

Transportation Information Update*

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AIR TRANSPORTATION

1. Omicron undercuts hopes of travel revival for Canadian Airlines

Just when winter-weary Canadians typically seek travel to warmer locales, omicron threatens to undermine any potential revival for the country's airline industry. Canada's air traffic recovery had already been lagging the U.S. even before the highly contagious Covid-19 variant emerged. Traffic at Canadian airport security checkpoints was 53% of 2019 levels in the first 19 days of December—the most recent numbers available—versus 84% in the U.S., according to data from transport security authorities. The Canadian outlook is even more uncertain as omicron forces flight cancellations around the globe and prompts new restrictions in some countries. Onex Corp.'s WestJet Airlines, Canada's second-largest carrier, said it will consolidate about 15% of scheduled flights through the end of January 2022. "We could not have anticipated the rapid and unpredictable impact of the omicron variant on our people and operations, coupled with prolonged frigid temperatures across Western Canada and global staffing shortages," Interim Chief Executive Officer Harry Taylor said on December 29, 2021 in a statement.

2. Monthly civil aviation statistics, October 2021

Major Canadian airlines carried 3.1 million passengers on scheduled and charter services in October 2021, surpassing the 3-million mark for the second time since the beginning of the COVID-19 pandemic. While this was more than triple the number of passengers carried in October 2020, it was 47.3% of the pre-pandemic level reported in October 2019. With traffic at 7.0 billion passenger-kilometres and capacity at 10.4 billion available seat-kilometres, the passenger load factor (the ratio of passenger-kilometres to available seat-kilometres) was 67.4%. The \$917.7 million operating revenue earned in October 2021 was slightly under half (48.2%) of the operating revenue earned before the pandemic in October 2019.

3. Aircraft movement statistics: Major airports, October 2021

In October 2021, there were 404,663 aircraft movements at Canada's major airports. While this was an increase of 14.5% from October 2020, it was 21.7% lower than in October 2019, before the COVID-19 pandemic. International movements continued to rise in October, with those to and from the United States reaching 21,441 and other international movements hitting 7,750. At more than one-half (51.2% and 58.5%, respectively) of the levels from October 2019, this is the closest traffic has been to pre-pandemic levels since March 2020. Movements to and from the United States rose sharply at Abbotsford and Montréal/St-Hubert, two airports where services were available to fly Canadians across the border while their vehicles were shipped by land. Toronto/Lester B. Pearson International was Canada's busiest airport, followed by Vancouver International and Abbotsford.

4. Weekly aircraft movements, November 27 to December 17, 2021

Weekly data on aircraft itinerant movements are now available for November 27 to December 17, 2021. Domestic movements for the week ending December 11, 2022 were 35, 119 compared to 35,079 movements for the

AIR TRANSPORTATION Canada

1. Omicron undercuts hopes of travel revival for Canadian Airlines, January 3, 2022, www.ajot.com
2. Monthly civil aviation statistics, October 2021, January 4, 2022, www.statcan.gc.ca
3. Aircraft movement statistics: Major airports, October 2021, January 4, 2022, www.statcan.gc.ca
4. Weekly aircraft movements, November 27 to December 17, 2021, January 5, 2022, www.statcan.gc.ca
5. Hong Kong bans flights from US, U.K., six other nations, January 5, 2022, www.ajot.com
6. Statement by Ministers Alghabra, Duclos, and Mendicino on non-compliance with public health and air safety requirements on a recent Montréal to Cancun flight, January 4, 2022, www.tc.gc.ca
7. Air Travel Consumer Report: October 2021 Numbers, January 6, 2022, www.dot.gov
8. U.S. Airlines' November 2021 Fuel Use Dips 1.7% from October, Remains 13.2% Lower than Pre-Pandemic, January 6, 2022, www.bts.gov
9. November 2021 Airline Industry Employment Drops from October in First Decrease Since April 2021, Remains 5.4% Below Pre-Pandemic November 2019, January 10, 2022, www.bts.gov
10. Air cargo growth slows due to supply chain issues, January 11, 2022, www.iata.org
11. Weekly aircraft movements, December 18 to 31, 2021, January 12, 2022, www.statcan.gc.ca
12. Passenger Traffic Improved in November; Omicron Restrictions Likely to Affect Period Ahead, January 12, 2022, www.iata.org
13. October 2021 U.S. Airline Traffic Data, January 13, 2022, www.bts.gov
14. U.S. Scheduled Passenger Airlines Add Employees in November 2021, January 13, 2022, www.bts.gov
15. Open letter from doctors in the transportation and tourism sector, January 17, 2022, www.westjet.ca
16. Airlines Financial Monitor December 2021, January 17, 2022, www.iata.org
17. Airlines urge US regulators to delay 5G wireless rollout, January 18, 2022, www.ajot.com
18. Weekly aircraft movements, January 1 to 7, 2022, January 19, 2022, www.statcan.gc.ca
19. Statement by Minister Alghabra on the firefighting staffing shortage at the St. John's

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

week ending December 4, 2011.

5. Hong Kong bans flights from US, U.K., six other nations

Hong Kong is banning flights from eight countries including the U.S. and U.K. for two weeks from Jan. 8, 2022 in a drastic tightening of rules as it rushes to plug holes that have seen the highly infectious omicron Covid-19 variant break through the city's defenses. The bans last until Jan. 20, 2022 and also apply to flights from Australia, Canada, France, India, Pakistan and the Philippines, Hong Kong Chief Executive Carrie Lam said at a news conference on January 5, 2022. The government is also tightening social-distancing measures, banning evening dining-in at restaurants and closing venues including bars, gyms and bathhouses, Lam said, warning there may be "silent transmission" of the virus in the community. The moves come amid fears that the city's low vaccination rate makes it uniquely vulnerable to a new outbreak as omicron arrives.

6. Statement by Ministers Alhabra, Duclos, and Mendicino on non-compliance with public health and air safety requirements on a recent Montréal to Cancun flight

On January 4, 2022, the Minister of Transport, the Honourable Omar Alhabra, the Minister of Health, the Honourable Jean-Yves Duclos, and the Minister of Public Safety, the Honourable Marco Mendicino, issued the following statement: "The health and safety of on-board personnel as well as passengers during a flight is a top priority. We are aware of unacceptable behavior and cases of non-compliance with mask wearing and other air safety requirements that occurred on a privately chartered flight from Montréal to Cancun on December 30, 2021. "Our Government takes reported incidents such as these very seriously. We have directed our respective departmental officials to immediately launch an investigation into these allegations of non-compliance with COVID-19 and air safety rules and regulations. "Transport Canada has been in contact with the airline concerning this flight. Should the department determine that non-compliance with Transport Canada regulations and requirements has occurred, fines of up to \$5,000 per offence could be issued to passengers."

7. Air Travel Consumer Report: October 2021 Numbers

On January 6, 2022, the U.S. Department of Transportation released its Air Travel Consumer Report (ATCR) on airline operational data compiled for the month of October 2021 for on-time performance, mishandled baggage, mishandled wheelchairs and scooters, complaints received, and oversales. The ATCR is designed to assist consumers with information on the quality of services provided by airlines. The ATCR and other aviation consumer matters of interest to the public can be found at <https://www.transportation.gov/airconsumer>. The COVID-19 pandemic continued to result in significant changes to airline schedules and operations in October 2021. The 582,759 flights operated in October 2021 were 84.8% of the 686,811 flights operated in pre-pandemic October 2019.

8. U.S. Airlines' November 2021 Fuel Use Dips 1.7% from October, Remains 13.2% Lower than Pre-Pandemic

On January 6, 2022, the Department of Transportation's Bureau of Transportation Statistics (BTS) released U.S. airlines' November Fuel Cost and Consumption numbers indicating U.S. scheduled service airlines used 1.25 billion gallons of fuel, 1.7% less fuel than in October and 13.2% less than in pre-pandemic November 2019. At \$2.31, the cost per gallon of fuel in November 2021 was up 8 cents (3.6%) from October's \$2.23.

9. November 2021 Airline Industry Employment Drops from October in First Decrease Since April 2021, Remains 5.4% Below Pre-Pandemic November 2019

U.S. airline industry employment decreased to 707,557 workers in November 2021, 16,670 (2.3%) fewer workers than in October 2021 (724,227) and 23,959 (5.4%) fewer than in pre-pandemic November 2019 (748,143). U.S. scheduled service passenger airlines employed 436,166 workers in November 2021 or 62% of the industry-wide total.

10. Air cargo growth slows due to supply chain issues

Air cargo growth slowed in November 2021. November 2021 was a relatively soft month for air cargo, as industry-wide cargo tonne-kilometres (CTKs) grew by 3.7% compared to the same month in 2019. This is down from 8.2% in October 2021 on the same basis and the lowest rate since January 2021. The deterioration is somewhat unexpected, as there are signs that demand remains strong during the peak cargo season. Most of the slowdown in the volumes carried in November 2021 can be explained by supply chain issues. The highlights were as follows: 1. Growth in industry-wide cargo tonne-kilometres (CTKs) slowed in November 2021 after a prolonged period of strong performance. CTKs were 3.7% above their November 2019 levels, after rising 8.2% in October versus October 2019. 2. The softening is

International Airport, January 18, 2022, www.tc.gc.ca
20. Third Quarter 2021 Average Air Fare Increases from Second Quarter. Still Down from Pre-Pandemic 2019, January 19, 2022, www.bts.gov
21. Annual civil aviation statistics, 2020, January 21, 2022, www.statcan.gc.ca
22. Air Passenger Market Analysis December 2021, January 25, 2022, www.iata.org
23. Air Cargo Market Analysis December 2021, January 25, 2022, www.iata.org
24. Government of Canada supporting the Kelowna International Airport with new funding for critical infrastructure projects, January 26, 2022, www.tc.gc.ca
25. Weekly aircraft movements, January 8 to 14, 2022, January 26, 2022, www.stcan.gc.ca
26. Air Travel Consumer Report: November 2021 Numbers, January 26, 2022, www.statcan.gc.ca
27. Monthly civil aviation statistics, November 2021, January 27, 2022, www.statcan.gc.ca
28. Aircraft movement statistics: Major airports, November 2021, January 27, 2022, www.statcan.gc.ca
29. BTS Updates National Transportation Statistics with U.S. Passenger Miles, People Residing in Areas of Significant, January 27, www.bts.gov

somewhat unexpected, as many drivers of demand, such as consumption and new export orders, are performing well. However, air cargo is increasingly impacted by supply chain issues, notably with congestion at airports and a lack of capacity where it is most needed. 3. The deceleration in growth was widespread across the main regions, though not homogeneous. International CTKs in North America, for instance, grew 11.4% compared to November 2021, while they fell by 13.6% in Latin America.

11. Weekly aircraft movements, December 18 to 31, 2021

Weekly data on aircraft itinerant movements are now available for December 18 to 31, 2021 on *Statistics Canada* website. For the week ending December 25, 2021, total domestic aircraft movements were 21,935 compared to 33,028 for the week ending December 18, 2021.

12. Passenger Traffic Improved in November; Omicron Restrictions Likely to Affect Period Ahead

The International Air Transport Association (IATA) announced that the recovery in air travel continued in November 2021, prior to the emergence of Omicron. International demand sustained its steady upward trend as more markets reopened. Domestic traffic, however, weakened, largely owing to strengthened travel restrictions in China. Because comparisons between 2021 and 2020 monthly results are distorted by the extraordinary impact of COVID-19, unless otherwise noted all comparisons are to November 2019, which followed a normal demand pattern. 1. Total demand for air travel in November 2021 (measured in revenue passenger-kilometers or RPKs) was down 47.0% compared to November 2019. This marked an uptick compared to October's 48.9% contraction from October 2019. 2. Domestic air travel deteriorated slightly in November 2021 after two consecutive monthly improvements. Domestic RPKs fell by 24.9% versus 2019 compared with a 21.3% decline in October. Primarily this was driven by China, where traffic fell 50.9% compared to 2019, after several cities introduced stricter travel restrictions to contain (pre-Omicron) COVID outbreaks. 3. International passenger demand in November 2021 was 60.5% below November 2019, bettering the 64.8% decline recorded in October.

13. October 2021 U.S. Airline Traffic Data

U.S. airlines carried 65.1 million systemwide (domestic and international) scheduled service passengers in October 2021, seasonally-adjusted, according to the Bureau of Transportation Statistics' (BTS), up 3.7% from September. BTS reported 59.3 million domestic passengers and 5.8 million international passengers on U.S. airlines flights in October.

14. U.S. Scheduled Passenger Airlines Add Employees in November 2021

The 24 U.S. scheduled passenger airlines employed 414,597 full-time equivalents (FTEs) in November 2021, 1,151 FTEs (0.3%) more than in October 2021. This is the seventh consecutive month-over-month increase in passenger airline FTEs, dating back to May 2021. November's total number of FTEs remains down 37,472 FTEs (8.3%) from pre-pandemic November 2019's 452,429 FTEs.

15. Open letter from doctors in the transportation and tourism sector

Dear Hon. Jean-Yves Duclos, P.C., Minister of Health; Dr. Theresa Tam, Chief Public Health Officer of Canada; Hon. Christine Elliott, Deputy Premier of Ontario and Minister of Health; and Dr. Kieran Moore, Ontario Chief Medical Officer of Health. Over the last two months, Omicron has quickly become the predominant variant of COVID-19. As it spreads throughout our communities, we need to ensure Canada's limited testing resources are being used where Canadians need them most—to support our communities, schools, hospitals and long-term care homes. As the government has ramped up testing at airports for international arrivals, we have seen frontline workers struggle to get PCR tests and lab processing capacity decrease significantly. There is a growing discrepancy between resources allocated to asymptomatic travellers and to those who need it most. In the most recent week of reported data, over 123,000 PCR tests were conducted at Canada's airports with an average positivity rate of 3 per cent. Meanwhile, the positivity rate in our communities is now approximately 30 per cent and could be higher due to the under-reporting of positivity from a lack of tests. We call on the Government of Canada to work with Ontario to implement the following measures immediately to support our healthcare system and our communities: 1. Remove mandatory arrivals testing from airports and shift these scarce resources to our schools, community and healthcare system. 2. Revert to surveillance arrival testing of international air passengers. 3. Require mandatory isolation for persons arriving from an international location if they are exhibiting symptoms or test positive on a surveillance test. Travellers who are asymptomatic after receiving their negative pre-departure test before travel to Canada should not be required to isolate. Now is the time to put scarce testing resources where Canadians need them most: in our communities and not in our airports. The end to the policy of Covid-19 at airports was also urged by Air Canada and airports.

16. Airlines Financial Monitor December 2021 – January 2022

The IATA Airlines Financial Monitor key points for January 2022 are: 1. The latest financial results confirm that the pressure on the industry's operating profitability eased in Q3 2021. In the sample of 87 airlines, the operating loss – improved from 13.6% of revenues in Q2 to 2.6% in Q3. 2. The Global airline share price index picked up in January 2022 amid investors' confidence that Omicron-related disruptions might have a smaller impact on the travel industry than previously expected. Nevertheless, the index remains 30% below pre-crisis levels. 3. Jet fuel prices also

rebounded from the Omicron-related dip in December 2021 and are currently at the highest level since late-2018. The elevated price is adding extra pressure on airlines' operating costs just at the time when travel demand is being hit by renewed travel restrictions.

17. Airlines urge US regulators to delay 5G wireless rollout

A trade association representing major U.S. airlines asked Transportation Secretary Pete Buttigieg and the nation's top communications and aviation regulators to prevent wireless carriers from implementing 5G services close to airports. Airlines for America warned in a letter on January 17, 2022 that the traveling and shipping public could see "catastrophic disruptions" if the new C-band frequencies were put into service within two miles of where aircraft fly. The association said it was willing to work with the government and carriers to find a mutually agreeable solution. Wireless carriers including AT&T Inc. and Verizon Communications Inc. reached an agreement with federal regulators earlier this month to launch the new service on Jan. 19, 2022. Airlines are worried the signals could interfere with instruments that measure an aircraft's altitude. The Federal Aviation Administration granted approvals January 16, 2022 that will allow some jetliners to operate within zones where new 5G wireless services are being used, significantly reducing the potential impact on flight schedules. The decision permits landings during low visibility at as many as 48 of the 88 U.S. airports with equipment for such arrivals, the FAA said.

18. Weekly aircraft movements, January 1 to 7, 2022

Weekly data on aircraft itinerant movements are now available for January 1 to 7, 2022. Total domestic movements for the week ending December 25, 2021 was 21, 935 compared to 22,833 for the week ending January 1, 2022.

19. Statement by Minister Alghabra on the firefighting staffing shortage at the St. John's International Airport

On January 18, 2022, the Minister of Transport, the Honourable Omar Alghabra, issued the following statement about the shortage of firefighting staff at the St. John's International Airport: "On January 18, the St. John's International Airport announced that there are insufficient firefighting staff levels to continue certain levels of commercial operations. Until the airport can address the firefighting staffing levels, commercial passenger flights, as well as other flight operations, will see interruptions and cancellations. This airport provides an essential service to Newfoundland-and-Labrador. The consequences of staffing issues are completely unacceptable. I want to reiterate that my priority remains the safety of passengers and of operations. Both parties must take any necessary steps to find a solution that will keep operations ongoing and safe. We will continue to monitor the efforts of the airport to get back to full service."

20. Third Quarter 2021 Average Air Fare Increases from Second Quarter, Still Down from Pre-Pandemic 2019

The average U.S. domestic air fare increased in the third quarter of 2021 to \$314, up 3.2% from the inflation-adjusted fare of \$305 in the second quarter and up 4.7% from the unadjusted second-quarter fare of \$300. Adjusted for inflation (constant 2021 dollars), the average 3Q 2021 air fare was up 22.0% from \$258 in the same quarter of 2020 and down 14.7% from pre-pandemic Q3 2019 (\$368). Air fares increased as passenger demand increased, with U.S. airlines reporting 73.9 million originating passengers in the third quarter of 2021, up 174% from 26.9 million passengers in the third quarter of 2020.

21. Annual civil aviation statistics, 2020

After 10 consecutive annual increases in air traffic since the 2009 economic downturn, the COVID-19 pandemic severely impacted the airline industry. In 2020, Canadian air carriers transported 28.4 million passengers, less than one-third (30.2%) of the 94.1 million passengers carried in 2019, before the pandemic. Operating revenue earned by Canadian air carriers in 2020 fell to \$12.2 billion, less than half (41.4%) the number reported in 2019. While cargo revenue recorded an increase, up 20.0% to \$2.1 billion, the decline in passengers pushed net operating income down by over \$5 billion from 2019.

22. Air Passenger Market Analysis December 2021

IATA released its *Air Passenger Market Analysis* for December 2021 on January 25, 2022. In brief, Air travel recovery continued in December 2021. The highlights were: 1) The air-travel recovery continued into the year-end despite Omicron disruptions, with industry-wide revenue passenger-kilometers (RPKs) down 45.1% in December 2021 versus December 2019. For the year 2021, global RPKs rose to 41.6% of 2019 levels compared with 34.2% in 2020 as more markets reopened with vaccination progress. 2) Global passenger seat capacity (ASKs) recovered to 51.2% of pre-pandemic levels in 2021 and the global passenger load factor was at 67.2% – down 15.4 percentage points compared with 2019. 3) Ticket sales for future travel deteriorated since November 2021 across domestic and international routes. This suggests that the traditionally less busy January-February period will be weaker than in the absence of Omicron.

23. Air Cargo Market Analysis December 2021

IATA released its *Air Cargo Market Analysis* for December 2021 on January 25, 2022. In brief, Air cargo ends a dynamic year on a strong note. The highlights were: 1) Growth in industry-wide cargo tonne-kilometres (CTKs) rebounded in December, to 8.9% above December 2019, up from 3.9% from November 2021. In 2021 overall, air cargo volumes rose by 18.7% year-on-year, the second-best yearly performance since our series started in 1990 (behind 2010). Volumes were 3.5% above the pre-crisis 2018 peak. 2) Throughout the year, air cargo has been driven by a

balance between robust demand for goods – including PPE at the end of the year – and supply chain issues partly linked to a lack of capacity. CTKs growth markedly over performed growth in global goods trade (by 8.9 percentage points), partly due to the inventory restocking cycle. 3) In 2021, available cargo tonne-kilometres (ACTKs) fell by 10.9% compared to 2019. Capacity did nevertheless come back slowly during the year due to improvements in international passenger traffic. In December 2021, ACTKs were only 4.7% below the same month in 2019. The tight market led to exceptionally high load factor and air cargo rates.

24. Government of Canada supporting the Kelowna International Airport with new funding for critical infrastructure projects

On January 26, 2022, the Honourable Omar Alghabra and the Honourable Harjit S. Sajjan, announced more than \$18 million in funding to help the Kelowna International Airport recover from the effects of the COVID-19 pandemic, and to support continued air services and important transportation infrastructure projects at the airport. To help ensure safe airport operations for aircraft, passengers and crew, the airport will receive over \$15.2 million from Transport Canada's Airport Critical Infrastructure Program. In addition to the funding for the critical infrastructure projects, the Government of Canada also provided the Kelowna International Airport with just over \$3 million from Transport Canada's Airport Relief Fund to help it maintain continued airport operations and essential air services for residents and workers in Kelowna and surrounding communities.

25. Weekly aircraft movements, January 8 to 14, 2022

Weekly data on aircraft itinerant movements are now available for January 8 to 14, 2022. Total domestic movements for the week ending January 8, 2022 were 27,717 compared to 22, 833 for the week ending January 1, 2022.

26. Air Travel Consumer Report: November 2021 Numbers

The U.S. Department of Transportation on January 26, 2022 released its Air Travel Consumer Report (ATCR) on airline operational data compiled for the month of November 2021 for on-time performance, mishandled baggage, mishandled wheelchairs and scooters, complaints received, and oversales. The COVID-19 pandemic continued to result in significant changes to airline schedules and operations in November 2021. The 573,134 flights operated in November 2021 were 88.2% of the 649,511 flights operated in pre-pandemic November 2019. Operated flights in November 2021 were up 47.9% year-over-year from the 387,481 flights operated in November 2020 and down 1.7% month-over-month from the 582,759 flights operated in October 2021.

27. Monthly civil aviation statistics, November 2021

Major Canadian airlines carried 3.2 million passengers on scheduled and charter services in November 2021, surpassing the 3-million mark for the second consecutive month. While this was well above the number of passengers carried in November 2020, it was about half (51.5%) of the pre-pandemic level reported in November 2019. With traffic at 7.2 billion passenger-kilometres and capacity at 10.5 billion available seat-kilometres, the passenger load factor (the ratio of passenger-kilometres to available seat-kilometres) was 68.5%. Although the \$1.0 billion operating revenue earned in November 2021 was the highest since March 2020, it was 58.1% of the operating revenue earned before the pandemic in November 2019.

28. Aircraft movement statistics: Major airports, November 2021

In November 2021, there were 374,217 aircraft movements at Canada's major airports. This was 55,829 more take-offs and landings than in November 2020, but 59,531 fewer than in November 2019, before the pandemic. In November 2021, both domestic and international traffic edged closer to pre-pandemic levels, with total domestic traffic at 87.4% of the number recorded for November 2019, movements to the United States at 56.9% and other international at 68.3%. Toronto/Lester B. Pearson International was Canada's busiest airport, followed by Vancouver International and Abbotsford, British Columbia.

29. BTS Updates National Transportation Statistics with U.S. Passenger Miles, People Residing in Areas of Significant

The Bureau of Transportation Statistics (BTS) on January 27, 2022 released its monthly update to National Transportation Statistics (NTS), a collection of annual transportation measures at the national level. This month's featured table, U.S. Passenger Miles, looks at how Americans are moving around. The January release also features tables on the number of road miles on U.S. streets and highways; transportation safety by mode; spending on transportation by Federal, State, and Local governments; and transportation energy consumption.

WATER TRANSPORTATION

1. Suez Canal revenues hit all time record

Egypt's Suez Canal said on January 2, 2022 that its annual revenues reached US\$6.3 billion last year, the highest in the crucial waterway's history. Admiral Ossama Rabei, head of the Suez Canal Authority, said last year's revenues rose 12.8 percent, compared to 2020, when the canal achieved \$5.6 billion. He said in a statement that 20,649 vessels flowed through the Suez Canal last year, an increase of 10 percent compared to 18,830 vessels in 2020. About 10 percent of global trade, including seven percent of the world's oil, flows through the Suez Canal, which connects the Mediterranean and Red seas. The canal, first opened in 1869, is source of national pride and foreign currency to Egypt.

2. Los Angeles port to fine carriers for lingering empty containers

The Port of Los Angeles, the U.S.'s largest for container traffic, will charge a fee on ocean carriers that fail to clear empty containers off the docks from the end of next month. From Jan. 30, the port will charge carriers \$100 per day for each empty box sitting on the docks for at least nine days, rising by \$100 daily until the container leaves the terminal, the port said in an emailed statement on December 30, 2021. The fee is subject to approval by the Harbor Commission. The charge is similar to that which Los Angeles and neighbouring Long Beach announced on Oct. 25, 2021 for lingering import containers. While the twin ports haven't implemented the charge, its threat has reduced the number of import boxes sitting on marine terminals since late October 2021 by more than half, Los Angeles port Executive Director Gene Seroka said.

3. Port of Oakland plans more space to ease farm-export space crunch

California's Port of Oakland will open a new container yard for agricultural exporters struggling with capacity shortages and high freight costs. The 25-acre off-terminal yard at Oakland, the preferred export gateway for California's agricultural exporters and for refrigerated proteins, "will provide access to equipment and provide faster truck turns without having to wait for in-terminal space," the port said in an emailed statement on January 3, 2021. The surge in imports at the U.S.'s maritime hubs has clogged up ports, displacing ships and containers that are available to exporters, especially shipments of farm goods, the port said. It didn't say when the new port would be operational. The delays at southern California's ports of Los Angeles and Long Beach—the nation's biggest sea gateway for trade—have resulted in cargo ships bypassing Oakland and heading directly back to Asia to make up for lost time. That's left agricultural exports on the docks and made them "collateral damage" in the supply-chain upheaval, according to Roger Isom, chief executive officer of the Western Agricultural Processors Association. California grows more than one-third of the U.S.'s vegetables and two-thirds of its fruits and nuts, according to the state's Department of Food and Agriculture. It exported \$21.7 billion of agricultural goods in 2019, including almonds, pistachios, dairy and dairy products, wine and walnuts.

4. The Government of Canada will continue to protect Southern Resident killer whales

The Southern Resident killer whales is an endangered species that has deep cultural significance for Indigenous peoples and coastal communities in the Salish Sea area in southern British Columbia. This is why the Government of Canada is committed to taking continued and important action to support its survival and recovery. On December 29, 2021, the Minister of Transport, the Honourable Omar Alghabra, reminded Canadians that as part of the measures introduced by the Government of Canada earlier in 2021, vessels are still prohibited from approaching any killer whale within a 400-metre distance in

WATER TRANSPORTATION Canada

1. Suez Canal revenues hit all time record, January 3, 2022, www.insidelogistics.ca
2. Los Angeles port to fine carriers for lingering empty containers, January 3, 2022, www.ajot.com
3. Port of Oakland plans more space to ease farm-export space crunch, January 3, 2021, www.ajot.com
4. The Government of Canada will continue to protect Southern Resident killer whales, December 29, 2021, www.tc.gc.ca
5. The Government of Canada announces the transfer of the Baie-Comeau port facilities, January 6, 2022, www.tc.gc.ca
6. Baie-Comeau port transferred to community, January 10, 2022, www.insidelogistics.ca
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10. Ocean Alliance adds new Asia services into US, Canada, January 13, 2022, www.joc.com
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22. LA Port saw record cargo in 2021 despite trade snarls, January 20, 2022, www.ajot.com
23. Port of Montreal: Accumulated container traffic – January to December 2021, January 21, 2022, www.portofmontreal.ca
24. U.S. Great Lakes infrastructure projects get green light, January 25, 2022,

British Columbia coastal waters between Campbell River and Ucluelet until May 31, 2022. Canada's Marine Mammal Regulations, which require maintaining 200 metres away from killer whales off the coast of B.C., continue to apply year-round. The 2021 Transport Canada measures resulted in many enforcement actions including the issuance of 11 administrative monetary penalties totalling \$45,750. The limited number of repeat violations reflects a successful educational campaign for boaters during the year.

5. The Government of Canada announces the transfer of the Baie-Comeau port facilities

On January 6, 2022, the Honourable Pablo Rodriguez, Minister of Canadian Heritage and Québec Lieutenant, on behalf of the Honourable Omar

Alghabra, Minister of Transport, announced that Transport Canada has officially transferred the Baie-Comeau port facilities to the Baie-Comeau Port Corporation. In addition to transferring the port facilities, the Government of Canada has allocated \$44.7 million to the Corporation to cover future costs of operating and maintaining the port facilities.

6. Baie-Comeau port transferred to community

Transport Canada has officially transferred the Baie-Comeau port facilities to the Baie-Comeau Port Corporation, a community-run, non-profit organization. The federal government also allocated \$44.7 million to the corporation to cover future costs of operating and maintaining the port facilities. This contribution must be spent within 20 years. All revenues from operations, as well as interest incomes generated on the federal contribution, will be used to develop new projects. The port corporation says it has a plan underway to increase the port's capacity and accommodate more cargo and cruise ships. In the short term this will mean service improvements, and within three years a new terminal will be developed, along with improvements to the whole port.

7. SC Ports achieves record volumes in 2021

South Carolina Ports had its best calendar year in history in 2021 as the SC Ports team and broader maritime community efficiently handled an unprecedented amount of cargo. "2021 was a truly banner year for South Carolina Ports," SC Ports CEO Jim Newsome said. "Amid tremendous and ongoing supply chain challenges, we handled record-breaking cargo volumes, while consistently providing capacity and fluidity for our customers. The strength of our port continues to be in the quality of our workforce and excellent maritime community." SC Ports handled 2.75 million twenty-foot equivalent container units (TEUs) at Wando Welch Terminal, North Charleston Terminal and Hugh K. Leatherman Terminal in 2021. This is a 19% increase from 2020 and a 13% increase from 2019. SC Ports handled 1.53 million pier containers — which accounts for containers of any size — in 2021. This is an 18% increase from 2020 and a 11% increase from 2019.

8. As liner stocks keep rising, other shipping shares are stalling

Shares of Zim are flirting with a new peak while shares of ship-leasing, dry bulk and tanker companies lose ground.

9. Maersk warns of more delays due to port congestion

Shipping line Maersk has warned customers of continuing delays in a notice published January 11, 2022. "Unfortunately, 2022 has not started off as we had hoped. The pandemic is still going strong and unfortunately, we are seeing new outbreaks impacting our ability to move your cargo. General sickness remains high as key ports in key regions are seeing new Covid-19 peaks," the shipping line said. "We recognize that this is causing delays to our customers' supply-chains and mitigating those disruptions is of the utmost importance to us. The situation is particularly challenging at several Hub Ports and Gateway terminals."

10. Ocean Alliance adds new Asia services into US, Canada

Members of the Ocean Alliance outline plans to add new Asia services to the US West and East coasts as part of a series of 2022 network changes.

11. PSA container throughput performance for 2021

PSA International Pte Ltd (PSA) handled record container volumes of 91.5 million Twenty-foot Equivalent Units (TEUs) at its port projects around the world for the year ending 31 December 2021. The Group's volume increased by 5.6% over 2020, with flagship PSA Singapore contributing a record 37.2 million TEUs (+1.6%) and PSA terminals outside Singapore handling 54.3 million TEUs (+8.4%). Mr. Tan Chong Meng, Group CEO of PSA, said, "The world in 2021 continued on its roller-coaster ride with widespread supply chain disruptions and congestions coupled with sustained recovery in global trade and demand. Despite the multiple hurdles posed by the global pandemic, PSA contributed to keeping supply chains safe and open for our customers, partners and stakeholders worldwide."

12. Record ships sailed Suez Canal in 2021 despite Ever Given saga

More ships traversed the Suez Canal in 2021 than ever before despite its temporary blocking by a 400-meter-long vessel and the effects of the coronavirus pandemic. Volumes are expected to continue to rise this year and again after a project to expand the waterway is completed, said the Suez Canal Authority. The Suez Canal generated \$6.3 billion in fees

www.insidelogistics.ca

25. 2022 Port Performance Freight Statistics Program: Supply-Chain Feature, January 24, 2022, www.bts.gov

26. Port of Long Beach Sets Cargo Record for 2021, January 24, 2022, www.railwayage.com

27. Vancouver rail service struggling ahead of new import surge, January 27, 2022, www.joc.com

28. Port of Halifax: Container statistics for the 2021 fourth quarter and Accumulated container statistics for 2021, January 27, 2022, www.portofhalifax.ca

from 20,694 ships passing through in 2021, said SCA's chairman and managing director Osama Rabie in an interview in Dubai on January 16, 2021. Volumes will be higher in 2022, despite a 6% increase in tolling charges from February 2022, because ship-makers are building more vessels, he said. Liquefied natural gas carriers are exempt from the hike. Vessels using fuels that meet United Nations emissions standards may also be eligible for a discount, although these plans have not been finalized, Rabie said. A project to widen and deepen the Suez Canal is underway and will be completed by July 2023, which will allow as much as 28% more vessels to pass through the canal, he said.

13. Port of Vancouver: Accumulated container traffic – January to December 2021

The Port of Metro Vancouver reported its container traffic for the period January to December 2021. Total container traffic in terms of TEUs increased 6.1 percent to 3,680,581 for this period from 3,467,521 a year ago. Total container imports for the period January 2021 to December 2021 was 1,924,576 TEUs compared to 1,854,200 TEUs a 3.8% increase compared to the same period a year ago. Total exports for the period January 2021 to December 2021 was 1,756,005 TEUs compared to 1,613,321 TEUs a 8.8% increase for the same period a year ago.

14. Prince Rupert set to rebound after poor 2021

Port officials in Prince Rupert, B.C., say 2021 was a difficult year as cargo volumes fell, but they are optimistic about a strong recovery. The Prince Rupert Port Authority released its annual cargo volumes report on January 18, 2022 showing 25 million tonnes moved through the facility last year, a 23 percent decrease in year-over-year total volume. Pandemic- and weather-related supply chain disruptions, loss of a core coal customer, decreased shipments due to a poor crop year and a competitive West Coast market are all listed as reasons for the shortfall. The statement from Shaun Stevenson, president and CEO of the port authority, says despite the upheavals, the port worked to streamline and accelerate the movement of containers while new expedited rail services to Toronto and Chicago will move cargo "at a record pace."

15. Port of Prince Rupert: Accumulated container traffic – January to December 2021

The Port of Prince Rupert reported its container traffic for the period January to December 2021. Total container traffic in terms of TEUs decreased 8 percent to 1,054,836 for this period from 1,141,390 a year ago. Total container imports for the period January 2021 to December 2021 was 546,962 TEUs compared to 643,590 TEUs a 15% decrease compared to the same period a year ago. Total exports for the period January 2021 to December 2021 was 507,874 TEUs compared to 497,801 TEUs a 2% increase for the same period a year ago.

16. The Government of Canada supports three projects to help reduce underwater noise impacts on marine mammals

Through Innovative Solutions Canada challenges from Transport Canada, the Government is funding three research projects to develop new technologies to reduce underwater vessel noise. A. Development of Quiet Depth Finder Technology – 1. Funding of \$150,000 will help Envisioning Labs Inc. develop a novel depth-finder technology that uses light detection and ranging (LiDAR)—rather than traditional sonar—to measure the depth of water beneath small recreational vessels. This technology would ensure safe recreational navigation on water while reducing underwater noise impacts on marine mammals. B. Protecting the Southern Resident killer whale: Reducing Underwater Noise from Escort Tugs - 2. Funding of \$150,000 will help Robert Allan Ltd. implement a quiet propeller and propulsion system in conjunction with an innovative tool to evaluate and predict underwater vessel noise from escort tugs. This tool could help vessel owner-operators understand and predict the underwater noise being generated by their tugs, and to implement effective mitigation strategies. 3. Funding of \$149,800 will help BPE Technologies Inc. develop a novel retrofit design concept for tugs which aims to improve water flow around the vessel's hull, resulting in increased efficiency and reduced underwater noise.

17. Government of Canada announces funding for innovative research to reduce underwater vessel noise

Mitigating the impacts of human activities, including underwater vessel noise, is vital to the protection and recovery of Canada's endangered marine mammals. Protecting our marine environment also ensures that Canada's oceans economy can continue to grow in a sustainable, environmentally responsible way. On January 18, 2022, the Minister of Transport, the Honourable Omar Alghabra, and the Minister of Innovation, Science and Industry, the Honourable François-Philippe Champagne, announced winners of two Innovative Solutions Canada challenges. Envisioning Labs Inc., Robert Allan Ltd., and BPE Technologies Inc. will receive a total of \$449,800 to help develop new technologies to make ships quieter, particularly when they pass through the critical habitat of whales, including the Southern Resident killer whale.

18. St. Lawrence Seaway sees higher tonnage despite grain dropoff

The non-profit authority overseeing the St. Lawrence Seaway says cargo numbers nudged up last year despite a weak grain crop as manufacturing and construction demand came roaring back. The St. Lawrence Seaway Management Corp. (SLSMC) says grain transport fell 20 percent year over year to 10.6 million tonnes in 2021 following a smaller crop and drought conditions across Western Canada and the American Midwest, though the figure aligns with the five-year average. SLSMC says shipments of iron ore, steel slabs and aluminum rebounded after a tough 2020 as the

automotive and construction sectors revved up throughout the navigation season, which stretched from March 12, 2021 to January 10 of 2022.

19. Port of Long Beach moves record cargo despite logjams

The Port of Long Beach moved record cargo volumes last year amid an import surge and supply-chain snarl brought on by the pandemic. The West Coast port handled 9.38 million 20-foot equivalent units last year, almost 16% more than a year earlier, it said in an emailed statement on January 19, 2022. U.S. supply chains have strained under unprecedented demand, worker and truck-chassis shortages and a shift to buying more material goods as Americans avoided travel and social outings over the course of the pandemic. Long Beach and neighboring Los Angeles received record amounts of imports in 2021 and despite efforts by the port and the Biden administration, long delays continue at the ports, which handle about 40% of the U.S.'s inbound containers. Imports jumped 14.6% to 3.58 million TEUs from a year earlier, while exports declined 2.6%, according to the Port of Long Beach. Empty containers moving through the docks surged 27.5% to 3.36 million. Executive Director Mario Cordero credited workers who kept goods moving and said the port was continuing to work on solutions to improve efficiency in the face of congestion and the increased imports.

20. LA port truckers seek to unionize in new gig work showdown

Hundreds of truckers who haul goods at Southern California ports and railyards are petitioning to unionize, hoping to convince federal authorities they're really employees and not contractors as their company claims. In a January 19, 2022 filing with the National Labor Relations Board, the Teamsters union requested a unionization election be held among around 250 drivers who work for the logistics company XPO Logistics Inc.

21. Port disruption concentrated in North America

A new scale from Kuehne+Nagel (K+N) shows global container waiting time to be 11.6 million TEU days. The Seaexplorer disruption indicator measures the efficiency of the world container shipping networks, showing cumulative TEU waiting time in days in the ports of Prince Rupert, Vancouver/Seattle, Oakland, Los Angeles/Long Beach, New York, Savannah, Hong Kong, Shanghai/Ningbo as well as Rotterdam/Antwerp. To arrive at 11.6 million TEU days, K+N multiplies the number of containers per ship times the number of days it waits outside a port to unload. For example, one vessel with 10,000 TEUs waiting 12 days to enter a port equals 120,000 TEU waiting days. In addition, another vessel with 5,000 TEU waiting 10 days to enter the same port equals 50,000 TEU waiting days. The total TEU waiting time is 170,000 TEU waiting days for that port.

22. LA Port saw record cargo in 2021 despite trade snarls

The Port of Los Angeles moved record cargo volumes last year amid an import surge at the U.S.'s biggest container gateway and supply-chain snarls brought on by the pandemic. The West Coast port handled 10.7 million 20-foot container units in 2021, 13% more volume than in 2018, the previous record year, Executive Director Gene Seroka said. "We learned how much cargo we could move through our port under extraordinary circumstances," Seroka said in a virtual event on January 20, 2022. While routinely breaking monthly records, port workers have faced longer hours and bottlenecks on and offshore. U.S. supply chains have strained under unprecedented demand, worker and truck-chassis shortages and a shift to buying more material goods as Americans avoided travel and social outings over the course of the pandemic. Neighbouring Port of Long Beach also hit a record this year, moving 9.38 million 20-foot equivalent units last year, almost 16% more than a year earlier, it said on January 19, 2022. And further north at Oakland—the preferred export gateway for California's agricultural exporters and for refrigerated proteins—import volumes surged to the highest in the port's 94-year history, it said on January 20, 2022. Los Angeles and Long Beach received record inbound shipments in 2021 and despite efforts by the ports and the Biden administration, delays continue at two operations, which handle about 40% of the U.S.'s inbound containers.

23. Port of Montreal: Accumulated container traffic – January to December 2021

The Port of Montreal reported its container traffic for the period January to December 2021. Total container traffic in terms of TEUs increased 7.52 percent to 1 728 114 for this period from 1 607 289 a year ago. Total container imports for the period January 2021 to December 2021 was 837 407 TEUs compared to 808 205 TEUs a 3.61 % increase compared to the same period a year ago. Total exports for the period January 2021 to December 2021 was 890 706 TEUs compared to 799 083 TEUs a 11.47 % increase for the same period a year ago.

24. U.S. Great Lakes infrastructure projects get green light

A project that will boost Great Lakes shipping in a crucial bottleneck and another intended to protect the lakes from invasive carp will get big funding increases under the Biden administration's infrastructure package. Sault Ste Marie, Michigan located in Chippewa County on the Canada-US border, The Soo Locks date back to the mid 1800's. Boats are lifted the 21-Foot difference between Lake Superior & Lake Huron. The U.S. Army Corps of Engineers said it would pump US\$479 million into construction of a new navigational lock at Sault Ste. Marie, Michigan, expanding a complex that enables vessels to haul bulk cargo between Lake Superior and the other Great Lakes. Additionally, the Corps will devote \$226 million to the Brandon Road Lock and Dam near Joliet, Illinois, where plans call for the installation of obstacles to prevent invasive carp from migrating up the Illinois River to Lake Michigan.

25. 2022 Port Performance Freight Statistics Program: Supply-Chain Feature

2022 Port Performance Freight Statistics Program: Supply-Chain Feature, a congressionally-mandated report on capacity and throughput at the top U.S. maritime ports, is now available from the Bureau of Transportation Statistics (BTS). As part of its Port Performance Freight Statistics Program, BTS publishes continuously updated tables and reports a snapshot to Congress each January. Reporting by the BTS Port Performance Freight Statistics Program presents nationally consistent capacity and throughput measures for the top 25 ports by tonnage, 20-foot equivalent unit (TEU), or dry bulk tonnage. Additionally, BTS reporting this year includes sections on 2020-2021 COVID-19 pandemic-related supply chain disruptions and on the 2020 hurricane season. Waterborne vessels handled over \$1.5 trillion in U.S.-international freight in 2020, more than 40% of total U.S.-international freight value. Also in 2020, waterborne vessels carried nearly 1.5 billion tons of U.S.-international freight, 70% of total trade weight.

26. Port of Long Beach Sets Cargo Record for 2021

Port of Long Beach dockworkers and terminal operators moved 9.38 million twenty-foot equivalent units (TEUs) in 2021, up 15.7% from the previous record set in 2020. In 2021, imports came in at 4.58 million TEUs, a 14.6% increase over the prior-year period, and exports were 1.44 million TEUs, a 2.6% decline, according to the Port of Long Beach. Empty containers moving through the port reached 3.36 million, a rise of 27.5%. The port also reported having 980 container vessel calls in 2021, down from 1,042 a year earlier due to the “elimination of ‘dual calls’ for some shipping services that moved up and down the West Coast.” The 2021 cargo boost, the port said, was driven by “evolving consumer spending habits during the COVID-19 pandemic, when demand for vacations, dining out and entertainment declined due to health precautions and pivoted toward home office supplies, furniture and exercise equipment.”

27. Vancouver rail service struggling ahead of new import surge

The Port of Vancouver is trying to restore cargo fluidity that has been disrupted from punishing rain and snowstorms that have hit British Columbia’s rail and road infrastructure over the past two months.

28. Port of Halifax: Container statistics for the 2021 fourth quarter and Accumulated container statistics for 2021

The Port of Halifax reported its container statistics (TEUs) on January 27 2022. Total container statistics (TEUs) for the 2021 fourth quarter increased 20.5% from the same quarter a year ago to 161,308 from 133,814. Total imports increased 28.3% to 82,173 from 64,048 and total exports increased 13.4% to 79,135 from 69,766. Total container statistics (TEUs) for 2021 increased 17% from the same period a year ago to 595,751 from 509,201. Total imports increased 16.8% to 302,912 from 259,403 and total exports increased 17.2% to 292,839 from 249,798.

RAIL TRANSPORTATION

1. Roads reopen two days after Alberta derailment

Traffic is no longer disrupted in a southern Alberta village following a train derailment earlier this week. RCMP say traffic on Highway 23 near Barons, Alta. has resumed as of early this afternoon. A Canadian Pacific Rail train had an engine derail at 9:30 a.m. and some empty fuel cars tipped over. Police have said diesel fuel was leaking from an entry point. Fire crews, CP Rail and hazardous materials response teams from Calgary were called to the scene on December 29, 2022. No injuries were reported in the derailment.

2. ‘Safety Integration Plan’ Proposed for CPKC

Potential merger partners Canadian Pacific (CP) and Kansas City Southern (KCS) on Dec. 28, 2021 submitted their safety integration plan to the Surface Transportation Board (STB) and Federal Railroad Administration (FRA) for review, meeting the STB’s procedural schedule deadline. Developed in accordance with FRA and STB regulations, the 164-page plan describes how CP and KCS would safely implement their combination, Canadian Pacific Kansas City (CPKC).

3. CN Issues Sustainability Report

CN has released its eighth “Delivering Responsibly Sustainability Report” outlining its ESG (environmental, social and governance) performance. The 76-page report for 2020 “is part of our commitment to be open about our business and to communicate our progress with focus, clarity and comparability,” CN said. Produced biennially, the report covers five

RAIL TRANSPORTATION

Canada

1. Roads reopen two days after Alberta derailment, January 1, 2022, www.insidelogistics.ca
2. ‘Safety Integration Plan’ Proposed for CPKC, December 30, 2021, www.railwayage.com
3. CN Issues Sustainability Report, January 3, 2022, www.railwayage.com
4. For 2021, Intermodal Record Collapses in Second Half, Jan. 5, 2022, www.railwayage.com
5. RAC Issues 10-Year Canadian Rail Snapshot, January 5, 2022, www.railwayage.com
6. Amtrak pledges support for CP-KCS combination, January 6, 2022, www.cpr.ca
7. LNG by Rail: Temporary Reg Rollback Under Review, January 10, 2022, www.railwayage.com
8. Freight Rail Services Price Index, December 2021, January 12, 2022, www.statcan.gc.ca
9. CN Submits Notice of Intent to File Responsive Application with the Surface Transportation Board, January 12, 2022, www.cn.ca
10. Week 1: Double-Digit Losses for U.S. Carloads, Intermodal, January 12, 2022, www.railwayage.com
11. CN, CP continue sparring over KCS merger, January 13, 2022, www.insidelogistics.ca

principles that “anchor” CN’s sustainability commitment. The highlights deal with environment, safety, people, community and governance.

4. For 2021, Intermodal Record Collapses in Second Half

In 2021, U.S. intermodal’s “record-setting” first half gave way to a lower second half as supply chain challenges persisted, reported Association of American Railroads Senior Vice President John T. Gray on Jan. 5, 2022; December volumes continued the downward trend, coming in 8.2% lower than the prior-year period, according to AAR figures. “Still, 2021 was the second-best U.S. intermodal year ever, behind only 2018,” Gray noted in AAR’s Jan. 5, 2022 rail traffic report. “On the carload side [in 2021], chemicals set a new annual record and grain had its best year since 2008. Coal carloads were up substantially because of sharply higher natural gas prices, while carloads of motor vehicles suffered as microchip shortages forced automakers to cut output.” According to AAR, U.S. Class I’s hauled 1,224,780 containers and trailers in December 2021, down 109,729 units (8.2%) from the same month in 2020; and 1,135,835 carloads, up 33,918 carloads (3.1%). Combined, U.S. carload and intermodal originations for the month were 2,360,615, falling by 75,811 carloads and intermodal units (3.1%) from December 2020. Canadian railroads reported 57,153 carloads for the week, down 23.2%, and 47,709 intermodal units, down 18% compared with the same week for 2020. For the first 52 weeks of 2021, they reported cumulative rail traffic volume of 7,556,277 carloads, containers and trailers, up 0.6%.

5. RAC Issues 10-Year Canadian Rail Snapshot

The Railway Association of Canada (RAC) has published the 29th edition of its Rail Trends report, providing a ten-year performance overview (2011-20) of its member passenger and freight railroads. RAC members include Class I railroads (six; Kansas City Southern is not included); short lines (38); and tourist (six), intercity passenger (two) and commuter (five) railroads. CN and Canadian Pacific account for the majority of freight rail activity; data reflects performance in Canada only. The Rail Trends report covers freight transportation; fuel; passenger transportation; safety; operating finances, investments and taxes; employment; and track and equipment. Following are among the highlights of RAC’s report: 1. The freight accident rate in 2020 improved by 15.1% to 1.82 accidents per billion gross ton-miles (GTM) vs. 2019; 2. In 2020, the number of accidents involving passenger trains, 53, was similar to the 2015-19 average of 55. However, the accident rate increased in 2020, according to RAC, because it is based on the number of riders, which fell; 3. Freight fuel efficiency in 2020 improved by 4.3% to 696 revenue ton-miles (RTM) per gallon vs. 2019, the best on record, RAC said; 4. In 2020, freight rail rates decreased by 1.9% to C4.97 cents per RTM vs. 2019; 5. Railways invested C\$2.6 billion into their Canadian assets in 2020, which is the second highest level on record; 6. In 2020, freight rail traffic, measured by RTMs, decreased by 0.8% from 2019, but was 3.9% above the 2015-19 average; 7. In 2020, the number of Canadian originating carloads decreased by 3.7%, from 5.7 million in 2019 to 5.5 million; 8. There were significant changes in carloads by commodity in 2020 compared with previous years; 9. From 2019-20, the number of intercity railway riders fell from 5.3 million to 1.2 million (-76.9%); 10. In 2020, freight railroads operated 26,551 miles of track in Canada. The industry’s freight car fleet increased by 1.2% to 61,755 cars. The number of active freight and passenger locomotives in service decreased by 2.2% to 3,755. 11. The average level of employment throughout 2020 was 2,875 employees (7.9%) lower than in 2019, according to RAC. Quarterly Class I data indicates that the most significant impacts were experienced in the second and third quarters of 2020, the association noted. RAC President and CEO Marc Brazeau said “2020 was a year like no other. While these were unprecedented times, railways from coast to coast showed resiliency by managing the volatility presented by the COVID-19 pandemic.”

6. Amtrak pledges support for CP-KCS combination

CP commits to support Amtrak service expansions in two U.S. regions. Amtrak and Canadian Pacific Railway Limited (CP) on January 6, 2022 announced an agreement with Amtrak supporting the proposed combination of CP and Kansas City Southern (KCS) railways. “CP has been an excellent host of Amtrak intercity passenger service year after year and has established itself as a leader in the railroad industry,” said Stephen J. Gardner, Amtrak President. “We welcome

12. Important update on via rail services in response to the omicron variant, January 13, 2022, www.viarail.ca

13. Musk’s tunnel system works, but the real test is still to come, January 17, 2022, www.ajot.com

14. Happy New Year! STB Releases a New Rate Study, January 19, 2022, www.railwayage.com

15. CP named top performing freight transportation company on Corporate Knights 2022 Global 100 Index, January 19, 2022, www.cpr.ca

16. U.S. Rail Traffic Continues Downward Trend in Week 2, January 19, 2022, www.railwayage.com

17. The Government of Canada announces the launch of the next critical step for the Lac-Mégantic Rail Bypass Construction Project, January 20, 2022, www.tc.gc.ca

18. CSX 4Q21: Revenue, Earnings, January 20, 2022, www.railwayage.com

19. UP’s Fritz: 2021 ‘Most Profitable Year Ever’, January 20, 2022, www.railwayage.com

20. CN Announces Appointment of Tracy Robinson as President and Chief Executive Officer, January 25, 2022, www.cn.ca

21. CN Rail names Robinson CEO, settles activist fight with Hohn’s TCI, January 26, 2022, www.ajot.com

22. CN Delivers Outstanding Fourth Quarter Results, January 25, 2022, www.cn.ca

23. Another ‘Down’ Week for U.S. Rail Traffic, January 26, 2022, www.railwayage.com

24. NS Reports 4Q, Full-Year ‘21 Financials, Board Changes, January 26, 2022, www.railwayage.com

25. CP delivers solid fourth-quarter results; prepared to make history in 2022, January 27, 2022, www.cpr.ca

26. Canadian Pacific Railway Limited declares dividend, January 27, 2022, www.cpr.ca

27. CP takes a hit in Q4 2021 on lower grain revenues and network disruption, January 28, 2022, www.insidelogistics.ca

28. Railway carloadings, November 2021, January 27, 2022, www.statcan.gc.ca

CP's commitment to our efforts with states and others to expand Amtrak service and are pleased to have reached an agreement formalizing CP's support of Amtrak expansion in the Midwest and the South. "Given CP's consistent record as an Amtrak host, we support CP's proposal to expand its network," Gardner added. "This is exactly what Congress and the Administration are seeking: Amtrak and the freight railroads working together to benefit freight customers, Amtrak passengers, our state/regional partners and the general public."

7. LNG by Rail: Temporary Reg Rollback Under Review

The Pipeline and Hazardous Materials Safety Administration's (PHMSA) proposed temporary suspension of its regulations authorizing the transportation of liquefied natural gas by rail have prompted not only the Railway Supply Institute to weigh in, but also the Republican members of the House Transportation and Infrastructure Committee and a coalition of attorneys general from 14 states and Washington, D.C.; all submitted comments on the agency's Notice of Proposed Rulemaking released late last year.

8. Freight Rail Services Price Index, December 2021

The Freight Rail Services Price Index (2018=100) is now available for December 2021 on *Statistics Canada* website. The index was 111.1 for the 2021 4th quarter compared to 104.5 for the 2020 4th quarter and 108.0 for the 3rd quarter of 2021.

9. CN Submits Notice of Intent to File Responsive Application with the Surface Transportation Board

CN on January 11, 2021 evening submitted a notice of intent to file a responsive application on February 28, 2022, with the Surface Transportation Board ("STB") in accordance with the STB's procedural schedule for review of the pending Canadian Pacific ("CP") and Kansas City Southern ("KCS") merger (collectively "CP-KCS"). CN's responsive application will ask the STB to condition any approval of a CP-KCS merger on the divestiture of KCS lines from Kansas City, Missouri to Springfield and East St. Louis, Illinois (the "Springfield Line") to CN, pursuant to the STB's statutory authority to order "the divestiture of parallel tracks" as a merger condition. The Springfield Line is a direct competitive alternative to CP's route from Kansas City to Chicago, and beyond to Detroit and eastern Canada. CP and KCS have made it clear in their merger application that they plan no investment on the Springfield Line, and instead will de-emphasize it in favor of CP's existing parallel line. CN plans to invest at least US\$250 million, which will promote competition while creating substantial environmental benefits by taking trucks off the road.

10. Week 1: Double-Digit Losses for U.S. Carloads, Intermodal

U.S. rail traffic for the week ending Jan. 8, 2022, came in at 440,761 carloads and intermodal units, dropping 16% from the same week last year, based on 210,020 carloads—down 10.6% from 2021—and intermodal volume of 230,741 containers and trailers—down 20.4%, the Association of American Railroads (AAR) reported on Jan. 12, 2021. Canadian railroads reported 60,301 carloads for the week ending Jan. 8, 2022, decreasing 22.7%, and 56,857 intermodal units, tumbling 23% from the same week in 2021. For the first week of 2022, they reported cumulative rail traffic volume of 117,158 carloads, containers and trailers, down 22.8%.

11. CN, CP continue sparring over KCS merger

Canadian Pacific has come out swinging after CN applied to the U.S. Surface Transportation Board (STB) to force the sale of a section of Kansas City Southern track to CN. CN made Notice of Intent to file a Responsive Application asking the STB force a divestiture to CN of KCS's lines from Kansas City, Missouri, to Springfield and East St. Louis, Illinois (the Springfield Line) as part of the STB's regulatory review of CP's proposed combination with Kansas City Southern (KCS). CN said in its application that "the Springfield Line is a direct competitive alternative to CP's route from Kansas City to Chicago, and beyond to Detroit and eastern Canada. CP and KCS have made it clear in their merger application that they plan no investment on the Springfield Line, and instead will de-emphasize it in favor of CP's existing parallel line." In response, CP issued a statement, which asserts "CN's proposal is built on a series of factual errors or misstatements." KCS's Kansas City-Springfield line is not "parallel" to CP's line between Kansas City and Chicago. KCS's line does not reach Chicago, and contrary to CN's misleading statements, KCS's line is not part of a through route to Chicago in conjunction with CN. In fact, there is no direct connection between KCS and CN today at Springfield, and historic interchange volumes reflect the absence of any actual service here. Only four cars were interchanged by KCS at Springfield with CN in 2020 and 133 cars interchanged with CN in 2019.

12. Important update on via rail services in response to the omicron variant

Given the impact on travel demand of tighter COVID-19 restrictions due to the rapid spreading of the Omicron Variant, VIA Rail Canada (VIA Rail) will temporarily reduce frequencies in the Québec City-Windsor corridor starting Wednesday, January 19, 2022.

13. Musk's tunnel system works, but the real test is still to come

The CES technology show in Las Vegas last week was an important milestone for Elon Musk's Boring Co., which operates a network of underground tunnels to ferry passengers around the massive convention center in Tesla Inc. cars. The Vegas Loop performed mostly well, despite hitting some snags that were caught on video and drew mockery on Twitter toward a company that has said its mission is to "solve traffic." Another element of Musk's initial vision also

appears to be fading: The vehicles rely on human drivers behind the wheel, a stipulation that's unlikely to change anytime soon. However, Las Vegas officials indicated they were satisfied with results last week. Numbers provided to Bloomberg by the Las Vegas Convention and Visitors Authority (LVCVA) show that the transit system successfully transported some 15,000 to 17,000 people daily during CES, almost half the show's attendees. According to the Boring Co., the average wait times at its three stations were less than 15 seconds. Rides took less than two minutes on average, in line with what the LVCVA predicted when reporters visited the site in April.

14. Happy New Year! STB Releases a New Rate Study

On Dec. 17, the Surface Transportation Board released a new rate study. If you did and have an interest in railroad rate trends and data, take a look: Let me provide my initial observations about what the data (all inflation adjusted numbers) show: From 2018 to 2019, rail rates rose 1.4%. Previous rate studies had shown that rates had declined for a couple decades until reversing in 2004-2005, but rates are now still lower than in 1985, 27% lower, adjusted for inflation. However, since 2004, rates have risen about 30%.

15. CP named top performing freight transportation company on Corporate Knights 2022 Global 100 Index

On January 19, 2022, Canadian Pacific (CP) announced that, for the first time, it has been included on the Corporate Knights Global 100 Index, an annual ranking of the most sustainable corporations in the world. CP ranked 34th overall on the 2022 index and was the top performing freight transportation company evaluated globally.

16. U.S. Rail Traffic Continues Downward Trend in Week 2

Total U.S. rail traffic for the week ending Jan. 15, 2022 was 493,617 carloads and intermodal units, down 6.6% from the same point last year, the Association of American Railroads (AAR) reported on Jan. 19; it is the second consecutive week that traffic has dropped. Canadian railroads reported 68,016 carloads for the week, sinking 21.3%, and 64,393 intermodal units, declining 13.4% compared with the same week in 2021. For the first two weeks of 2022, they reported cumulative rail traffic volume of 249,567 carloads, containers and trailers, down 20.2% from the same period last year.

17. The Government of Canada announces the launch of the next critical step for the Lac-Mégantic Rail Bypass Construction Project

The Government of Canada is committed to supporting the communities of Lac-Mégantic and the surrounding area, listening to the citizens and continuing to keep them informed about the next steps of the Lac-Mégantic bypass project. The Honourable Omar Alghabra, Minister of Transport, on January 20, 2022 announced the next step of the project – a public consultation that will take place from January 21 to February 4, 2022. During the consultation period, residents will be invited to provide comments in writing on the Lac-Mégantic rail bypass construction project, including on the main structures of the project, construction activities, committees, and means of communication with stakeholders and communities, and railway operations.

18. CSX 4Q21: Revenue, Earnings

“As we enter 2022, we remain committed to providing our customers high-quality service and creating additional capacity to help them address current supply chain challenges through the increased use of rail,” CSX President and CEO James M. Foote said during a Jan. 20 earnings announcement. CSX, Class I railroad reported fourth-quarter 2021 financial results on Jan. 20, 2022; it posted net earnings of \$934 million (or \$0.42 per share), a 23% boost from the prior-year period's \$760 million (or \$0.33 per share). For comparison purposes, CSX noted that fourth-quarter 2020 results include “a pre-tax charge of \$48 million within other expense, or \$0.02 per share after-tax, related to the early retirement of debt.” For the three months ending Dec. 31, 2021, revenue came in at \$3.427 billion, up 21% from \$2.825 billion in fourth-quarter 2020. This was “driven by growth across all major lines of business [led by coal, up 39%, and intermodal, up 16%], increases in other revenue, and the inclusion of Quality Carriers' results,” according to CSX.

19. UP's Fritz: 2021 'Most Profitable Year Ever'

“The Union Pacific team concluded its most profitable year ever in 2021,” UP Chairman, President and CEO Lance Fritz said during a Jan. 20, 2022 earnings announcement. “We produced double-digit fourth-quarter revenue growth by leveraging our great rail franchise to generate positive business mix and core pricing gains, despite ongoing global supply chain challenges that impacted volumes.” Union Pacific (UP) on Jan. 20, 2022 reported fourth-quarter 2021 results, including operating revenue of \$5.733 billion, up 12% from the same period in 2020 and 10% from 2019. This was driven by “higher fuel surcharge revenue, a positive business mix, and core pricing gains,” which were partially offset by a 4% decrease in business volumes, as measured by total revenue carloads. The Class I railroad also posted results for full-year 2021, which Chairman, President and CEO Lance Fritz called the “most profitable year ever.” For comparison purposes, UP noted that its 2020 results are adjusted to exclude a previously announced \$278 million pre-tax, non-case impairment charge related to its Brazos yard investment. For fourth-quarter 2021, UP's 57.4% operating ratio deteriorated 180 basis points from fourth-quarter 2020, with higher fuel prices negatively impacting it by 100 basis points, according to the Class I railroad. Net income came in at \$1.711 billion for the quarter (or \$2.66 per diluted share), compared with \$1.589 billion (or \$2.36 per diluted share) in 2020, up 8%. Operating income was \$2.440 billion, up 7% from the 2020 quarter's \$2.284 billion.

20. CN Announces Appointment of Tracy Robinson as President and Chief Executive Officer

CN on January 25, 2022 announced that it has appointed Tracy Robinson as President and Chief Executive Officer and as a member of its Board of Directors, effective February 28, 2022. This appointment follows the previously announced retirement of Jean-Jacques (“JJ”) Ruest, who will depart CN’s Board on February 28, 2022 but remain at CN in an advisory role until March 31, 2022 to ensure a seamless transition.

21. CN Rail names Robinson CEO, settles activist fight with Hohn’s TCI

Canadian National Railway Co. named Tracy Robinson as its new chief executive officer and said it has reached a settlement with activist investor TCI Fund Management Ltd. Robinson, who will be the first woman to run the Montreal-based railway, spent almost three decades at rival Canadian Pacific Railway Ltd., according to a statement. She’s currently head of natural gas pipelines at TC Energy Corp. The country’s largest railway will also grant TCI two seats on the board as part of a settlement that prevents a proxy fight, the company said, confirming an earlier report by Bloomberg News. The announcements come three months after Jean-Jacques Ruest resigned amid pressure from TCI, a surprise announcement that happened less than four years after he took the job.

22. CN Delivers Outstanding Fourth Quarter Results

On January 25, 2022, CN reported its financial and operating results for the fourth quarter and year ended December 31, 2021. CN delivered solid operating and financial performance across the board, with adjusted diluted earnings per share (EPS) growing 20 per cent in the fourth quarter to C\$1.71, and adjusted operating ratio improving to a fourth quarter record of 57.9 per cent. For the same period, the Company reported diluted EPS growth of 18 per cent to C\$1.69, while operating ratio improved to 58.3 per cent. JJ Ruest, President and Chief Executive Officer, CN said “I would like to thank our dedicated team of railroaders for delivering once again despite extreme weather and disruptive global supply chain issues. The last months of 2021 allowed us to tangibly demonstrate our resilience, our ability to make significant progress against the goals of our Strategic Plan, and what it means to build the premier railway of the 21st century. Our previous strategic investments in safety, technology, and capacity enabled us to continue delivering high-quality service to customers while generating profitable growth and enhanced value to shareholders...” For CN, the results for the fourth quarter of 2021 compared to the same quarter in 2020 were as follows: net income increased 17.43% to C\$1,199 million compared with net income of C\$1,021 million, and income per diluted share increased to C\$1.69 (or 18.18%), compared to C\$1.43 per diluted share; revenues increased 26.53 per cent to C\$3,753 million compared to \$3,656; operating income increased 10.98% per cent to C\$1,566 million compared to \$1,411 million; operating expenses decreased 2.58% to C\$2,187 million from C\$2,245; and the operating ratio (i.e. operating expenses / revenues - an indicator of financial efficiency) decreased (i.e. efficiency improved) by 3.1 points to 58.3 from 61.4.[41] The fourth-quarter 2021 dividends were sixty-one and a half cents (C\$0.615) an increase of thirty five cents on the Company’s common shares outstanding.[42]

23. Another ‘Down’ Week for U.S. Rail Traffic

For the week ending Jan. 22, 2022, U.S. Class I railroads hauled 223,395 carloads and 254,067 containers and trailers, a decline of 3.3% and 14.8%, respectively, from the prior-year period, the Association of American Railroads reported on Jan. 26, 2022. Total U.S. weekly rail traffic came in at 477,462 carloads and intermodal units, decreasing 9.8% from the same week in 2021; it is the third consecutive week that traffic has fallen. Canadian railroads reported 69,070 carloads for the week, sinking 16.4%, and 61,804 intermodal units, dropping 16.1% compared with the same week in 2021. For the first three weeks of 2022, they reported cumulative rail traffic volume of 380,441 carloads, containers and trailers, down 18.9%.

24. NS Reports 4Q, Full-Year ’21 Financials, Board Changes

Norfolk Southern (NS) on Jan. 26, 2022 reported fourth-quarter 2021 results, including net income of \$760 million, up 13% from the same period in 2020; diluted earnings per share of \$3.12, up 18% from 2020; and an operating ratio of 60.4%, a fourth-quarter record, down 140 basis points from the 2020 period. The Class I also named Amy E. Miles Non-Executive Board Chair, effective May 1, 2022.

25 CP delivers solid fourth-quarter results; prepared to make history in 2022

Canadian Pacific Railway Limited (CP) on January 27, 2022 announced its fourth-quarter results, including revenues of \$2.04 billion, operating ratio (“OR”) of 59.2 percent, adjusted OR of 57.5 percent, diluted earnings per share (“EPS”) of \$0.74 and adjusted diluted EPS of \$0.95. The fourth-quarter 2021 highlights were: 1) Revenues increased 1 percent to \$2.04 billion, from \$2.01 billion in Q4 2020; 2) Reported operating ratio increased by 530 basis points to 59.2 percent from 53.9 percent. The operating ratio in the fourth quarter of 2021 includes \$36 million in costs related to the Kansas City Southern acquisition; 3) Adjusted operating ratio, which excludes the acquisition-related costs, increased 360 basis points to 57.5 percent; and 4) Diluted EPS (earnings per share) decreased to \$0.74, from \$1.19 in Q4 2020, while adjusted diluted EPS decreased to \$0.95, from \$1.01 in Q4 2020. Keith Creel, CP President and CEO said “I am tremendously proud of the resilience the CP team demonstrated to deliver these results. CP’s world-class railroaders relied on our strong operating model and commitment to controlling what we can control to safely deliver for customers

and shareholders despite the unique challenges faced in the quarter. This quarter we also reached a crucial milestone in our journey to create the first single-line rail network linking the U.S., Mexico and Canada by combining with Kansas City Southern, which closed into voting trust Dec. 14." The full-year 2021 highlights were: 1) Federal Railroad Administration ("FRA")-reportable personal injuries declined 17 percent to a record-low 0.92 from the previous record-low of 1.11 in 2020; 2) Revenues increased 4 percent to \$8.0 billion, from \$7.71 billion in 2020; 3) Operating ratio increased 280 basis points to 59.9 percent; 4) Adjusted operating ratio increased 50 basis points to 57.6 percent; and 5) Diluted EPS increased to \$4.18 from \$3.59, while adjusted diluted EPS increased to \$3.76, from \$3.53 in 2020.

26. Canadian Pacific Railway Limited declares dividend

The Board of Directors of Canadian Pacific Railway Limited on January 27, 2022 declared a quarterly dividend of \$0.19 per share on the outstanding Common Shares. The dividend is payable on April 25, 2022 to holders of record at the close of business on March 25, 2022

27. CP takes a hit in Q4 2021 on lower grain revenues and network disruption

Canadian Pacific Railway Ltd.'s grain-hauling revenues took a hit in the fourth quarter of 2021, even as the company increased corn shipments from south of the border to address a livestock feed shortage in Western Canada. The Calgary-based railway company saw freight revenue from grain tumble to \$440 million in the quarter ended Dec. 31, 2021. That represents a 13 percent decline from the same period in 2020, when grain represented CP's top revenue source at \$508 million. CP says its total grain volumes transported were down 21 percent in its most recent quarter, a decline the company attributes to this year's widespread drought that affected crop outputs in Western Canada. "The 40 percent reduction in the Canadian crop is driving this decline in volumes," said John Brooks, CP's chief marketing officer, on a conference call with analysts. "The good news is, we've taken the decline in the Canadian grain crop and created an opportunity."

28. Railway carloadings, November 2021

Canadian railways carried 29.0 million tonnes of freight in November 2021, down 10.4% compared with November 2020. This was the third consecutive month of year-over-year decline and the largest such drop in tonnage since August 2020, when rail traffic fell to an 11-year low in the aftermath of the initial COVID-19 lockdown. The overall traffic volume also dropped to the lowest level for a November since 2015. Reduced shipments of grain were the main contributors, as flooding in British Columbia during the month temporarily halted rail shipments to and from the Port of Vancouver—a critical link in the Canadian agricultural supply chain. To further explore current and historical data in an interactive format, please visit the *Monthly Railway Carloadings: Interactive Dashboard*.

HIGHWAY TRANSPORTATION

1. Bison furthers push into U.S. with acquisition of Hartt Transportation

Bison Transport has taken over Hartt Transportation Systems, a Bangor, Me.-based fleet with more than 360 tractors and 2,100 trailers as well as a "sizeable" logistics offering. It marks the first major acquisition by Bison since it was taken over last January by James Richardson & Sons (JRSL), in a move said to give Bison more resources to advance its growth. The deal with Hartt closed Dec. 31, 2021. Bison said in a release that Hartt is one of the largest truckload carriers in the Northeastern U.S. It was founded in 1948 and has been family-run ever since.

2. U.S. Department of Transportation Announces Refinancing of the \$99.6 Million of Credit Assistance to City of Bellevue, Washington, for the BelRed Street Network

The U.S. Department of Transportation on January 3, 2022 announced that its Build America Bureau has refinanced a \$99.6 million TIFIA loan for the City of Bellevue's BelRed Street Network Project. The Bureau provides Transportation Infrastructure Finance and Innovation Act (TIFIA) loans and other surface transportation infrastructure financing to reduce the costs of infrastructure projects. "DOT is proud to work with Bellevue on the Belred Street Network Project, which will connect people to jobs and support Bellevue as a growing economic center," said Deputy Transportation Secretary Polly Trottenberg.

3. Titanium buys Bert and Son's Cartage

HIGHWAY TRANSPORTATION

Canada

1. Bison furthers push into U.S. with acquisition of Hartt Transportation, January 3, 2022, www.todaystrucking.ca
2. U.S. Department of Transportation Announces Refinancing of the \$99.6 Million of Credit Assistance to City of Bellevue, Washington, for the BelRed Street Network, January 3, 2022, www.dot.gov
3. Titanium buys Bert and Son's Cartage, January 4, 2022, www.todaystrucking.com
4. DOT, Dept. Of Education Announce Temporary Waiver to Help Increase the Number of School Bus Drivers Nationwide, January 4, 2022, www.dot.gov
5. Five Canadian carriers win TCA safety awards, January 5, 2022, www.todaystrucking.ca
6. North American Supply Chain Preparing for Border and Domestic Vaccination Mandates: CTA, January 5, 2022, www.ontruck.org
7. Unvaccinated cross-border truck drivers face quarantines and screening Jan. 15, January 10, 2022, www.todaystrucking.ca
8. Robot trucks get US tests, raising self-driving safety stakes, January 9, 2022, www.ajot.com
9. Canada Cartage buys Laurentien Transport, January 10, 2022, www.todaystrucking.ca

Titanium Transportation has purchased Bert and Son's Cartage, a Brantford, Ont.-based family-run trucking company that's been in business for 75 years. It specializes in truckload, warehousing, distribution and specialized logistics within Ontario and into the U.S., serving customers in the retail, consumer goods, food and beverage, industrial and commercial supply sectors. Titanium CEO Ted Daniel said it's a strategic fit, due in part to its location.

4. DOT, Dept. Of Education Announce Temporary Waiver to Help Increase the Number of School Bus Drivers Nationwide

To help states and municipalities that are experiencing a shortage of school bus drivers recruit new hires, the Federal Motor Carrier Safety Administration (FMCSA), in coordination with the Department of Education, on January 4, 2022 announced it would give states the option of waiving the portion of the commercial driver's license (CDL) skills test that requires school bus driver applicants to identify the "under the hood" engine components. All other components of the written and road test must be met.

5. Five Canadian carriers win TCA safety awards

Five Canadian fleets are among the 18 division winners in the 46th annual TCA Fleet Safety Awards competition. The Truckload Carriers Association awards identify truckload carriers that have demonstrated an unparalleled commitment to safety through presenting the lowest accident frequency ratios per million miles in each of six mileage-based divisions. The winners in the six divisions were: JR Kays Trucking Clarendon; Parish Transport, Ellisville, MS; Fortune Transportation, Windom, MN; Johnson Feed, Canton, SD; Groupe Robert, Rougemont, QC; and Bison Transport, Winnipeg, MB.

6. North American Supply Chain Preparing for Border and Domestic Vaccination Mandates: CTA

By January 15, 2022 only fully vaccinated Canadian truck drivers will be permitted to move the \$650 billion in trade that crosses the Canada-US border, Ottawa has signaled to supply chain stakeholders. Washington has made the same decision, with an expected date for enforcement beginning Jan. 22, 2022. The Canadian Trucking Alliance (CTA) has requested both governments meet and consult with key members of the supply chain to determine a more suitable date for enforcement that would be much less disruptive to the North American supply chain, which is already struggling to function at normal capacity. To date, neither government has given any indication that they have reconsidered enforcing the mandates this month nor have they provided any thorough details about what enforcement would entail.

7. Unvaccinated cross-border truck drivers face quarantines and screening Jan. 15

Don Slater has no plans to get a Covid-19 vaccine, and as of Jan. 15, 2022 that means the lifelong truck driver will face new restrictions when crossing the border into Canada. Under the approaching federal vaccine mandate, Canadian truck drivers who are not fully vaccinated will have to quarantine for 14 days when returning to the country, a Canada Border Services Agency (CBSA) spokesperson confirmed in a written response to questions from trucknews.com. These drivers will also be screened for Covid-19 on Day 1 and 8 of the quarantines. It will be the first time since the onset of the pandemic that truck drivers have faced such requirements in their roles as essential workers. But truck drivers will continue to be exempted from pre-arrival testing requirements.

8. Robot trucks get US tests, raising self-driving safety stakes

Shipping companies and software developers are experimenting with self-driving trucks as a way to solve a driver shortage worsened by the Covid-19

10. Truck Driver Job Vacancies Soar to Record Highs Before Vaccine Mandates Kick-in, January 11, 2022, www.ontruck.ca
11. ATA warns of continued shortages, bottlenecks, January 12, 2022, www.ajot.com
12. Omicron to disrupt labor for vehicle, parts manufacturers, January 11, 2022, www.todaystrucking.ca
13. Urban public transit, October 2021, January 12, 2022, www.statcan.gc.ca
14. Feds Provide Details of Vax Mandate Enforcement Beginning January 15, January 12, 2022, www.ontruck.ca
15. BREAKING NEWS: Border-crossing Canadian truck drivers won't face quarantines, testing under vaccine mandate, January 12, 2021, www.todaystrucking.ca
16. EV study proves green benefits for fleets, January 12, 2022, www.insidelogistics.ca
17. November 2021 Freight Transportation Services Index, January 12, 2022, www.bts.gov
18. For-hire Motor Carrier Freight Services Price Index, third quarter 2021, January 14, 2022, www.statcan.gc.ca
19. CTA Update: Feds Clarify that Border Vax Mandate Remains in Effect for Canadian Truck Drivers as of Jan. 15, 2022, January 14, 2022, www.ontruck.ca
20. DOT Announces Historic Bridge Investment Under Bipartisan Infrastructure Law, January 14, 2022, www.dot.gov
21. Nuro unveils larger autonomous cargo vehicle, January 14, 2022, www.insidelogistics.ca
22. Vaccine rules for truck drivers entering Canada come into effect, January 17, 2022, www.insidelogistics.ca
23. Schneider to shut Canadian operations, January 14, 2022, www.todaystrucking.ca
24. THRC panel to explore new HR ideas, January 18, 2022, www.todaystrucking.ca
25. B.C. highways continue to reopen, January 19, 2022, www.todaystrucking.ca
26. CTA urges truckers not to interfere with traffic, January 19, 2022, www.todaystrucking.ca
27. Truck transportation sector records 8% vacancy rate in Q3, January 20, 2022, www.todaystruck.ca
28. U.S. confirms Canadian truckers will need to be vaccinated as of Jan. 22, January 20, 2022, www.todaystruck.ca
29. CTA speaks out against trucker convoy, January 24, 2022, www.insidelogistics.ca
30. Trudeau, O'Toole stress need for truck drivers to get vaccinated, January 24, 2022, todaystrucking.ca
31. Business groups urge feds to walk back trucker vaccine mandate, January 25, 2022, www.insidelogistics.ca
32. Trucker protest won't cause food shortages, government says, January 26, 2022, www.insidelogistics.ca
33. President Biden and U.S. Department of Transportation Announce \$1.2 Billion for Highways in Rural, January 25, 2022, www.dot.gov
34. Urban public transit, November 2021, January 26, 2022, www.statcan.gc.ca
35. U.S. Transportation Secretary Pete Buttigieg Announces Comprehensive National Roadway Safety Strategy, January 27, 2022, www.dot.gov

pandemic, drawing fire from safety advocates who call the technology a risk to motorists. J.B. Hunt Transport Services Inc., Uber Technologies Inc.'s freight division and FedEx Corp. are among the operators testing automated big rigs as a lack of drivers has caused ports to back up and intensified the supply-chain squeeze gripping the U.S. economy. While self-driving trucks are still years from winning regulatory approval, pioneers of the technology see it as a long-term solution to an increasingly intractable labor problem.

“Human drivers, by our nature, have to eat, sleep and take breaks,” said Sterling Anderson, co-founder of Aurora Innovation Inc., which started testing driverless truck software last month in Texas with Uber Technologies’ logistics arms. “What that leads to is enormous underutilization of these trucks and much slower movement of goods.”

9. Canada Cartage buys Laurentien Transport

Canada Cartage made its fifth acquisition over the past year, buying Laurentien Transport of Bois-des-Filion, Que. The dedicated contract transport provider specializes in refrigerated freight, serving customers in the grocery, pharmaceutical, food and beverage, and retail sectors. “Laurentien’s dedicated contract transportation service offerings and customer base are a tremendous fit with Canada Cartage,” said Jeff Lindsay, Canada Cartage president and CEO. “Both companies focus on providing essential products to Canadians through our partnerships with some of the largest retailers in the country. This acquisition also significantly increases Canada Cartage’s scale and service capabilities in Quebec. We’re really excited about how our two companies can continue our growth in the province.”

10. Truck Driver Job Vacancies Soar to Record Highs Before Vaccine Mandates Kick-in

The latest data from Trucking HR Canada and Statistics Canada shows that trucking’s jobs vacancy rate has already hit new record highs as the industry braces for the impact of proposed domestic and border vaccine mandates. The vacancy rate in truck transportation hit 8 percent in the third quarter of 2021, which was the second highest vacancy rate in the entire economy behind accommodations and food services. The total number of vacancies for transport truck drivers has now increased to 22,990 jobs, which is an historic high since *Statistics Canada* began tracking vacancies. This also represents a 20-percent surge in driver vacancies over the second quarter of 2021. On a regional basis, Ontario accounts for 6,080 positions or 26.4% of all truckdriver vacancies in Canada followed by British Columbia with 4,280 vacancies and Alberta with 3,925.

11. ATA warns of continued shortages, bottlenecks

U.S. trucking will remain plagued with equipment and driver shortages this year, according to an industry trade group. Though freight growth is slowing from last year’s pace, it “is levelling off at a very high level, and in some sectors it can continue to grow,” said Bob Costello, chief economist for the American Trucking Associations. The industry is short about 80,000 drivers even as pay has jumped, and truckmakers can’t keep up with demand, he said in an interview. “Supply remains challenged this year in the trucking industry, even if we do add some more drivers.” For customers, that all adds up to ports remaining congested as manufacturing rebounds, companies seek to rebuild inventories and consumers continue to spend at high levels. Spot freight rates—which rose 29% last year, according to KeyBanc Capital Markets—will likely remain elevated. But new entrants who paid “outrageously high” prices for used equipment could face a shock at some point, Costello said. “I am worried about what happens to those folks when we get out of this environment of really tight capacity and booming freight,” he said. “You could see a lot of capacity exit this industry in the next downturn.”

12. Omicron to disrupt labor for vehicle, parts manufacturers

North American commercial vehicle production could face further disruptions, as the Omicron variant of Covid-19 puts increased strains on staffing across U.S. and global economies, *ACT Research* reports. “Minimally, the world should be planning for a January of meaningful labor disruption, and by extension, increased manufacturing challenges, locally and globally,” said Kenny Vieth, ACT’s president and senior analyst.

13. Urban public transit, October 2021

In October 2021, Canada’s urban transit networks carried over 83 million passengers, the highest number since March 2020. As schools managed in-class learning and businesses remained open, transit ridership recovered nearly half (49.1%) of its pre-pandemic October 2019 level. An estimated 83.1 million passenger trips were taken on Canada’s urban transit networks in October, an increase of 42.3%, or 24.7 million trips, from October 2020 levels. This marked the fifth straight month with a year-over-year increase and the highest number of trips taken in more than a year and a half. Urban public transit, operating revenues (excluding subsidies) were \$191.0 million in October 2021, a 36.6% increase compared to the same period a year ago. Urban passenger trips in October were 83.1 million a 43.3% increase compared to the same period a year ago.

14. Feds Provide Details of Vax Mandate Enforcement Beginning January 15

The Canadian Trucking Alliance (CTA) met on January 12, 2021 with Government of Canada officials to discuss enforcement of the border vaccination mandate beginning January 15. Officials are advising the electronic submission

36. Joint Statement by Ministers Alhabra, O’Regan and Qualtrough, and the President of the Canadian Trucking Alliance, January 25, 2022, www.tc.gc.ca

37. November 2021 North American Transborder Freight Up 25.2% from 2020; Up 21.3% from Pre-Pandemic November 2019, January 27, 2022, www.bts.gov

of proof of vaccination data be presented through ArriveCAN.

15. BREAKING NEWS: Border-crossing Canadian truck drivers won't face quarantines, testing under vaccine mandate

Canada's federal government is reversing course and will not impose testing and quarantine requirements for unvaccinated or partially vaccinated Canadian truck drivers at the international border when a new vaccine mandate takes effect on Jan. 15, 2022. Unvaccinated or partially vaccinated U.S. truck drivers will still be turned away. "We can now tell you that as of Jan. 15, truck drivers with a right of entry [Canadian citizens, permanent residents and persons registered under the Indian Act] who are unvaccinated, or partially vaccinated Canadian truck drivers arriving at the border, will remain exempt from pre-arrival, arrival and post-arrival testing and quarantine requirements," a Canada Border Services Agency spokesperson told trucknews.com on December 12, 2022 night.

16. EV study proves green benefits for fleets

U.S. and Canadian fleets could eliminate about 100 million metric tons (or one megatonne) of CO2 emissions by adopting electric vehicles. The North American Council for Freight Efficiency (NACFE) has released data proving that four market segments in trucking are ready to go electric. A detailed report, *Electric Trucks Have Arrived: Documenting a Real-World Electric Trucking Demonstration*, documents NACFE's Run on Less – Electric (RoL-E) demonstration, which was conducted in September of 2021. It shares the methods used to select the participating fleets, routes and equipment, as well as what was measured and details of the run's findings and lessons learned.

17. November 2021 Freight Transportation Services Index

The Freight Transportation Services Index (TSI), which is based on the amount of freight carried by the for-hire transportation industry, rose 0.6% to 136.9 in November 2021 from October 2021, the third consecutive month of increase, according to the U.S. Department of Transportation's Bureau of Transportation Statistics' (BTS). For-hire freight does not include the operations of fleets owned by retailers or other non-transportation companies referred to as private fleets. From November 2020 to November 2021, the index rose 3.0% compared to a decline of 3.9% from November 2019 to November 2020. It remains down 1.0% from pre-pandemic November 2019's 138.3. The level of for-hire freight shipments in November 2021 measured by the Freight TSI was also 3.6% below the all-time high level of 142.0 in August 2019.

18. For-hire Motor Carrier Freight Services Price Index, third quarter 2021

The For-hire Motor Carrier Freight Services Price Index (2013=100) is now available for the third quarter on *Statistics Canada* website. For the 3rd quarter of 2021 the truck transportation index was 116.5 compared to 109.2 for the same period a year ago and 114 for the 2nd quarter of 2021.

19. CTA Update: Feds Clarify that Border Vax Mandate Remains in Effect for Canadian Truck Drivers as of Jan. 15, 2022

Recent media reports over the last 24 hours indicated the federal government had repealed the mandate for Canadian drivers; but officials have now clarified through notice that the "information shared yesterday was provided in error."

20. DOT Announces Historic Bridge Investment Under Bipartisan Infrastructure Law

The U.S. Department of Transportation on January 14, 2022 launched the historic Bridge Replacement, Rehabilitation, Preservation, Protection, and Construction Program (Bridge Formula Program), made possible by President Biden's Bipartisan Infrastructure Law. The program, to be administered by the Federal Highway Administration, represents the single largest dedicated bridge investment since the construction of the interstate highway system – providing \$26.5 billion to states, the District of Columbia and Puerto Rico over five years and \$825 million for Tribal transportation facilities. The total amount that will be available to states, D.C. and Puerto Rico in Fiscal Year 2022 is \$5.3 billion along with \$165 million for tribes. The FHWA also published initial guidance on the new program.

21. Nuro unveils larger autonomous cargo vehicle

Autonomous vehicle maker Nuro has unveiled its third-generation electric autonomous delivery vehicle. Nuro's third-generation vehicle is designed to carry more goods, with twice the cargo volume of the company's second generation vehicle. The new Nuro will have modular inserts for temperature control. It will also have modular inserts to customize storage and new temperature-controlled compartments to keep goods warm or cool. Nuro is also announcing it will use 100 percent renewable energy for all vehicle charging and facilities for the first time starting this month.

22. Vaccine rules for truck drivers entering Canada come into effect

A Covid-19 vaccine mandate for truckers crossing into Canada from the United States came into effect on January 15, 2022, causing "limited delays" at some border crossings and raising worries about future disruptions to the supply chain as the pandemic drags on. As of January 15, 2022, Canadian truckers must be fully vaccinated if they want to avoid quarantine and a pre-arrival molecular test, while unvaccinated American big-riggers are to be turned back at the border. Trucking industry groups accused the Canadian government of sparking confusion after the Canada Border Services Agency suggested earlier this week that Ottawa was backtracking on the rules, only to have that information refuted the next day. The president of the Canadian Trucking Alliance said on January 15, 2022 that the application of

the mandate could potentially cause some slowdowns at the border in the coming days if unvaccinated truckers have to turn their big rigs around

23. Schneider to shut Canadian operations

Schneider Transport has put its Guelph, Ont., property for sale and informed associates it is closing its Canada-based operations. “Today, Jan. 14, 2022, we are announcing a change in the company’s approach to Canadian-based operations,” the company told Trucknews.com in a written statement, responding to questions about its Canadian operations.

24. THRC panel to explore new HR ideas

Trucking HR Canada (THRC) has launched an industry advisory group committed to contributing to innovative and fresh approaches around human resources. The National HR Transformative Change group is made up of 25 industry representatives from across the country and along with strategic advisors will work to identify and inform new ideas and solutions. Trucking HR Canada’s latest labor market information shows the total number of vacancies for transport truck drivers has increased in the third quarter of 2021, at 22,990, representing a 20% increase in driver vacancies over the second quarter of 2021. Through a THRC employer survey, it was found that close to 75% of employers see the recruitment of new drivers as a significant business challenge and 40% see the recruitment of non-driving occupations as an emerging and significant business challenge.

25. B.C. highways continue to reopen

The Coquihalla Highway will reopen to regular vehicle traffic between Hope and Merritt, B.C., on Jan. 19, 2022. Travel times between Hope and Merritt can be expected to take about 45 minutes longer than usual, due to reduced speed limits and temporary repairs that are in place, the Ministry of Transportation and Infrastructure warns.

26. CTA urges truckers not to interfere with traffic

The Canadian Trucking Alliance (CTA) is imploring truckers not to block traffic in protest of vaccination requirements for cross-border truckers that went into effect Jan. 15, 2022. There were local media reports of trucking protests near the Emerson border crossing in Manitoba earlier this week. “The CTA does not support and strongly disapproves of any protests on public roadways, highways and bridges,” the alliance said in a statement. “CTA believes such actions – especially those that interfere with public safety – are not how disagreement with government policies should be expressed.”

27. Truck transportation sector records 8% vacancy rate in Q3

Canada’s truck transportation sector recorded an 8% job vacancy rate in the third quarter of 2021, lagging only behind the accommodation and food service sector, the latest data from Trucking HR Canada shows. The unfilled jobs came as the broader trucking and logistics sector expanded to 732,800 employees during the year. In contrast, it employed 642,700 workers a decade earlier.

28. U.S. confirms Canadian truckers will need to be vaccinated as of Jan. 22

The U.S. Department of Homeland Security (DHS) has confirmed Jan. 22 as the date Canadian truckers will need to be fully vaccinated to enter the country. The long-expected move follows Canada’s own vaccination mandate for truckers and other essential workers that went into effect Jan. 15, 2022. “Starting on Jan. 22, 2022, the Department of Homeland Security will require that non-U.S. individuals entering the United States via land ports of entry or ferry terminals along our Northern and Southern borders be fully vaccinated against Covid-19 and be prepared to show related proof of vaccination,” said Secretary Alejandro N. Mayorkas. “These updated travel requirements reflect the Biden-Harris Administration’s commitment to protecting public health while safely facilitating the cross-border trade and travel that is critical to our economy.”

29. CTA speaks out against trucker convoy

The Canadian Trucking Alliance Canada has denounced a series of planned protests against the federal government’s cross-border travel vaccine mandate, arguing such demonstrations aren’t a safe or effective way of resisting the policy. The CTA spoke out against the pending protests in a statement issued 24 hours before a convoy of unvaccinated truckers was set to leave British Columbia en route to Ottawa. They will be joined by fleets of other drivers from across Canada in the Nation’s capital on Jan. 29, 2022 where they plan to hold a rally decrying policies that require drivers to be fully vaccinated against COVID-19 in order to cross the Canada-U.S. border. “The Canadian Trucking Alliance does not support and strongly disapproves of any protests on public roadways, highways, and bridges,” the statement reads. “CTA believes such actions – especially those that interfere with public safety – are not how disagreements with government policies should be expressed.”

30. Trudeau, O’Toole stress need for truck drivers to get vaccinated

Federal leaders continue to reinforce the need for truck drivers to get vaccinated against Covid-19, as convoys of protesters head to Ottawa. “Almost 90% of truckers in Canada are already vaccinated, and the best way to continue to prevent supply chain disruptions is to ensure that everyone gets vaccinated,” Prime Minister Justin Trudeau said through a translator at a streamed press conference on January 24, 2022.

31. Business groups urge feds to walk back trucker vaccine mandate

Business leaders are urging Ottawa to ease vaccine mandates for cross-border truckers to relieve the congested supply chain with the United States, while Liberals and Conservatives sparred over the extent of the problem and how to resolve it. Prime Minister Justin Trudeau defended the mandate on January 24, 2022 as a necessary step to keep supply chains open, arguing that COVID-19 itself is the biggest risk to Canada's economy. The mandate, which came into effect after an exemption ended Jan. 15, 2022 means Canadian long-haul truck drivers must now be vaccinated against COVID-19 to avoid a two-week quarantine after crossing the border, while unvaccinated non-Canadian truck drivers will be denied entry.

32. Trucker protest won't cause food shortages, government says

Transport Minister Omar Alghabra is assuring Canadians there's no reason to fear food shortages will result from a small minority of truck drivers refusing to comply with a vaccine mandate in order to cross the Canada-U.S. border. In an interview, Alghabra said the large grocery store chains and other retailers have assured him they have plenty of goods to provide their customers, despite some labour shortages and supply chain bottlenecks caused by the COVID-19 pandemic. Moreover, he said there's been no "measurable impact" on the number of trucks crossing the border since the vaccine mandate went into effect on Jan. 15, 2022.

33. President Biden and U.S. Department of Transportation Announce \$1.2 Billion for Highways in Rural

President Biden and the U.S. Department of Transportation on January 25, 2022 announced more than \$1.2 billion for the Appalachian Development Highway System (ADHS) toward the timely completion of designated corridors in 11 states in the Appalachian region. Under President Biden's Bipartisan Infrastructure Law, annual funding for the ADHS will increase 146% compared to Fiscal Year 2021, providing dedicated funding to the ADHS to spur economic growth in this historically isolated region. The total amount that will be available to the states in Fiscal Year 2022 is \$246 million. "From big cities to small towns, every American community deserves reliable access to our transportation system," said U.S. Transportation Secretary Pete Buttigieg. "Thanks to President Biden's Bipartisan Infrastructure Law, we now have historic resources to improve transportation and create jobs for people in Appalachia, and around the country."

34. Urban public transit, November 2021

In November, ridership on Canada's urban transit networks continued to grow, reaching 89.4 million passenger trips, the highest level since the start of the COVID-19 pandemic in March 2020. Transit appeared to be on a path towards recovery as the number of passengers was more than half (54.2%) of the pre-pandemic level from November 2019.

35. U.S. Transportation Secretary Pete Buttigieg Announces Comprehensive National Roadway Safety Strategy

The U.S. Department of Transportation Secretary on January 27, 2022 announced the federal government's new comprehensive National Roadway Safety Strategy (NRSS), a roadmap for addressing the national crisis in roadway fatalities and serious injuries. Almost 95 percent of the Nation's transportation deaths occur on its streets, roads, and highways. While the number of annual roadway fatalities declined for many years, progress reached a plateau over the last decade and now alarmingly fatalities have risen during the pandemic. The NRSS provides concrete steps that the Department will take to address this crisis systemically and prevent these tragic and avoidable deaths and serious injuries. Bolstered by historic funding included in President Biden's Bipartisan Infrastructure Law, the NRSS is the first step in working toward an ambitious long-term goal of reaching zero roadway fatalities.

36. Joint Statement by Ministers Alghabra, O'Regan and Qualtrough, and the President of the Canadian Trucking Alliance

On January 25, 2022, the Honourable Omar Alghabra, the Honourable Seamus O'Regan, the Honourable Carla Qualtrough, and the President of the Canadian Trucking Alliance, Stephen Laskowski, issued the following statement: "Since the outset of the pandemic, the Government of Canada and the Canadian Trucking Alliance have engaged regularly with one another and with other key partners to identify emerging issues and mitigate disruptions. This engagement has been critical to keeping trucks moving, while also keeping Canadians safe from COVID-19. "The Government of Canada and the Canadian Trucking Alliance both agree that vaccination, used in combination with preventative public health measures, is the most effective tool to reduce the risk of COVID-19 for Canadians, and to protect public health. "As the pandemic continues, it remains critical that essential goods reach Canadians as quickly as possible. In fact, this is a top priority for the Government of Canada and the Canadian Trucking Alliance. "To reach this goal, and to bolster Canada's economic recovery and long-term competitiveness, it's important to tackle two major challenges facing industry – supply chain constraints and labour shortages. "These issues are not easy to solve, and they must be addressed by long-term strategies that will achieve real and lasting results. "Moving forward, the Government of Canada, the Canadian Trucking Alliance and the industry at large will continue our shared dialogue on the challenges facing this sector. By working together, we are confident that we can find solutions that will help Canadians and industry alike."

37. November 2021 North American Transborder Freight Up 25.2% from 2020; Up 21.3% from Pre-Pandemic November 2019

Transborder freight between the U.S. and North American countries (Canada and Mexico) in November 2021 was as follows: 1) Total transborder freight: \$120.1 billion of transborder freight moved by all modes of transportation, an increase of 25.2% from \$95.9 billion in November 2020. 2) November 2021 transborder freight value increased 21.3% from \$99.0 billion in pre-pandemic November 2019. 3) Freight between the U.S. and Canada totalled \$61.4B, up 31.4% from November 2020. Freight between the U.S. and Mexico totalled \$58.7B, up 19.4% from November 2020. 4) Trucks moved \$73.5 billion of freight, up 17.1% compared to November 2020. 5) Railways moved \$16.4 billion of freight, up 18.1% compared to November 2020. U.S.-Canada trade in (both directions) was as follows: Truck: \$32.9b; Pipeline: \$9.3b; Rail: \$8.9b; Vessel: \$3.5b; and Air: \$2.9.

GENERAL TRANSPORTATION

Canada

1. Third party logistics to see eight percent growth rate

A slew of changes in retail operations and global trade flows are going to push third-party logistics to new heights over the next five years. New research recently released by *BlueWeave Consulting* shows the global third-party logistics market was worth US\$957.3 billion in 2020. The research firm estimates it will grow at a compound annual growth rate (CAGR) of 7.9 percent, earning revenue of around \$1,573.8 billion by the end of 2027.

2. U.S. prevails in dairy dust-up

Dairy industry advocates and trade officials in the United States celebrated a rare win over Canada on January 4, 2022 after a panel of arbitrators agreed that America's northern neighbour is denying U.S. producers their fair share of access to the Canadian market. The federal government in Ottawa, however, tried to claim the decision as a victory for the Canadian dairy sector, framing it as an endorsement of supply management – the complex and controversial policy framework that regulates the way dairy products are produced and sold in Canada. U.S. Trade Representative Katherine Tai formally requested a dispute settlement panel last May to examine allegations from American producers that the way Ottawa allocates its import quotas for stateside dairy products is a violation of the U.S.-Mexico-Canada Agreement.

3. Merchandise trade surplus hit \$3.1 billion in November

On January 7, 2022, Statistics Canada says the country's merchandise trade surplus rose to \$3.1 billion in November 2021, despite the disruptions caused by flooding and landslides in B.C. The agency says the result compared with a revised surplus of \$2.3 billion for October 2021 which was initially estimated at \$2.1 billion. The larger trade surplus came as total exports rose 3.8 percent in November 2021 to \$58.6 billion. Exports of consumer goods climbed 9.0 percent in November 2021 to \$7.3 billion as large shipments of COVID-19 medication came into Canada for packaging and labelling and were subsequently exported. Exports of basic and industrial chemical, plastic and rubber products increased 14.7 percent to \$3.8 billion.

4. National tourism indicators, third quarter 2021

Tourism spending in Canada (+28.3%) rose in the 2021 third quarter following a 3.3% increase in the previous quarter. Tourism gross domestic product (GDP) (+31.1%) and employment attributable to tourism (+17.9%) also rose in the third quarter. Growth in tourism-related activity occurred as pandemic restrictions eased throughout the third quarter and the number of people with two doses of an approved COVID-19 vaccine doubled from the beginning of July to the end of September. Fully vaccinated travellers from the United States were allowed entry into Canada for non-essential travel beginning on August 9, 2021, while the remainder of international discretionary travellers were allowed entry on September 7, 2021. Passenger air transport (+156.0%) was the largest contributor to growth in tourism spending,

GENERAL TRANSPORTATION

Canada

1. Third party logistics to see eight percent growth rate, January 3, 2022, www.insidelogistics.ca
2. U.S. prevails in dairy dust-up, January 5, 2022, www.insidelogistics.ca
3. Merchandise trade surplus hit \$3.1 billion in November, January 7, 2022, www.insidelogistics.ca
4. National tourism indicators, third quarter 2021, January 7, 2022, www.statcan.gc.ca
5. Economy added 55,000 jobs in December, unemployment rate 5.9 percent, January 10, 2022, www.insidelogistics.ca
6. U.S. Transportation Sector Unemployment Rate Decreases to 3.6% in December 2021; Remains Above Pre-Pandemic 2.8% of December 2019, January 7, 2022, www.bts.gov
7. U.S. Department of Transportation Doubles Investment in Regional Infrastructure Accelerators Grant Program, January 10, 2022, www.dot.gov
8. Leading indicator of international arrivals to Canada, December 2021, January 12, 2022, www.statcan.gc.ca
9. Canada's manufacturing sales jumped in November, January 18, 2022, www.insidelogistics.ca
10. Increase in the maximum amount of compensation the Agency can award for accessibility-related complaints, January 20, 2022, www.cta-otc.gc.ca
11. Travel between Canada and other countries, November 2021, January 21, 2022, www.statcan.gc.ca
12. Ontario Launches Northern Transportation Task Force, January 21, 2022, www.mto.gov.on.ca
13. Path to net zero transportation complex, says Conference Board of Canada, January 21, 2022, www.todaystrucking.ca
14. FHWA Announces \$17.8 Million for Tribal Technical Assistance Program Centers to Help Tribes Administer, January 24, 2022, www.dot.gov
15. Ontario names competitiveness council, January 26, 2022, www.insidelogistics.ca

accounting for nearly one-third of the growth in the quarter.

5. Economy added 55,000 jobs in December, unemployment rate 5.9 percent

The Canadian economy added 55,000 jobs in December 2021 before Covid-19 cases began spiking up at the end of the month, prompting public health restrictions that forced many businesses to close or curtail operations. Dominique Lapointe, senior economist at Laurentian Bank Securities, said the report provides a snapshot of the economy before the Omicron variant. “It has to be taken with a grain of salt, but what it says is before the variant the employment situation was really strong,” he said. “The overall report is showing double the employment gains we were expecting.”

6. U.S. Transportation Sector Unemployment Rate Decreases to 3.6% in December 2021; Remains Above Pre-Pandemic 2.8% of December 2019

The unemployment rate in the U.S. transportation sector was 3.6% (not seasonally adjusted) in December 2021 according to Bureau of Labor Statistics (BLS) data recently updated on the Bureau of Transportation Statistics (BTS) Unemployment in Transportation dashboard. The December 2021 rate fell 5.7 percentage points from 9.3% in December 2020 but remains above the pre-pandemic rate of 2.8% in December 2019. Unemployment in the transportation sector reached its highest level during the COVID-19 pandemic (15.7%) in May and July 2020.

7. U.S. Department of Transportation Doubles Investment in Regional Infrastructure Accelerators Grant Program

On January 10, 2022, the U.S. Department of Transportation announced its Build America Bureau (Bureau) will add \$5 million in grants to the Regional Infrastructure Accelerators (Accelerators) Demonstration Program, bringing the total investment to \$10 million to expedite delivery of transportation infrastructure projects at the local and regional level. The Bureau issued a Notice of Funding Opportunity to solicit applications for grants to designate Accelerators that will serve defined geographic areas, provide technical resources, and fund planning and development activities to expedite project delivery through the Bureau’s loan programs and other innovative financing methods, including public-private partnerships.

8. Leading indicator of international arrivals to Canada, December 2021

December 2021 saw the number of international arrivals to Canada increase sharply from the same month in 2020, but remain well below the pre-pandemic levels of December 2019. Compared with December 2020, more than 10 times as many non-resident travellers arrived from abroad at Canadian airports equipped with electronic kiosks during December 2021. This was less than two-thirds of the number for December 2019, prior to the pandemic. At the same time, the number of Canadian residents returning from abroad via the same airports was almost eight times greater than December 2020 and almost two-thirds of the number from the same month in 2019. US residents made 291,600 trips to Canada through land ports with electronic sensors in December 2021, over 230,000 more than December 2020 and less than one-third of the 977,200 US arrivals by car during December 2019.

9. Canada’s manufacturing sales jumped in November

Manufacturing sales rose 2.6 percent to \$63.1 billion in November 2021, even as flooding in B.C. caused disruptions at more than a quarter of factories across Canada, Statistics Canada said on January 17, 2021. The agency said the overall gain in sales was the second consecutive month of growth as sales rose in 18 of the 21 industries it tracks. “The solid advance in sales during November came despite the impact of flooding in B.C.,” said Andrew Grantham, senior economist at CIBC Capital Markets...”

10. Increase in the maximum amount of compensation the Agency can award for accessibility-related complaints

Since January 1st 2022, the maximum compensation for accessibility-related complaints has increased to \$20,536.81. In the context of an accessibility complaint, the Canadian Transportation Agency (CTA) may award compensation for pain and suffering and compensation if an undue barrier or contravention of an accessibility-related regulation is the result of a willful or reckless practice. The Canada Transportation Act sets the maximum amount for each of these types of compensation at \$20,000 and requires the CTA to adjust it for inflation every year. In a determination issued on December 24, 2021, the CTA calculated the adjusted amount as being \$20,536.81 for the year 2022.

11. Travel between Canada and other countries, November 2021

The number of international arrivals to Canada continued to increase during November 2021 but still remained well below pre-COVID-19 pandemic levels. While travellers from overseas countries made 121,200 trips to Canada in November 2021 (over four times more) compared with the same month in 2020, it was just over one-third (37.5%) of the trips in November 2019, before the pandemic. In November 2021, there were 439,100 American residents travelling to Canada, over four times greater than the number in November 2020. However, this was less than one-third (30.0%) of the number in November 2019. Canadians made a total of almost 1.2 million return trips home from abroad in November 2021, more than three times compared with November 2020 but just over one-quarter (27.9%) compared with November 2019.

12. Ontario Launches Northern Transportation Task Force

The Ontario government has created a locally-based task force in Northern Ontario that will focus on transportation

needs and opportunities in the region. The Northern Task Force, made up of community-based leaders, will examine ways to make it easier for people and goods to travel, while boosting economic growth in the North.

13. Path to net zero transportation complex, says Conference Board of Canada

Canada remains far short of its 2050 target for net-zero greenhouse gas (GHG) emissions, despite gains already made in the transportation sector. The latest report by the Conference Board of Canada shows Canada consumed 18 billion liters of diesel in 2020, with about 480,000 heavy-duty vehicles producing 42% of the country's road transportation emissions in 2018. This despite the fact that the fuel-efficiency of medium- and heavy-duty vehicles climbed 20% between 2000 and 2018.

14. FHWA Announces \$17.8 Million for Tribal Technical Assistance Program Centers to Help Tribes Administer

The U.S. Department of Transportation's Federal Highway Administration (FHWA) on January 24, 2022 published a Notice of Funding Opportunity (NOFO) announcing the availability of up to \$17.8 million over five years to re-establish seven Tribal Technical Assistance Program (TTAP) Centers across the country. The TTAP Centers will help Tribal governments administer and manage their transportation programs and systems. "The Tribal Technical Assistance Program Centers will help Tribal nations build capacity within their organizations, deliver important training resources, and help Tribal communities plan, construct and maintain their transportation networks," said Arlando Teller, Deputy Assistant Secretary for Tribal Affairs.

15. Ontario names competitiveness council

Ontario premier Doug Ford announced the creation of the council in December 2021, with Unifor national president Jerry Dias as its chairman. It is intended to provide advice and recommendations on the government's ongoing efforts to rally business leaders, elected officials and labour leaders to protect Ontario's rights under trade agreements. "I look forward to beginning this urgent work with the new Council members who have a proven track record of finding real solutions to complicated problems," said Dias. "We cannot underestimate the seriousness of the challenge and it will require a combination of stakeholders from all sectors of the economy to defend against U.S. isolationist measures that will hurt workers." Ten individuals have been appointed as members to this Council.