carriers reject shippers' requests for capacity. Higher rejection rates indicate less capacity, which leads to shippers moving down their carrier lists — also known as route guides — looking for coverage. As they move down the list, rates tend to be higher and service deteriorates.

13. Mullen Group Ltd. Reports 2020 Financial Results

Mullen Group reported its fourth quarter 2020 results and year end results on February 11, 2021. For the fourth quarter of 2020, revenue decreased by \$16.9 million, or 5.4 percent, to \$297.7 million and is summarized as follows: 1) Less-Than-Truckload segment up \$2.1 million, or 1.8 percent, to \$116.3 million - revenue improved by \$2.1 million due to the incremental revenue generated from the acquisition of Pacific Coast Express Limited ("PCX") and the steady nature of consumer demand being partially offset by COVID-19 and \$3.1 million of lower fuel surcharge revenue. 2) Logistics & Warehousing segment down \$5.4 million, or 5.3 percent, to \$96.8 million - revenue declined by \$5.4 million due to COVID-19 and government restrictions which led to plant closures and supply chain disruptions resulting in lower freight volumes and spot prices along with \$2.4 million of lower fuel surcharge revenue. 3) Specialized & Industrial Services segment down \$15.2 million, or 15.2 percent, to \$84.8 million - revenue declined by \$15.2 million due to lower demand for fluid hauling and drilling related services resulting from low oil prices, curtailed maintenance programs and a lack of drilling activity. Revenue also declined due to lower demand for water management services and pumps at Canadian Dewatering L.P. ("Canadian Dewatering"). These decreases were partially offset by greater demand for large diameter pipeline hauling and stringing services at Premay Pipeline Hauling L.P

14. Quiet on the M&A front, Mullen Group may eye U.S. market

Mullen Group may take a closer look at expanding in the U.S., as a stagnant Canadian economy and pricey valuations have tempered the company's appetite to make a major deal here. Murray Mullen, chairman, CEO and president of Mullen Group took plenty of questions about the company's lack of acquisitions during an earnings call with analysts Feb. 11, 2021. "We wouldn't have looked at any of them," he said of the bigger acquisitions that occurred in the Canadian market. "The ones we did look at, valuations have moved." Mullen has about \$250 million available for acquisitions but has yet to find a substantial one that is priced right and offers the necessary synergies, instead focusing on smaller tuck-ins. That has Mullen considering taking a closer look at expansion in the U.S.

15. Ontario Restarting Passenger Road Tests in Most DriveTest Centres Across the Province

The Ontario government is safely restarting in-vehicle passenger road tests on Tuesday, February 16, 2021 at most

DriveTest centres across the province. Road tests will not be starting in public health unit regions still subject to a Stay-at-Home order (Toronto, Peel, York and North Bay Parry Sound), or in regions in Grey-Lockdown zones, such as Niagara Region. Strict public health and workplace safety measures will be in place for all in-vehicle passenger road tests to prevent the spread of COVID-19.

16. XTL Group buys Transport Savoie

The XTL Group has acquired cross-border refrigerated transport provider Transport Savoie of Manseau, Que. The deal marks XTL's first acquisition in its history and adds nearly 40 power units to the fleets. Transport Savoie has been family-run since 1964 and will complement XTL's existing services, the company said. It will continue to be led by Jean Savoie, son of founder Alain Savoie. "We are very excited to welcome the team at Transport Savoie to the XTL family. The synergies between our organizations position us for mutual success and we look forward to our continued growth together," said Serge Gagnon, president and CEO at XTL. XTL has been growing its cross-border refrigerated service, making Transport Savoie a good fit, the company said. It also adds to XTL's Centre-du-Quebec presence, supporting Montreal and Quebec City markets.

17. Fastfrate acquires ASL Distribution Services, builds e-commerce capabilities

Fastfrate Group is acquiring ASL Distribution Services for an undisclosed sum, adding to a recent frenzy of mergers and acquisitions in Canada's trucking industry. The deal, which includes all operating entities, is expected to add \$120 million to Fastfrate Group revenue this year. The acquisition gives Fastfrate 13 new terminals and Final Mile hubs in Ontario, Quebec, Manitoba, and New York, and opens the door to e-commerce activities. ASL's home and office Final Mile delivery division completes about 2 million deliveries per month.

18. Road Freight in ASEAN: New Covid-19 Response and Recovery Guidelines

ASEAN Member States will have new tools to help them address issues related to road freight transport caused by the COVID-19 pandemic as part of the initiatives under the ASEAN Comprehensive Recovery Framework. ASEAN has approved guidelines to support the response and recovery of road freight transport among its Member States in the context of the pandemic.

19. Rates surge, no 'significant rate relief' in 2021, Cass says

Data released by Cass Information Systems highlighted advances in the company's shipments and expenditures indexes during January 2021, on February 18, 2021. The shipments component increased 8.6% year-over-year with the expenditures index surging 19.5%. The data showed shipments improved 3% from December 2020 on a seasonally adjusted basis, which was the largest move since September 2020. "This acceleration takes us another step closer to the strong growth environment which we expect to continue in 2021, due in no small part to easy comparisons," according to the report's author, ACT Research's Tim Denoyer. Compared to January 2019, the shipments index is still 1.6% lower.

20. CTA: Mandate for ArriveCAN App Must Not Come into Force for Trucking Industry

A federal Order in Council (OIC) was introduced this week (February 14, 2021) which is causing major concern for members of the Canadian Trucking Alliance (CTA). The recently published Order in Council states the following: "As of February 22, 2021, all travellers, whether arriving by land or air will be required to submit their travel and contact information, including a suitable quarantine plan, electronically via ArriveCAN before crossing the border or boarding a flight to Canada." CTA is currently clarifying with the Government of Canada whether this requirement applies to essential workers (truck drivers) and if it also applies to U.S. truck drivers entering the country. If the Government of Canada confirms it is defining all travellers to include essential workers, CTA is asking that the federal government delay implementation of this OIC for the trucking industry.

21. Trucking associations question new Covid-19 requirements at border

Canadian trucking associations are pushing back against plans to require border-crossing truck drivers to submit contact information and quarantine plans through the ArriveCAN app, as well as any proposal to require drivers to submit recent Covid-19 test results. Non-essential travelers now have to submit proof of a negative Covid-19 test taken within the previous 72 hours, but truck drivers are exempt from such requirements as essential workers. Their screening is currently limited to a series of questions asked at the land crossings. Canada's public safety minister has said the government is looking at plans to require cross-border truck drivers to submit proof of negative Covid-19 tests. But questions about whether truck drivers should be included in the testing program emerged this weekend, when Public Safety Minister Bill Blair told CBC that the government was exploring the idea.

22. Seaboard Group buys Armour Transportation

Armour Transportation Systems has been purchased by Cape Breton, N.S.-based Seaboard Transportation Group. Armour Transportation was founded in 1966 by Wes Armour, and has grown to include more than 2,000 employees and 4,000 pieces of equipment. It also operates 24 terminals and operates divisions that include: Armour Courier Services, Armour Logistics Services, Diamond's Transfer, Hillman's Transfer, Pole Star Transport, RJS Terminals, Triple B Trucking and Way's Transport.

23. Goodyear to acquire Cooper Tire

The Goodyear Tire and Rubber Company will acquire the Cooper Tire and Rubber Company in a US\$2.5-billion transaction. Cooper is North America's fifth-largest tire manufacturer and has 10,000 employees in 15 countries. It has 10 manufacturing facilities around the globe.

24. Seaboard Group buys Armour Transportation

Armour Transportation was founded in 1966 by Wes Armour, and has grown to include more than 2,000 employees and 4,000 pieces of equipment. It also operates 24 terminals and operates divisions that include: Armour Courier Services, Armour Logistics Services, Diamond's Transfer, Hillman's Transfer, Pole Star Transport, RJS Terminals, Triple B Trucking and Way's Transport. Seaboard Transport Group was founded 55 years ago and transports bulk petroleum and chemical products, as well as general and refrigerated freight. It also operates a rail siding in Western Canada. Recently added services include rail-to-truck and truck-to-rail transloading as well as bulk storage of dry and liquid products.

25. Travel between Canada and other countries, December 2020

Travellers to Canada from both the United States and overseas countries were down 93.0% in December 2020 compared with December 2019. Similarly, the number of Canadian residents returning from abroad was down 91.3% year over year. Despite an advisory against non-essential travel outside Canada and a mandatory 14-day quarantine period for Canadians returning from abroad, over 170,700 Canadians flew home from abroad in December 2020, up by one-third (+33.7%) from November 2020. Following three consecutive years of positive growth, international travel to and from Canada declined from 96.8 million travellers in 2019 to 25.9 million in 2020.

26. Truck tonnage gets 1.4% bump in January

U.S. for-hire truck tonnage rose 1.4% in January 2021, according to the latest data from the American Trucking Associations (ATA). "Over the last four months, the tonnage index has increased a total of 3.3%, which is obviously good news," said ATA chief economist Bob Costello. "However, the index is still off 2.8% from the high in March 2020 as tonnage plunged 9% in April 2020 alone. I continue to expect a nice climb up for the economy and truck freight as we get more economic stimulus and increased vaccination numbers." Year-over-year, tonnage was down 2.1%. For all of 2020, the index was 4% below the 2019 average.

27. Urban public transit, December 2020

Progress made during the summer towards recovery in public transit ridership was more or less halted over the last three months of the year. In December 2020, Canada's public transit networks carried 52.5 million passengers, down 65.8% from December 2019, following similar year-over-year declines in October and November. This marked the tenth consecutive month of such declines and the lowest number of passengers carried since July 2020. On a monthly basis, there were almost 4 million fewer passenger trips on Canada's transit systems in December 2020—a 6.9% decrease from November 2020. A seasonal decline of this size is not unexpected given school breaks and vacations during the holiday season. Despite major restrictions and closures in the Montreal and Toronto areas to combat a second wave, agencies in Ontario and Quebec reported a 4.1% decline in passengers from November. In December 2020, transit agencies continued to face the challenge of declining revenues stemming from the loss in ridership. Total operating revenues (excluding subsidies), were \$131.0 million in December, 61.3% or \$207.7 million lower than in December 2019.

28. Loadlink: Lockdowns Impacting Spot Market

Domestic freight on Canada's spot market declined in January 2021 due to provincial lockdown measures, but inbound cross-border freight was on the rise, reports *Today's Trucking*. The magazine reports that Loadlink Technologies data shows little change to spot market volumes in January 2021, with 2020 trends continuing. Cross-border freight accounted for nearly three quarters of all load postings on Loadlink's network. Year-over-year, total loads were down 13% in January 2021. Load volumes were steady through most of January, but the third week of the month saw volumes falling 5% compared to the rest of the month. For the fourth straight month, outbound cross-border load volumes were down, 33% from December 2020 and 31% compared to last January. Meanwhile, equipment postings were up 22% from December 2020.

29. Freight costs down, Surcharges Rise in DEC: CGFI

Canadian shippers paid marginally less for ground transportation in December 2020, down 0.44% compared to November 2020, according to the Canadian General Freight Index (CGFI), reports Truck News. The Base Rate Index, excluding accessorial charges, dropped 1.14% month over month. Average fuel surcharges accounted for a larger share of rates. Average fuel surcharges increased, with fuel accounting for 12.15% of base rates in December 2020 compared to 11.12% in November 2021, CGFI says. "Total freight costs decreased by 0.44% from last month driven by a decrease in cross-border LTL and cross-border truckload, and an increase in domestic LTL and truckload," said Doug Payne, President and COO of Nulogx, which produces the index. "Of particular note, accessorials increased again this month. Year over year, cross-border LTL and domestic truckload are above last year's level. Domestic LTL and cross-

border truckload are below last year's level.”

30. BREAKING: Quebec won't enforce ELD mandate in June

On Feb. 25, 2021 the Société de l'assurance automobile du Québec informed the Quebec transportation industry, through its newsletter Le Relayeur, that the use of electronic logging devices (ELDs) in Quebec will not be mandatory as of June 12, 2021. However, Le Relayeur reports that work to harmonize provincial regulations with those of the federal government is still in progress, and that to make the use of the ELDs mandatory in Quebec, amendments are required to the province's Highway Safety Code and the regulation respecting the hours of driving and rest of heavy vehicle drivers.

GENERAL TRANSPORTATION

Canada

1. Global supply chains choke under tsunami of freight

With global supply chains buckling under huge order volumes and a confluence of disruptive forces, shippers should prepare for 2021 to be a perpetual peak season across all transport modes, logistics experts warn. Competition for freight space is so fierce that companies will need to pay exorbitant premiums to get on planes and vessels and apply more flexible shipping methods to avoid delays. And the unusual move to keep factories open during the long Chinese New Year holiday means freight transportation systems won't have a chance to draw down shipments stacking up at ports and loading docks. “There will be no slack season this year,” said Brian Bourke, chief growth officer at Chicago-based SEKO Logistics, during a video briefing for reporters on Monday, February 8, 2021.

2. Amazon faces biggest unionization drive in its history

Work rule pressures has led some Amazon workers to organize the biggest unionization push at the company since it was founded in 1995. And it's happening in the unlikeliest of places: Bessemer, Alabama, a state with laws that don't favour unions. Workers face an uphill battle against the employer with a history of crushing unionizing efforts.

3. Proposed Accessible Transportation Planning and Reporting Regulations now open for public review and comments

The Canadian Transportation Agency (CTA) on February 13, 2021 announced that its proposed Accessible Transportation Planning and Reporting Regulations are now published in Part I of the Canada Gazette for public review and comments. The proposed regulations will implement planning and reporting requirements in the Accessible Canada Act for Transportation Service Providers (TSPs) in the federal transportation network. TSPs will be required to develop accessibility plans, feedback processes and progress reports that will ensure the identification and removal of barriers – and the prevention of new barriers – in transportation-related areas such as communication, services and equipment.

4. Joint Statement by Transport Canada and the U.S. Department of Transportation on the Nexus between Transportation and Climate Change

On February 24, 2021, Canada's Minister of Transport, the Honourable Omar Alghabra and United States Transportation's Secretary, the Honourable Pete Buttigieg, issued the following statement: “Recognizing the transport sector constitutes one of the largest sources of greenhouse gas emissions for both nations, and in light of the integrated nature of our transportation sectors, we are committed to reinvigorate our bilateral cooperation to fight climate change and limit the environmental impacts from our transportation networks—on land, air and sea. ... This new focus on climate will reinforce our already vast cooperation portfolio across all modes of transportation to ensure safe, secure, and efficient transportation networks of today, while preparing for the innovations of tomorrow, and recovering our economies in a way that promotes employment, sustainability and equity.”

5. Execs optimistic that trade will bounce back

Senior executives who make international trade decisions are optimistic that global commerce will bounce back quickly after the pandemic. A study commissioned by DP World and conducted by The Economist Intelligence Unit found that 70 percent of businesses predict trade will recover to pre-pandemic levels more quickly than recovery after the financial crisis of 2008, which took two years and two months. Nearly a third thought the recovery would be twice as fast, with trade returning to pre-pandemic levels within a year.

GENERAL TRANSPORTATION

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1. Global supply chains choke under tsunami of freight, February 11, 2021, www.freightwaves.com
2. Amazon faces biggest unionization drive in its history, February 12, 2021, www.insidlogistics.ca
3. Proposed Accessible Transportation Planning and Reporting Regulations now open for public review and comments, February 13, 2021, www.cta-otc.gc.ca
4. Joint Statement by Transport Canada and the U.S. Department of Transportation on the Nexus between Transportation and Climate Change, February 24, 2021, www.tc.gc.ca
5. Execs optimistic that trade will bounce back, February 25, 2021, www.logistics.com