

Transportation Information Update*

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AIR TRANSPORTATION

1. Government of Canada prohibits Russian aircraft to enter Canadian airspace

On February 27, 2022, the Minister of Transport, the Honourable Omar Alghabara, and the Minister of Foreign Affairs, the Honourable Melanie Joly, announced that the Government of Canada is closing Canada's airspace to all Russian aircraft operators. This is in response to the Russian leadership's invasion of Ukraine. The Government of Canada is prohibiting the operation of Russian-owned, chartered or operated aircraft in Canadian airspace, including in the airspace above Canada's territorial waters. This airspace closure is effective immediately and will remain until further notice.

2. Air Travel Consumer Report: December 2021, Full Year 2021 Numbers

In 2021, the COVID-19 pandemic continued to result in significant changes to airline schedules and operations. The volume of flights operated in 2021 (6.2 million), although more than 2020, was 78.1% of the volume of flights operated in pre-pandemic 2019 (7.9 million). In 2021, the 10 marketing carriers reported 6.3 million scheduled flights, 78.0% of the 8.1 million scheduled in 2019. The same airlines reported cancelling 111,018 flights in 2021, or 1.76% of their schedule, down from 1.90% in 2019. The 566,465 flights operated in December 2021 were 85.2% of the 672,765 flights operated in pre-pandemic December 2019. Operated flights in December 2021 were up 45.6% year-over-year from the 393,549 flights operated in December 2020 and down 1.2% month-over-month from the 573,134 flights operated in November 2021. In December 2021, the 10 marketing network carriers reported 580,238 scheduled domestic flights, 13,773 (2.4 %) of which were cancelled. In pre-pandemic December 2019, the same airlines reported 679,941 scheduled domestic flights, 7,176 (1.1%) of which were cancelled. In November 2021, airlines scheduled 576,693 domestic flights, of which 3,559 (0.6%) were cancelled.

3. Weekly aircraft movements, February 12 to 18, 2022

Weekly data on aircraft itinerant movements are now available for February 12 to 18, 2022. Domestic movements for the week ending February 12, 2022 were 33,006 compared to 31,253 for the week ending February 5, 2022.

4. Westjet group to acquire Sunwing vacations and Sunwing airlines, delivering greater value and more sun destinations for Canadians

WestJet and Sunwing announced on March 2, 2022 that they have reached a definitive agreement under which the WestJet Group of companies will acquire Sunwing Vacations and Sunwing Airlines. The transaction will bring together two distinctly Canadian travel and tourism success stories to deliver new travel options and greater value for travellers in the rapidly expanding leisure and work-from-anywhere travel markets. The combination will enable both companies to protect and create jobs and rebuild strength in the Canadian travel industry at a critical time. Following the close of the transaction, a new tour operating business unit will be created under the

AIR TRANSPORTATION Canada

1. Government of Canada prohibits Russian aircraft to enter Canadian airspace, February 27, 2022, www.tc.gc.ca
2. Air Travel Consumer Report: December 2021, Full Year 2021 Numbers, February 27, www.dot.gov
3. Weekly aircraft movements, February 12 to 18, 2022, March 3, 2022, www.statcan.gc.ca
4. Westjet group to acquire Sunwing vacations and Sunwing airlines, delivering greater value and more sun destinations for Canadians, March 2, 2022, www.westjet.ca
5. U.S. Airlines' January 2022 Fuel Use Down 17% from Pre-Pandemic 2020; Cost per Gallon Hits 7-Year High, March 2, 2022, www.bts.gov
6. Air Canada Eyes An Eight Strong Dedicated Freighter Fleet, March 7, 2022, www.aircargo.com
7. Air Transat and Porter Airlines conclude code-sharing agreement, March 7, 2022, www.westjet.ca
8. Air Canada, AirlinK, Project C.U.R.E., and GlobalMedic Join Forces for Canadian Humanitarian Cargo Charter Flight Transporting Medical Aid to Help Ukrainian Refugees, March 8, 2022, www.aircanada.ca
9. Union not obligated to grieve Air Canada's decision to enforce federal vaccine mandate, labour board rules, March 8, 2022, www.nationalpost.ca
10. Air Cargo Growth Continues in January but at a Slower Pace, March 9, 2022, www.iata.org
11. Weekly aircraft movements, February 19 to 25, 2022, March 9, 2022, www.statcan.gc.ca
12. Air Canada, AirlinK and Project C.U.R.E. Unite to Send Hospital Beds, Humanitarian and Medical Supplies to Support Ukrainian Refugees in Poland, March 9, 2022, www.aircanada.ca
13. Remains 2.3% Below Pre-Pandemic January 2020, March 9, 2022, www.bts.gov
14. Air Passenger Market Analysis January 2022, March 10, 2022, www.iata.org
15. Air Canada Offers the Most Service of Any Carrier between India and Canada during March Break and Spring Season, March 10, 2022, www.aircanada.ca
16. Government of Canada invests in safety at Niagara District Airport, March 10, 2022, www.tc.gc.ca

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

WestJet Group, to include both Sunwing Vacations and WestJet Vacations Inc., and will be led by Sunwing CEO Stephen Hunter. Sunwing's current shareholders will become equity holders in the WestJet Group.

5. U.S. Airlines' January 2022 Fuel Use Down 17% from Pre-Pandemic 2020; Cost per Gallon Hits 7-Year High

The Department of Transportation's Bureau of Transportation Statistics (BTS) on March 2, 2022 released U.S. airlines' January Fuel Cost and Consumption numbers indicating U.S. scheduled service airlines used 1.21 billion gallons of fuel, 10.5% less fuel than in December 2021 and 17.4% less than in pre-pandemic January 2020. The cost per gallon of fuel in January 2022 (\$2.36) was up 22 cents (10.3%) from December 2021 and up 38 cents (19.2%) from January 2020. Total January 2022 fuel expenditure (\$2.84B) was down 1.2% from December 2021 and down 1.8% from pre-pandemic January 2020. At \$2.36, the cost per gallon of fuel in January 2022 was the highest since November 2014's \$2.57. Since January 2004, U.S. airlines' fuel use in every January has decreased from the preceding December; however, the 10.5% drop in January 2022 from December 2021 was more than double the average January drop of 4.33% during that streak. Also noteworthy in January 2022 was the 43% increase in fuel use from January 2021, before COVID-19 vaccination was widely available.

6. Air Canada Eyes An Eight Strong Dedicated Freighter Fleet

Buoyed by a strong freight performance in 2021, Air Canada is investing in its cargo capabilities and adding three Boeing freighters to its fleet this year with an eye to building an eight-strong freighter fleet. In December 2021, Air Canada introduced its first dedicated freighter after relying on temporary conversions of passenger aircraft to service the burgeoning demand for air cargo services throughout the pandemic. More recently, an Air Canada executive outlined the airline's cargo plans for this year. Air Canada's Executive Vice President and Chief Commercial Officer, Lucie Guillemette, in a recent earnings call said "Our cargo revenue reached CA\$490 million in the fourth quarter of 2021, which represented an increase of \$204 million when compared to the same quarter in 2020 or more than 160% over the same quarter in 2019. Air Canada Cargo operated 10,217 cargo-only flights in 2021 compared to just over 4,235 in 2020. In December 2021, we reached another milestone with our first Boeing 767 dedicated freighter beginning operation. We expect to have three additional Boeing 767 freighters in our fleet by the end of 2022."

7. Air Transat and Porter Airlines conclude code-sharing agreement

Air Transat and Porter Airlines, two major Canadian carriers, have concluded a code-sharing agreement to be implemented for the 2022 summer season. The first phase of the agreement will focus on connecting Porter's bases at Billy Bishop Toronto City Airport (YTZ) and Halifax-Stanfield (YHZ) to Air Transat's hub at Montreal-Trudeau (YUL), providing customers of both carriers with a greater selection of connecting flights in Canada, the U.S. and internationally.

8. Air Canada, Airlink, Project C.U.R.E., and GlobalMedic Join Forces for Canadian Humanitarian Cargo Charter Flight Transporting Medical Aid to Help Ukrainian Refugees

Air Canada, Airlink, Project C.U.R.E. and GlobalMedic have joined forces to directly help Ukrainian refugees arriving in Poland and those still in Ukraine. A special humanitarian cargo charter flight, operated by Air Canada onboard a Boeing 787-9 Dreamliner aircraft, will transport medical equipment from Airlink and Project C.U.R.E. including hospital beds, vinyl mattresses and other humanitarian supplies. GlobalMedic will be sending medical supplies, trauma dressings and wound care supplies destined for a hospital in Lviv,

17. Full-Year 2021 and December 2021 U.S. Airline Traffic Data, March 10, 2022, www.bts.gov

18. Government of Canada supports Toronto Pearson International Airport with new funding for critical infrastructure projects, March 14, 2022, www.tc.gc.ca

19. Government of Canada makes important investments at Thunder Bay International Airport, March 14, 2022, www.tc.gc.ca

20. The WestJet Group's summer schedule gives guests an abundance of options to reconnect to and explore new destinations, March 14, 2022, www.westjet.ca

21. All routes restored: WestJet summer schedule signals strong recovery for Manitoba, March 14, 2022, www.westjet.ca

22. Air Canada Inaugurates Enhanced Cold Chain Handling Facility at its Toronto Pearson Cargo Hub, March 16, 2022, www.aircanada.ca

23. Charities move aid to Ukraine by air, March 15, 2022, www.todaystrucking.com

24. WestJet connecting Toronto to Chicago and Europe this summer, March 14, 2022, www.westjet.ca

25. Cargo Chartbook Q1 2022, March 15, 2022, www.iata.org

26. Air Canada Inaugurates Enhanced Cold Chain Handling Facility at its Toronto Pearson Cargo Hub, March 16, 2022, www.aircanada.ca

27. G'Day, Kia Ora: Air Canada Strategically Expands its South Pacific Network, March 16, 2022, www.aircanada.ca

28. Weekly aircraft movements, February 26 to March 4, 2022, March 16, 2022, www.statcan.gc.ca

29. U.S. Scheduled Service Airline January 2022 Passengers Increased 33% from 2021, Decreased 34% from Pre-pandemic, March 16, 2022, www.bts.gov

30. Statement on the Canadian government removing pre-entry COVID-19 testing for international travel, March 17, 2022, www.cacairports.ca

31. Progress in Opening the World to Travel, March 17, 2022, www.iata.org

32. ATAC Meets with Minister Alghabra, March 20, 2022, www.cacairports.ca

33. Rates climb as airfreight capacity constrained by Ukraine war, March 21, 2022, www.insidelogistics.ca

34. Government of Canada supports Billy Bishop Toronto City Airport with new funding for critical infrastructure projects, March 18, 2022, www.tc.gc.ca

35. Air Canada Announces the Acquisition of 26 Airbus A321neo Extra-Long Range Aircraft, March 22, 2022, www.aircanada.ca

36. IATA Announces First Industry-developed Passenger CO2 Calculation Methodology, March 23, 2022, www.iata.org

37. Weekly aircraft movements, March 5 to 11, 2022, March 23, 2022, www.statcan.gc.ca

38. Aircraft movement statistics: Major airports, January 2022, March 24, 2022, www.statcan.gc.ca

39. Monthly civil aviation statistics, January

Ukraine. The flight will depart Toronto Pearson for Warsaw, Poland, on Wednesday evening, March 9, 2022.

9. Union not obligated to grieve Air Canada's decision to enforce federal vaccine mandate, labour board rules

Air Canada implemented a mandatory vaccination policy for all its employees that required they receive at least two COVID-19 shots by Oct. 31, 2021. Air Canada's largest flight attendant union was not obligated to file a grievance on behalf of some members who opposed the airline's enforcement of the Trudeau government's vaccine mandate, the federal labour board has ruled.

10. Air Cargo Growth Continues in January but at a Slower Pace

The International Air Transport Association (IATA) released data for global air cargo markets showing slower growth in January 2022. Supply chain disruptions and capacity constraints, as well as a deterioration in economic conditions for the sector dampened demand. Cargo demand is tracking above pre-COVID-19 levels, although capacity is still constrained. 1) Global demand, measured in cargo tonne-kilometers (CTKs), was up 2.7% compared to January 2021 (3.2% for international operations). This was significantly lower than the 9.3% growth seen in December 2021 (1% for international operations). 2) Capacity was 11.4% above January 2021 (10.8% for international operations). While this is in positive territory, compared to pre-COVID-19 levels, capacity remains constrained, 8.9% below January 2019 levels. 3) Supply chain disruptions as well as a deterioration in economic conditions for the sector are slowing growth.

11. Weekly aircraft movements, February 19 to 25, 2022

Weekly data on aircraft itinerant movements are now available for February 19 to 25, 2022. For the week ending February 19, 2022, domestic flights were 32,278 compared to 33,006 for the week ending February 12, 2022.

12. Air Canada, Airlink and Project C.U.R.E. Unite to Send Hospital Beds, Humanitarian and Medical Supplies to Support Ukrainian Refugees in Poland

An Air Canada-operated humanitarian special cargo flight on behalf of Airlink and other aid organizations departed Toronto Pearson International Airport with a final destination of Warsaw, Poland on Wednesday, March 9, 2022. Through a partnership between Air Canada, disaster logistics non-profit Airlink, relief organization Project C.U.R.E., and freight forwarder Flexport, medical supplies and hospital beds, humanitarian and medical supplies were loaded onboard the Air Canada Boeing 787-9 Dreamliner. Medical and trauma supplies destined for a Ukrainian hospital provided by Canadian disaster relief and life-saving humanitarian aid organization GlobalMedic were also boarded.

13. U.S. Cargo and Passenger Airlines Add 3,411 Jobs in January 2022 for New COVID-19 Pandemic High; Employment Remains 2.3% Below Pre-Pandemic January 2020

U.S. airline industry (passenger and cargo airlines combined) employment increased to 733,491 workers in January 2022, 3,411 (0.47%) more workers than in December 2021 (730,080) and 16,848 (2.25%) fewer than in pre-pandemic January 2020 (750,339). The January 2022 figure is the highest industry headcount since the start of the COVID-19 pandemic. Scheduled passenger airlines added 5,375 full-time equivalents for 9th consecutive month of job growth.

U.S. Cargo and Passenger Airlines Add 3,411 Jobs in January 2022 for New COVID-19 Pandemic High; Employment

14. Air Passenger Market Analysis January 2022

IATA reports strong demand recovery in global travel in January 2022 but the recovery is being impacted by Omicron. The highlights for January 2022 were: 1) Global air travel was negatively impacted by the Omicron disruptions at the start of 2022 but was nevertheless significantly better than at the beginning of 2021. Industry-wide revenue passenger-kilometers (RPKs) rose by 82.3% year-on-year (YoY) in January 2022, but month-on-month (MoM) RPKs fell by 4.9%. 2) The adverse impact of the Omicron outbreak on air travel was broad-based. Global domestic RPKs fell by 7.2% MoM between December 2021 and January 2022, while global international RPKs ticked down 2.2% over the same period. 3) Improving pandemic developments bode well for the air travel recovery in 2022, though the geopolitical issues in Eastern Europe combined with rising inflationary pressures will negatively impact some markets.

15. Air Canada Offers the Most Service of Any Carrier between India and Canada during March Break and Spring Season

Air Canada is offering the most flights of any carrier between Canada and India during the busy March Break and spring season, with 21 return flights a week to Delhi from its international hubs in Toronto, Montreal and Vancouver. "India and Canada have strong and close ties and people from both countries are eager to travel to visit family and friends, take a long-delayed holiday or conduct business. Air Canada makes this convenient by offering a total of 21 return flights weekly between Delhi and Toronto, Montreal and Vancouver. We are the carrier with the most flights between India and Canada and will return to nonstop service between Toronto, Montreal and Delhi, showing our deep commitment to this important market," said Mark Galardo, Senior Vice President, Network Planning and Revenue Management at Air Canada.

2022, March 24, 2022, www.statcan.gc.ca

40. WestJet marks new era with move to cargo

jets, March 28, 2022, www.freightwaves.com

41. WestJet Takes Off for London's Heathrow

Airport, March 28, 2022, www.westjet.ca

42. Minister Alghabra launches the second

Safer Skies Forum, March 29, 2022,

www.tc.gc.ca

43. Cargojet expands deal with DHL, March

29, 2022, www.insidelogistics.ca

44. DHL strikes deal to buy up to 9.5% stake

in Cargojet, March 29, 2022,

www.financialpost.ca

16. Government of Canada invests in safety at Niagara District Airport

The Government of Canada will provide the airport with almost \$1.2 million to purchase critical safety equipment including a runway sweeper, a snow plow and a loader, through Transport Canada's Airports Capital Assistance Program. This funding is in addition to the \$470,000 in Airports Capital Assistance Program funding provided to the airport in May 2021 for the purchase of a medium-sized snowblower.

17. Full-Year 2021 and December 2021 U.S. Airline Traffic Data

U.S. airlines carried 674 million passengers (not seasonally adjusted) in 2021, 82.5% more than in 2020 (369 million, unadjusted). U.S. airline passenger enplanements in 2021 remained 27.3% below pre-pandemic 2019's 927 million (unadjusted). System-wide 2021 enplanements comprised 612 million passengers on domestic flights and 62 million passengers on international flights (unadjusted).

18. Government of Canada supports Toronto Pearson International Airport with new funding for critical infrastructure projects

On March 14, 2022, the Minister Transport, the Honourable Omar Alghabra, announced new funding to help Toronto Pearson 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. The airport will receive more than \$142 million from Transport Canada's Airport Critical Infrastructure Program to: 1) rehabilitate airfield pavement; 2) develop and install new check-in, boarding and border clearance systems; 3) enable COVID-19 testing and screening of passengers and employees; and 4) carry out technical studies and concept design work for a proposed connection between the airport and the future extension of the Eglinton Crosstown Light Rail Transit line.

19. Government of Canada makes important investments at Thunder Bay International Airport

On March 14, 2022, the Government of Canada is making important investments at the Thunder Bay International Airport. Through Transport Canada's Airport Relief Fund, the Government of Canada provided the airport with more than \$1.7 million to help it maintain continued airport operations and essential air services for residents and workers in Thunder Bay and surrounding communities. The Thunder Bay International Airport is also receiving \$395,000 from Transport Canada's Airports Capital Assistance Program for the purchase of a snowplow truck and a runway ice sweeper.

20. The WestJet Group's summer schedule gives guests an abundance of options to reconnect to and explore new destinations

WestJet on March 14, 2022 announced its 2022 summer schedule, marking a significant milestone in recovery through the restoration of its network to near pre-pandemic levels. Making significant investments in its transatlantic network, the airline will offer a multitude of connections to Europe this summer, with more non-stop service options across the country from Calgary, Vancouver, Toronto and Halifax. WestJet also announced new, daily service between Toronto and Chicago beginning May 19, 2022. "We know Canadians are ready to make their highly anticipated return to travel this summer, so whether it's reconnecting with friends and family, or taking that long overdue trip, we are here to help our guests make up for lost time," said John Weatherill, Chief Commercial Officer, WestJet. "The aviation industry is a formidable economic engine and the investments we have made across Canada and internationally affirm our commitment to restoring connectivity across our expansive global network, while doing our part to expedite Canada's economic recovery."

21. All routes restored: WestJet summer schedule signals strong recovery for Manitoba

Together with Manitoba Premier Heather Stefanson and business leaders, WestJet on March 14, 2022 announced its 2022 summer schedule, marking a significant milestone in the airline's recovery through the restoration of its network to near pre-pandemic levels. As the number one carrier across Manitoba, and the only commercial airline to serve Western Manitoba, the airline continues to focus on strengthening its network to offer more service and increased connectivity critical to so many sectors of the Manitoba economy.

22. Air Canada Inaugurates Enhanced Cold Chain Handling Facility at its Toronto Pearson Cargo Hub

Air Canada on March 16, 2022 announced the inauguration of Air Canada Cargo's new cold chain handling facility at its Toronto Pearson International Airport cargo facility. The \$16-million project was undertaken to expand and enhance Air Canada Cargo's cold chain handling capabilities for shipments such as pharmaceuticals, fresh food and other perishables.

23. Charities move aid to Ukraine by air

As the war caused by Russia's invasion of Ukraine escalates, Canadian charities and organizations are working to ensure citizens and refugees receive much-needed help. Global Medic, a registered Canadian charity, joined forces with the Ukrainian Medical Support group, Air Canada and Airlink, a disaster logistics non-profit expert organization, to deliver essential goods to Western Ukraine. Jamie Cross, an emergency project manager at Global Medic, said the first shipment has already reached its destination after a loaded Air Canada Boeing 787-9 Dreamliner took off for Poland on March 9, 2022. The medical supplies were trucked from Warsaw into Ukraine with a final destination at a hospital in

Lviv.

24. WestJet connecting Toronto to Chicago and Europe this summer

WestJet on March 14, 2022 announced its 2022 summer schedule, featuring new non-stop service between Toronto and Chicago and more convenient options from Toronto to Europe with service to Barcelona, Dublin, Edinburgh, Glasgow and London Gatwick. The airline's summer schedule release marks a significant milestone in the airline's recovery, through the restoration of its network to near pre-pandemic levels.

25. Cargo Chartbook Q1 2022

For the first quarter of 2022, air cargo traffic eased ahead of conflict in Eastern Europe. The highlights were as follows: 1) Industry-wide cargo ton kilometers (CTKs) had softened in the three months to January 2022. CTKs rose 7.2% year-on-year; but this is weaker than the previous three months period (16.0%) and seasonally adjusted CTKs fell by 0.7% quarter-on-quarter. 2) Drivers of air cargo are currently mixed. While trade and economic activity continue to expand, business and consumer; confidence have eased. The inventory-restocking cycle still has ground to cover, but the conflict in Eastern Europe threatens CTKs growth. 3) Air cargo capacity remains on a slow but steady upwards trend, mainly driven by the return of belly capacity. Even though load factors have eased somewhat in Q2 2021, air cargo rates have increased to new heights

26. Air Canada Inaugurates Enhanced Cold Chain Handling Facility at its Toronto Pearson Cargo Hub

Air Canada on March 16, 2022 announced the inauguration of Air Canada Cargo's new cold chain handling facility at its Toronto Pearson International Airport cargo facility. The \$16-million project was undertaken to expand and enhance Air Canada Cargo's cold chain handling capabilities for shipments such as pharmaceuticals, fresh food and other perishables.

27. G'Day, Kia Ora: Air Canada Strategically Expands its South Pacific Network

Air Canada on March 16, 2022 announced a strategic expansion of its South Pacific schedule with the return of daily service to Sydney and resumption of services to both Brisbane and Auckland. Air Canada's Australia and New Zealand flights operate from its trans-Pacific hub at Vancouver International Airport which the carrier has built to conveniently connect its international network to its vast North American network. Seats are available for purchase now at aircanada.com, via the Air Canada App, Air Canada's Contact Centres, and travel agents.

28. Weekly aircraft movements, February 26 to March 4, 2022

Weekly data on aircraft itinerant movements are now available for February 26 to March 4, 2022. For the week ending February 26, 2022 domestic movements were 34,801 compared to 32,278 for the week ending February 19, 2022.

29. U.S. Scheduled Service Airline January 2022 Passengers Increased 33% from 2021, Decreased 34% from Pre-pandemic

Omicron concerns drive steepest drop from most recent pre-pandemic corresponding month since April 2021. U.S. airlines carried 46.3 million scheduled service passengers in January 2022 (preliminary), 33.2% more than in January 2021 and 34.0% fewer than in pre-pandemic January 2020, according to data filed with the Bureau of Transportation Statistics (BTS) by 23 airlines that carry more than 90% of passengers. Domestic passengers (41.2 million) made up 89% of total enplanements, and international passengers (5.1 million) accounted for 11% of total enplanements.

30. Statement on the Canadian government removing pre-entry COVID-19 testing for international travel

The Canadian Airports Council issued the following statements on the government's intention to remove pre-entry COVID-19 testing for all fully vaccinated travellers to Canada as of April 1, 2022. "The federal government's decision to remove the pre-entry test requirement for fully vaccinated travellers is great news for Canadians. Our tourism and travel industry have been calling for its elimination, which will aid in recovery of our sector. "This is a major step forward that brings Canada in line with many other jurisdictions, including the United Kingdom, Denmark, Switzerland and Ireland, and allows individuals and businesses to plan their summer and fall travel. "The elimination of the testing requirement for fully vaccinated travellers will remove a major deterrent to travel and help to rebuild Canada's \$102 billion tourism and travel sector, and restore jobs. Today is a good day for Canada."

31. Progress in Opening the World to Travel

The International Air Transport Association (IATA) welcomed the increasing momentum towards re-opening of borders and relaxation of travel restrictions, as COVID-19 moves into the endemic phase. An IATA survey of travel restrictions for the world's top 50 air travel markets (comprising 88% of international demand in 2019 as measured by revenue passenger kilometers) revealed the growing access available to vaccinated travelers: 1) 25 markets representing 38% of 2019 international demand are open to vaccinated travelers without quarantine measures or testing requirements—up from 18 markets (28% of 2019 international demand) in mid-February. 2) 8 markets representing 65% of 2019 international demand are open to vaccinated travelers with no quarantine requirements—up from 28 markets (50% of 2019 international demand) in mid-February. Repeated surveys of passengers by IATA during the pandemic has shown that testing and especially quarantine are major barriers to travel.

32. ATAC Meets with Minister Alghabra

The ATAC Executive Committee met with Transport Minister Omar Alghabra to discuss the aviation industry's key issues during this enduring pandemic. The issues that were tabled by ATAC included the removal of the Canadian Travel Advisory for the fully vaccinated, the redundancy of multiple testing at point of departure and at Canadian airports, and the lack of coordination with provinces and territories in dealing with the COVID-19 protocols. ATAC urged the Minister to continue to act as a champion of the aviation sector in Canada and ensure that industry's concerns of sufficient implementation time and practicality are considered when imposing health measures on our sector.

33. Rates climb as airfreight capacity constrained by Ukraine war

Sanctions against Russia and the closure of Ukraine's airspace have severely impacted global airfreight patterns and are resulting in lost capacity and rising prices. The International Air Transport Association (IATA) predicts the war will have significant negative effects on air cargo. The delays and detours in the supply chain caused by forced rerouting will be reflected in rising prices for consumer goods. Willie Walsh, IATA director-general, said the war would affect cargo markets. Shifts in manufacturing and economic activity will lead to rising oil prices and geopolitical uncertainty. "Capacity is expected to come under greater pressure, and rates are likely to increase. To what extent, however, it is still too early to predict," Walsh said in a release.

34. Government of Canada supports Billy Bishop Toronto City Airport with new funding for critical infrastructure projects

On March 18, 2022, the Minister of Transport, the Honourable Omar Alghabra, announced new funding to help Billy Bishop Toronto City Airport recover from the effects of the COVID-19 pandemic and to support continued air services and important transportation infrastructure projects at the airport. PortsToronto, owner and operator of Billy Bishop Toronto City Airport, will receive more than \$14 million to help it recover from the effects of the COVID-19 pandemic and to support continued air services and important transportation infrastructure projects at the airport.

35. Air Canada Announces the Acquisition of 26 Airbus A321neo Extra-Long Range Aircraft

Air Canada on March 22, 2022 announced it is acquiring 26 extra-long range (XLR) versions of the Airbus A321neo aircraft. The aircraft has sufficient range to serve all North American and select transatlantic markets, while offering customers added comfort and improving the carrier's fuel efficiency to advance its environmental programs. The aircraft have: 1) State-of-the-art single-aisles and offers greater comfort and range; 2) Projected fuel efficiency gain of up to 23%, yielding environmental benefits; 3) Features to elevate customer experience, expand network and lower costs.

36. IATA Announces First Industry-developed Passenger CO2 Calculation Methodology

The International Air Transport Association (IATA) announced the launch of the IATA Recommended Practice Per-Passenger CO2 Calculation Methodology. IATA's Methodology, using verified airline operational data, provides the most accurate calculation methodology for the industry to quantify CO2 emissions per passenger for a specific flight. As travelers, corporate travel managers, and travel agents are increasingly demanding precise flight CO2 emission information, an accurate and standardized calculation methodology is critical. This is particularly true in the corporate sector where such calculations are needed to underpin voluntary emissions reductions targets.

37. Weekly aircraft movements, March 5 to 11, 2022

Weekly data on aircraft itinerant movements are now available for March 5 to 11, 2022. Total domestic movements for the week ending March 5, 2022 was 39,437 compared to 34,801 for the week ending 26 February 2022.

38. Aircraft movement statistics: Major airports, January 2022

In January 2022, there were 264,879 aircraft movements at Canada's major airports. While this was an increase of 4.6% from January 2021, it was 70.3% of the number recorded during the same month in 2019, before the COVID-19 pandemic. Movements to and from the United States and other international locations stood at 49.5% and 61.9% (respectively) of their January 2019 levels, halting nine consecutive months of recovery. Toronto/Lester B. Pearson International was Canada's busiest airport in January 2022.

39. Monthly civil aviation statistics, January 2022

Major Canadian airlines carried 2.6 million passengers on scheduled and charter services in January 2022. This was more than triple the number of passengers carried in January 2021, although just over one-third (37.9%) of the level reported in January 2019, prior to the COVID-19 pandemic. With traffic at 6.6 billion passenger-kilometres and capacity at 12.0 billion available seat-kilometres, the passenger load factor (the ratio of passenger-kilometres to available seat-kilometres) was 55.6% in January 2022. While up year over year, the \$948.0 million operating revenue earned was less than half (48.0%) of that earned before the pandemic in January 2019.

40. WestJet marks new era with move to cargo jets

Canadian shippers with express delivery needs will have more air cargo capacity to choose from this summer when WestJet, the country's second-largest passenger airline, launches its stand-alone freighter division. WestJet plans to take delivery in Calgary, Alberta, of its first used Boeing 737-800 aircraft converted for cabin cargo within a week and have two aircraft in revenue service by July 1, or sooner, Charles Duncan, executive vice president of cargo, told

FreightWaves. Operating from a base at Toronto Pearson International Airport, WestJet Cargo intends to start with limited charter work, transition to regular, scheduled flights between major cities within Canada and eventually blend in ad hoc charters and transborder flying to the U.S. and Caribbean, especially on weekends and other off-peak periods, he explained. The carrier is in discussion with many potential customers, including integrated parcel logistics companies.

41. WestJet Takes Off for London's Heathrow Airport

WestJet on March 27, 2022, celebrates the completion of its inaugural flight from Calgary International Airport to London's Heathrow Airport with the arrival of flight WS18 at 12:00 pm local time. This new service complements WestJet's already existing flights to London-Gatwick with the airline offering up to nine times weekly service between Calgary and London this summer. "We are pleased to provide our guests travelling to London for business and leisure with greater choice and convenience as we celebrate our inaugural flight to Heathrow Airport," said Chris Hedlin, WestJet Vice-President, Network & Alliances. "This new route not only strengthens Alberta's travel and tourism pipeline but creates new opportunities for our guests to benefit from access to one of the most connected global aviation hubs."

42. Minister Alghabra launches the second Safer Skies Forum

Canada and its international partners are united in their commitment to improve the safety of air travel since the senseless shoot down of Ukraine International Airlines Flight PS752 by Iran in January 2020. On March 29, 2022, the Minister of Transport, the Honourable Omar Alghabra, officially opened and addressed the second Safer Skies Forum. Hosted virtually by Transport Canada and the Safer Skies Consultative Committee, the Safer Skies Forum is the only international forum dedicated to mitigating the risks of airspace over or near conflict zones. It brings together expert partners, countries from around the world, international organizations, and the civil aviation industry in order to: 1) share best practices to improve international efforts in keeping passengers safe; 2) enable information sharing and collaboration between parties on current issues in global aviation and the way forward; and 3) advocate for the implementation of the International Civil Aviation Organization (ICAO)'s Standards and Recommended Practices (SARPs) related to safeguarding airspace in or near conflict zones.

43. Cargojet expands deal with DHL

Cargojet Inc. has signed a new agreement with DHL Network Operations (USA) Inc. to provide air-transportation services for DHL's global network that it says will boost earnings and help diversify its services. The agreement, which expands the relationship between the two companies, has a term of five years with a renewal option for an additional two years. Financial terms were not disclosed. Under the deal, Cargojet will provide services to support DHL's international requirements for Europe and North, South, Central and Latin America, as well as Asia. Cargojet uses 12 freighters to service DHL's current requirements. DHL intends to add five additional B-767 freighters during the 2022-23 time frame. It also plans to be Cargojet's inaugural launch customer for the B-777 wide body long-range cargo aircraft, which are expected to begin flying in late 2023 or early 2024.

44. DHL strikes deal to buy up to 9.5% stake in Cargojet

DHL Express Division, an affiliate of Deutsche Post DHL Group, struck a deal with Cargojet Inc, which would give the German company an option to buy up to 9.5 per cent equity stake in the Canadian firm. Shares of Cargojet rose almost 14% to \$186.10 in mid-day trading

WATER TRANSPORTATION

1. DP World proposes new terminal at Prince Rupert

DP World and the Prince Rupert Port Authority are looking at expanding capacity by adding a new container terminal. The two organizations have entered into a two-year agreement to assess the feasibility of a facility that would add up to two million twenty-foot equivalent units (TEUs) of annual capacity to the port. The site of the second container terminal in Prince Rupert, located south of the existing Fairview Terminal. The Prince Rupert Port Authority's 2019 container terminal master plan outlined the potential for an additional terminal, south of the existing Fairview Terminal.

2. Port of Prince Rupert Eyes Second Terminal

Outlined in purple is the site of the second container terminal proposed in Prince Rupert, B.C., located south of the existing Fairview Terminal. Logistics firm DP World and Prince Rupert Port Authority in British Columbia have agreed to assess the feasibility of a second container terminal at the Port of Prince Rupert, which would add up to 2 million twenty-foot

WATER TRANSPORTATION Canada

1. DP World proposes new terminal at Prince Rupert, February 28, 2022, www.insidelogistics.ca
2. Port of Prince Rupert Eyes Second Terminal, February 27, 2022, www.railwavage.com
3. Ocean carriers suspend Russia services, March 1, 2022, www.insidelogistics.ca
4. War shocks ripple across one of the world's busiest trade lanes, March 2, 2022, www.ajot.com
5. Regulation delay allowing ships to dump polluted water, March 3, 2022, www.insidelogistics.ca
6. 20,000 West Coast port workers refuse to handle Russian cargo, March 3, 2022,

equivalent units (TEU) of annual capacity; the Port is served by CN. The project was first proposed in the Prince Rupert Port Authority's 2019 container terminal master plan. Under a two-year agreement, DP World and the Prince Rupert Port Authority will begin various studies on the proposed site, which is located south of the existing Fairview Terminal, DP World reported on Feb. 24, 2022. The studies are slated to focus on the steps required to minimize environmental and community impact, on how to improve Canadian supply chain resilience, and on how the new terminal will integrate with existing one. They will also explore the use of advanced technologies, according to Maksim Mihic, CEO and General Manager of DP World (Canada) Inc. The partners said they are "committed to incorporating Indigenous knowledge and feedback into [the] planning and development process."

3. Ocean carriers suspend Russia services

A.P. Moller – Maersk, CMA CGM, and MSC announced they will no longer accept bookings for Russia-bound cargo. Maersk said this applies to bookings within ocean, air and intercontinental rail to and from Russia, with the exception of foodstuffs, medical and humanitarian supplies. In brief, major ocean carriers are suspending services to Russia March 1, 2022. In a customer bulletin, Maersk said it is closely following the new sanctions against Russia and the regular adjustments that are being made to the list of restrictions, and is adjusting its booking processes accordingly. Maersk said it is "deeply concerned by how the crisis keeps escalating in Ukraine," and added that the safety and stability of its operations is being directly and indirectly affected by the sanctions.

4. War shocks ripple across one of the world's busiest trade lanes

Importers from London to Warsaw will soon face higher shipping costs, longer delays and an obstacle course of sanctions to navigate as Russia's widening assault on Ukraine complicates the movement of cargo between Europe and Asia. President Vladimir Putin's invasion, and retaliatory steps designed to paralyze the Russian economy, are heaping new disruptions on supply chains that never recovered from unprecedented shocks caused by the pandemic. Beyond the devastating human toll, the war threatens higher costs for fuel, grain, industrial metals, and other raw materials used in Asian-made consumer goods headed for Europe and beyond.

5. Regulation delay allowing ships to dump polluted water

Federal delays are allowing billions of litres of wastewater to be dumped in Canadian waters including marine protected areas, an environmental group says. In a report released in the first week of March 2022, the World Wildlife Fund said the federal government has yet to follow through on a three-year-old commitment to bring in new regulations on what waste ships can release into the oceans. It says that lack of progress is allowing ships to keep releasing bilgewater, sewage, grey water and other wastewater. The group used industry and government data to calculate that 147 billion litres of those wastes are being dumped into Canadian waters every year, with almost 10 percent of that going into waters that are supposed to be protected.

6. 20,000 West Coast port workers refuse to handle Russian cargo

As the Russia invasion of Ukraine shows no sign of letting up, longshore workers on Thursday, March 3, said they would refuse to load or unload any Russian vessel or handle any incoming or outgoing Russia cargo. The announcement by the International Longshore and Warehouse Union covers some 20,000 workers at all 29 U.S West Coast ports. "With this action in solidarity with the people of Ukraine, we send a strong message that we unequivocally condemn the Russian invasion," said ILWU International President Willie Adams. The overwhelming amount of incoming cargo at the Ports of Los Angeles and Long Beach comes from Asia. The amount of cargo arriving from Russia is not a lot, said Port of Long Beach Executive Director Mario Cordero. He said out of 9.4 million containers that arrived through the port in 2021, only 11,497 were imports from Russia.

www.siliconvalley.com

7. ONE's Nixon says U.S. supply chain needs major upgrades, March 2, 2022, www.ajot.com

8. Preventing or limiting the spread of COVID-19 on cruise ships, March 7, 2022, www.tc.gc.ca

9. Government of Canada invests in a new Port of Halifax container facility to improve trade, March 7, 2022, www.tc.gc.ca

10. Feds to help fund new inspection site at port of Halifax, March 8, 2022, www.insidelogistics.ca

11. Near-Record import levels expected at U.S. ports as congestion continues, March 8, 2022, www.ajot.com

12. Port of Halifax gets CA\$7M to build container examination facility, March 8, 2022, www.freightwaves.com

13. 12 consecutive months of record volumes at SC Ports, March 10, 2022, www.ajot.com

14. Competing proposals at Vancouver port raise environmental concerns, March 14, 2022, www.insidelogistics.ca

15. Efforts growing to halt US moves targeting ocean carrier antitrust immunity, March 15, 2022, www.joc.com

16. February another record month at the Port of Los Angeles, March 16, 2022, www.ajot.com

17. Dredging hoped to free Ever Forward from Chesapeake Bay, March 22, 2022, www.insidelogistics.ca

18. FMC probing major liners, 'pop-up' carriers on US export service, March 22, 2022, www.joc.com

19. Maersk to deploy 300 electric trucks in North America, March 24, 2022, www.insidelogistics.ca

20. Port of LA's Seroka: Supply Chain Crisis Shows Need for Better Paid Jobs, March 22, 2022, www.ajot.com

21. Port of Vancouver cargo volumes on steady course despite supply chain, extreme weather woes, March 24, 2022, www.todaystrucking.ca

22. Port of Vancouver sees record volumes in 2021, March 25, 2022, www.insidelogistics.ca

23. Seaway anticipates high demand as new season opens, March 25, 2022, www.insidelogistics.ca

24. St. Lawrence Seaway begins navigation season, March 25, 2022, www.ajot.com

25. Port Houston container volume up 37 percent, March 29, 2022, www.ajot.com

26. PRPA Announces Export Development Support For Burns Lake, March 29, 2022, www.rupertport.com

27. Foreign Trade Zone activated at Port of Vancouver USA, March 30, 2022, www.ajot.com

7. ONE's Nixon says U.S. supply chain needs major upgrades

ONE's Chief Executive Officer Jeremy Nixon spoke out against what he described as inefficiencies in U.S. and North American container terminal operations, warehousing, chassis handling and a lack of 24/7 operations. His remarks came at a time when U.S. agricultural exports are struggling to book freight on ocean carriers while other U.S. shippers are complaining of high ocean carrier rates and reliability. Meanwhile, the Federal Maritime Commission (FMC) says it is not finding evidence of ocean carrier wrongdoing. Nixon was speaking to the Trans-Pacific Maritime conference in Long Beach on March 1st and answered questions from moderator Lars Jensen, Partner Vespucci Maritime. Nixon reported there are currently about 140 ships slow steaming to North American ports and that number could increase once shipments are expedited from China following the end of Chinese New Year. Nixon focused on the difference between Asian terminal operations and those in the United States following the COVID outbreak and the surge in imports that began flowing from Asia to U.S. ports in July 2020. Although Nixon repeatedly referred to problems in North American operations, it was apparent in his examples that he was focusing on problems in the United States.

8. Preventing or limiting the spread of COVID-19 on cruise ships

The Government of Canada is committed to the restart of the cruise season in Canada with mitigation measures in place for COVID-19. Transport Canada and other organizations are working together to ensure measures are in place and cruise ship travel is as COVID-19-safe as possible. The ability to welcome cruise ships back to our waters is possible because Canadians have stepped up, rolled up their sleeves, gotten vaccinated, and followed public health measures. The industry has made the safe return of cruise ships to Canadian waters possible by committing to a comprehensive set of enhanced safety protocols on board, including vaccinations, enhanced hygiene practices, and passenger screening, as outlined below, based on the best available science. The Government of Canada continues to advise travellers to proceed with caution, and will continue to evaluate measures and will not hesitate to make adjustments to keep Canadians and the transportation system safe and secure.

9. Government of Canada invests in a new Port of Halifax container facility to improve trade

On March 7, 2022, the Minister of Transport, the Honourable Omar Alghabra, announced an investment to build a new marine container examination facility within the Port of Halifax. The new facility will replace the existing off-site facility, significantly reducing inspection turn-around times, reducing Port congestion, and improving the efficiency, safety, security and operations for the Canada Border Services Agency. The Government of Canada will invest \$7 million in the project under the National Trade Corridors Fund and Halifax Port Authority will contribute \$8 million, for a total investment of \$15 million towards the project.

10. Feds to help fund new inspection site at port of Halifax

Together, the Port of Halifax and the federal government are providing \$15 million to create a new container examination facility at the port. The new facility will replace the existing off-site facility, significantly reducing inspection turn-around times, reducing congestion, and improving operations for the Canada Border Services Agency. "This important investment in the Port of Halifax facilitates increased trade by improving the flow of container cargo to and from the container terminals and the new marine container examination facility," said Allan Gray, president and CEO, Halifax Port Authority. "This will help to improve the port's ability to safely and efficiently grow trade through our international gateway in a sustainable manner." The federal government will invest \$7 million in the project under the National Trade Corridors Fund and Halifax Port Authority will contribute \$8 million.

11. Near-Record import levels expected at U.S. ports as congestion continues

Imports at the nation's major retail container ports are expected to be at near-record levels this spring and summer as consumer demand and supply chain challenges continue to result in congestion, according to the monthly Global Port Tracker report released on March 11, 2022 by the National Retail Federation and Hackett Associates. NRF recently sent a letter urging the International Longshore and Warehouse Union and the Pacific Maritime Association to begin contract negotiations well before their July 1, 2022 contract expiration to avoid any delay in reaching a settlement and additional congestion that might result. "Congestion continues on both coasts, with ships queuing for berths at multiple ports," Hackett Associates Founder Ben Hackett said. "Problems remain with clearing import containers to their inland destinations while export containers are still being held back due to lack of space at the terminals. Until supply chain problems are sorted out with more drivers, trucks and inland storage space, we do not expect to see a rapid decline in the backlogs being experienced." U.S. ports covered by Global Port Tracker handled 2.16 million Twenty-Foot Equivalent Units – one 20-foot container or its equivalent – in January, the latest month for which final numbers are available. That was up 3.6 percent from December 2021 and up 5.2 percent year-over-year.

12. Port of Halifax gets CA\$7M to build container examination facility

The Canadian government is investing CA\$7 million (US\$5.4 million) to build a marine container examination facility within the Port of Halifax in Nova Scotia that the government says will significantly reduce inspection turnaround times and port congestion. Government funding will come from the National Trade Corridors Fund. The Halifax Port Authority will invest \$8 million for the project, putting the total project investment at \$15 million. The new facility will

replace the existing off-site facility. Transport Canada said the facility, which will be used by the Canada Border Services Agency, will decrease wait times for designated port inspections, which in turn will increase supply chain effectiveness and enable Canadian businesses to better compete in the global markets.

13. 12 consecutive months of record volumes at SC Ports

SC Ports handled 230,420 twenty-foot equivalent container units (TEUs) at Wando Welch Terminal, North Charleston Terminal and Hugh K. Leatherman Terminal in February 2022, up 26% year-over-year. SC Ports has moved more than 1.87 million TEUs thus far in fiscal year 2022, from July through February, up 16% fiscal year-over-year. “February marked the twelfth consecutive month of monthly year-over-year container records at SC Ports,” said Jim Newsome, South Carolina Ports CEO. “With record throughput volumes, we continue to experience a high number of import containers awaiting delivery on our terminals. We remain focused on creative solutions and executing our vital infrastructure projects, including the completion of the Charleston Harbor Deepening Project this fall, initiating construction on the rail-served Navy Base Intermodal Facility and inner-harbor barge project, and advancing towards a quick completion of the Inland Port Greer expansion project.” SC Ports handled 127,492 pier containers – which accounts for containers of any size – in February 2022, up nearly 26% from a year ago. Thus far in fiscal year 2022, SC Ports has moved 1.04 million pier containers, up nearly 16% fiscal year-over-year.

14. Competing proposals at Vancouver port raise environmental concerns

The plan to build a new shipping container terminal the size of nearly 144 football fields at Roberts Bank has sparked a rival proposal along with concerns for endangered orcas and the salmon they depend on. The three-berth, \$3 billion terminal proposed by the Vancouver Fraser Port Authority would be built next to the existing Deltaport and Westshore terminals at Roberts Bank in Delta. In 2020, a federally appointed independent review panel found the Roberts Bank Terminal 2 project would support competitiveness for Canadian markets and local communities could benefit from business and employment opportunities.

15. Efforts growing to halt US moves targeting ocean carrier antitrust immunity

US ports, labor unions, and US-flag interests are joining container lines in a bid to stop the Biden administration and Congress from stripping the limited antitrust immunity carriers enjoy.

16. February another record month at the Port of Los Angeles

The Port of Los Angeles processed 857,764 Twenty-Foot Equivalent Units (TEUs) in February 2022, a 7.3% increase compared to last year. It was the Port’s busiest February in its 115-year history and represents back-to-back record months to begin 2022. “The combined efforts of dock workers, terminal operators and our waterfront partners have improved fluidity and productivity,” said Port of Los Angeles Executive Director Gene Seroka. “Since November, we’ve been able to increase the number of containers leaving our docks by 16%. “We’re taking advantage of the temporary lull in ship arrivals due to the Lunar New Year production slowdown in Asia to prepare for another wave of imports,” Seroka added. “We expect an increase in those vessel arrivals soon as retailers begin to replenish their low inventories.” Seroka announced the February 2022 data during a virtual media briefing, where he was joined by Dee Dee Meyers, Director of the California Governor’s Office of Budget and Economic Development (GO-Biz). Myers outlined Gov. Gavin Newsom’s planned record investment of \$2.3 billion for California ports in the upcoming budget.

17. Dredging hoped to free Ever Forward from Chesapeake Bay

Dredging has begun to free a cargo ship stranded in the Chesapeake Bay for more than a week, the U.S. Coast Guard said Monday, March 21, 2022. A salvage company began dredging around the 1,095-foot (334-metre) Ever Forward on Sunday and the work is expected to continue throughout the week, Coast Guard Petty Officer 3rd Class Breanna Centeno said in an email. The grounded vessel is stable, poses no pollution threat and isn’t impacting Port of Baltimore operations, Centeno said. State and federal agencies have issued all permits, Maryland Port Administration Executive Director William P. Doyle tweeted. Doyle said dredged materials will be used to help rebuild Poplar Island, an island off the Eastern Shore that has suffered from severe erosion.

18. FMC probing major liners, ‘pop-up’ carriers on US export service

The Federal Maritime Commission is adding the availability of export capacity to its ongoing scrutiny of how ocean carriers are operating in the US.

19. Maersk to deploy 300 electric trucks in North America

A.P. Moller – Maersk (Maersk) will add 300 electric trucks to its North America network. The company claims it will be the largest heavy-duty electric truck deployment to date. The Class 8 8TT Gen 3 trucks will be manufactured by BYD, and will be delivered between 2023 and 2025. The trucks will use Einride’s digital road freight operating system and charging solutions. “Our customers are looking for tangible actions on sustainable supply chains – not just conceptual. Today’s order is an important step in building our end-to-end, landside decarbonization foundation while also addressing customers’ inland transportation pain points,” said Vincent Clerc, CEO of ocean and logistics for A.P. Moller – Maersk.

20. Port of LA’s Seroka: Supply Chain Crisis Shows Need for Better Paid Jobs

Gene Seroka, executive director, Port of Los Angeles says supply chain dislocations impacting ports, warehouse and trucking operations will be reduced with better jobs including better pay and benefits for employees. In an interview with AJOT on March 22nd, Seroka said: “I subscribe to the fact that we don’t have a shortage of truck drivers, we’ve got a shortage of good jobs. The State of California has issued more than 661,000 commercial trucking licenses and we’re still struggling to have enough folks . . . Some have left for completely different industries. Others have gone into the parcel service working for the post office or other private sector entities. We have got to find a way to attract and recruit and retain workers in both warehousing and trucking. They’ll have to be better paid and there will be benefits associated with this.” Seroka suggested that transportation and cargo-handling jobs need to be permanent employee jobs not transactional: “These jobs can’t be transactional or seasonal jobs to the extent that people want to make careers in these segments. We’re going to need to recruit and train the talent we’re going to need in the years to come.” Seroka said he thought “we probably need to have 3,000 to 5,000 thousand more drayage (harbor) truckers here in the ports of Southern California.”

21. Port of Vancouver cargo volumes on steady course despite supply chain, extreme weather woes

Cargo volumes through the Port of Vancouver rose by 1% in 2021 from 145 to 146 million metric tonnes (MMT) over 2020, despite pandemic and global supply challenges and extreme weather events in British Columbia. In 2021, record container and foreign bulk volumes, as well as strong grain volumes in the first half of 2021, helped maintain cargo volumes through the port, despite a challenging trade landscape and the continued federal deferral of cruise in Canada due to COVID-19, the Vancouver Fraser Port Authority Thursday March 24, 2022 said in a new release. “Vancouver’s port community met challenge after challenge in 2021 — sometimes working around the clock — to keep the port connected to national supply chains and goods flowing for Canadians,” said Robin Silvester, president and CEO of the Vancouver Fraser Port Authority.

22. Port of Vancouver sees record volumes in 2021

The Vancouver Fraser Port Authority says cargo volumes increased one percent to 146 million tonnes last year despite the pandemic, global supply chain challenges and extreme weather in B.C. at the end of the year. The country’s largest port says record container and foreign bulk volumes helped maintain cargo volumes despite trade challenges in a year in which the cruise season was cancelled due to COVID-19. Grain volumes declined 13 percent after eight straight record years due to drought in Western Canada in the second half of the year. The number of shipping containers passing through the port increased six percent to 3.7 million TEUs (twenty-foot equivalent units) in 2021, a record for the fifth year in a row.

23. Seaway anticipates high demand as new season opens

The St. Lawrence Seaway officially opened Thursday, March 24, 2022 for a 64th navigation season with the prospect of increased demand for Canadian grain and fertilizer stemming from the war in Ukraine. Sanctions against Russia and devastation across Ukraine could dramatically disrupt the global supply of grain and fertilizer, especially to Europe. Terence Bowles, president and CEO of the St. Lawrence Seaway Management Corp. that operates the waterway, said Canadian exports could be called upon to fill the void. “I don’t like to say it’s going to help us because it looks like we’re profiting from other people’s troubles,” he said in an interview. “But I would say Canada is in a good position to be able to help replace a lot of this grain that won’t be available.”

24. St. Lawrence Seaway begins navigation season

The U.S. Great Lakes St. Lawrence Seaway Development Corporation (GLS) joined with its binational partner, the Canadian St. Lawrence Seaway Management Corporation (SLSMC), to mark the opening of the Great Lakes St. Lawrence Seaway System’s (Seaway System) 64th navigation season. The opening ceremony of the binational waterway took place in St. Catharines, Ontario, Canada. Canadian Transport Minister Omar Alghabra (who attended virtually), GLS Deputy Administrator Craig H. Middlebrook, and SLSMC President/CEO Terence Bowles welcomed the transit of the first commercial vessel of the season. “The Seaway System, and the people operating it, have kept goods moving efficiently and reliably to and from America’s heartland when we needed them most,” said U.S. Transportation Secretary Pete Buttigieg. “We’re proud to open this year’s navigation season for the Seaway System, and, with our Canadian partners, support this critical part of our economy and supply chain.” The Great Lakes St. Lawrence Seaway System provides maritime commerce with reliable and efficient cargo movement that supports high-quality jobs in the U.S. and Canada and helps us address our joint climate goals. More than 237,000 jobs and \$35 billion in economic activity in the U.S. and Canada are annually supported by movement of various cargoes on the Seaway System – more than 35 million metric tons of cargo each year.

25. Port Houston container volume up 37 percent

Container volume at Port Houston in February totaled 271,399 Twenty-Foot Equivalent Units (TEUs), which is 37 percent more than the same month in 2021. In the first two months of 2022, container volume at Port Houston totaled 594,826 TEUs, an increase of 31% year-to-date. “This is the biggest February Port Houston has ever seen in terms of containers. In response to this strong growth, we are accelerating projects at our container terminals, like opening

additional gates at our Barbour's Cut Container Terminal," Port Houston Executive Director Roger Guenther said. "The arrival of three new neo-panamax ship-to-shore cranes at our Bayport Container Terminal in February will allow us to work larger ships than ever before, which is another way we are well poised for the future of container shipping," Guenther said. "Those new cranes are expected to be fully operational by mid-April of this year."

26. PRPA Announces Export Development Support For Burns Lake

The Prince Rupert Port Authority (PRPA) announced on March 29, 2022 its financial support in the amount of \$10,000 for the Village of Burns Lake's Regional Mapping Project through PRPA's Export Development Fund. PRPA's Export Development Fund (EDF) supports the planning, development, and implementation of economic development opportunities along the Prince Rupert Gateway. In an effort to foster the growth and transition of the Burns Lake and area economy, the Regional Mapping Project will identify and catalogue existing producers, their products and associated volumes, along with other relevant factors related to marketing and logistics. The community of Burns Lake will then be in a position to ascertain future opportunities for export business development to accelerate the establishment of a diverse, resilient industrial base there. The project is set to begin immediately and wrap up by September of this year.

27. Foreign Trade Zone activated at Port of Vancouver USA

In collaboration with US Customs and Border Protection (CBP) and the Foreign Trade Zone Board, the Port of Vancouver USA has activated Foreign Trade Zone (FTZ) #296. One of the port's wind energy customers will be the first to utilize the newly activated FTZ. Foreign Trade Zones (FTZs) are important economic development tools that the port can utilize to help local companies and surrounding communities grow. FTZs offer a temporary duty-free zone to customers who are importing or manufacturing products from globally sourced materials. A duty is a tax levied by governments on the value of imported products. Often individual materials will have a higher duty rate than a finished product. The advantage of an FTZ is that it allows manufacturers to pay duty on the finished product rather than on the individual components, providing significant savings.

RAIL TRANSPORTATION

1. Freight Rail Services Price Index, February 2022

Data for February for the Freight Rail Services Price Index (2018=100) are now available. The index was 113.9 for February 2022 compared to 113.6 in January 2022. In the fourth quarter of 2021 the index was 111.1 compared to 108 in the third quarter of 2021.

2. Buffet to Berkshire Shareholders: 'You Can Be Proud of Your Railroad'

BNSF has reported record net earnings of \$5.99 billion in 2021, up 16.1% from 2020. "Here, it should be noted, we are talking about the old-fashioned sort of earnings that we favor: a figure calculated after interest, taxes, depreciation, amortization and all forms of compensation," Warren E. Buffett, Chairman/CEO of parent company Berkshire Hathaway Inc. told shareholders in a Feb. 26, 2022 letter. (That definition, he wrote "suggests a warning: Deceptive 'adjustments' to earnings—to use a polite description—have become both more frequent and more fanciful as stocks have risen. ..."). BNSF trains traveled 143 million miles last year and carried 535 million tons of cargo. "Both accomplishments far exceed those of any other American carrier," Buffet continued in the letter, which was part of Berkshire's 2021 Annual Report. "You can be proud of your railroad."

3. CN Aims to Create New, Competitive Speedway for Customers in Filing with Surface Transportation Board on the Proposed CP-KCS Merger

CN on March 1, 2022 filed a responsive application with the Surface Transportation Board ("STB") requesting specific conditions related to the approval of the pending Canadian Pacific ("CP") and Kansas City Southern ("KCS") merger (collectively "CP-KCS"). CN's responsive application asks the STB to condition any approval of a CP-KCS merger on the divestiture of the KCS line from Kansas City, Missouri to Springfield and

RAIL TRANSPORTATION

Canada

1. Freight Rail Services Price Index, February 2022, February 25, 2022, www.statcan.gc.ca
2. Buffet to Berkshire Shareholders: 'You Can Be Proud of Your Railroad', February 28, 2022, www.railwavage.com
3. CN Aims to Create New, Competitive Speedway for Customers in Filing with Surface Transportation Board on the Proposed CP-KCS Merger, March 1, 2022, www.cn.ca
4. Canada rail-strike threat latest disruption to fertilizer supply, March 2, 2022, www.ajot.com
5. For February Rail Traffic, 'Pockets of Real Strength', March 2, 2022, www.railwavage.com
6. BNSF to STB: Ensure Cross-Border Competition, Mar 3, 2022, www.railwavage.com
7. BNSF: \$1.5B in 2021 Economic Development, March 4, 2022, www.railwavage.com
8. CP launches first new train in cooperation with KCS, March 9, 2022, www.insidelogistics.ca
9. CP debuts interline service from Lázaro Cárdenas to Chicago, March 8, 2022, www.cpr.ca
10. Government of Canada launches the next phase in the procurement process for High Frequency Rail, March 9, 2022, www.tc.gc.ca
11. Week 9: U.S. Rail Traffic Returns to Near 2021 Levels, March 9, 2022, www.railwavage.com
12. CP's volume, delays rising ahead of possible strike, March 10, 2022, www.joc.com
13. Canada Commits to Passenger Rail Revival

East St. Louis, Illinois (“the Kansas City Speedway”) to CN, pursuant to the STB’s statutory authority to order “the divestiture of parallel tracks” as a merger condition. Granting CN control of the line will provide customers with a new competitive option to move goods across a key North American economic corridor.

4. Canada rail-strike threat latest disruption to fertilizer supply

A labor dispute at one of Canada’s largest railways is threatening to further disrupt global supplies of fertilizer just as farmers need key nutrients to plant spring crops. About 3,000 workers at Canadian Pacific Railway Ltd. have voted for a plan to strike March 16, if necessary, according to their union. Canada, along with Russia and Belarus, is one of the main sources for the world’s potash, a commonly-used fertilizer that contains potassium. A potential work stoppage comes amid concerns of shortfalls in supplies amid Russia’s invasion of Ukraine and sanctions on Belarus. CP has offered wage increases for a two-year collective pact and has agreed to 20 union demands, spokeswoman Salem Woodrow said in an email.

5. For February Rail Traffic, ‘Pockets of Real Strength’

In February 2022, 15 of the 20 carload commodity categories tracked by the AAR each month saw carload gains over the same month in 2021. These included: coal, up 47,238 carloads or 21.3%; chemicals, up 19,397 carloads or 16.4%; and crushed stone, sand and gravel, up 17,918 carloads or 36.3%. Commodities that saw declines in February 2022 from the previous-year period included: motor vehicles and parts, down 6,358 carloads or 11.4%; petroleum and petroleum products, down 3,191 carloads or 8%; and all other carloads, down 2,162 carloads or 9.3%. Combined U.S. carload and intermodal originations in February 2022 were 1,945,646, gaining 5.7%, or 104,819 carloads and intermodal units from February 2021. This was based on 915,329 carloads—increasing 11%, or 90,525 carloads, from the same month last year—and 1,030,317 containers and trailers—rising 1.4%, or 14,294 units. Total carloads for the week ending Feb. 26, 2022 came in at 223,330, a 3.6% rise compared with the same week in 2021, while U.S. weekly intermodal volume was 261,860 containers and trailers, a 3.5% drop vs. last year. Canadian railroads reported 70,286 carloads for the week ending February 26, 2022, decreasing 11.6%, and 61,636 intermodal units, falling 13.9% compared with the same week in 2021. For the first eight weeks of 2022, they reported cumulative rail traffic volume of 1,064,017 carloads, containers and trailers, down 10.3%.

6. BNSF to STB: Ensure Cross-Border Competition

BNSF is asking the Surface Transportation Board (STB) to impose conditions that preserve competition, particularly at the U.S.-Mexico border, if the proposed Canadian Pacific-Kansas City Southern merger is approved. On Feb. 28, BNSF submitted comments to the STB to ensure that a CP-KCS combination into Canadian Pacific Kansas City (CPKC)

does not diminish the “important access to Mexico for U.S. rail shippers.” STB is currently reviewing the merger application. In its 583-page filing, BNSF wrote that to “meet the steep volume expectations, revenue projections, and other claims made to investors and to the Board, the combined CP-KCS will be incentivized to divert its traffic through rate manipulations away from competitive routings on BNSF and other railroads. The Board needs to understand the real potential that, absent imposition of the conditions requested here by BNSF, current and future U.S. shippers could be harmed through a lessening of competitive options.”

7. BNSF: \$1.5B in 2021 Economic Development

Investments from BNSF-served customers totaled approximately \$1.5 billion in 2021, the Class I railroad reported on March 3, 2022; this reflects work on new or expanded facilities by companies such as The Gatorade Company Inc., Mark Anthony Brewing and Northern Metal Recycling. It is the 11th consecutive year that customers and local economic development organizations have invested more than \$1 billion in a calendar year, according to BNSF. “The success of BNSF’s rail development program is a result of our employees working with our customers to build unique supply chain solutions that fit their distinctive needs,” Assistant Vice President, Economic Development Chris Danos

With HFR Certainty, March 10, 2022, www.railwayage.com

14. Amtrak Recognizes CP as Best Performing Host Railroad, March 10, www.cpr.ca

15. CP corn train derailed in Saskatchewan, March 14, 2022, www.insidelogistics.ca

16. A Primer on Reciprocal Switching, March 14, 2022, www.railwayage.com

17. CP issues lockout notice to Teamsters, March 17, 2022, www.insidelogistics.ca

18. Sask. premier wants Ottawa to designate rail workers essential, March 16, 2022, www.insidelogistics.ca

19. CP commits to clarifying train traffic data submitted as part of regulatory review of the CP-KCS combination, March 16, 2022, www.cpr.ca

20. Farmers in Western Canada brace for worst in Canadian Pacific labour dispute, March 17, 2022, www.nationalpost.ca

21. VIA Rail’s 2022-2025 Accessibility Plan Charts the Course for a More Accessible and Inclusive Travel Experience, March 17, 2022, www.viarail.ca

22. Week 10: U.S. Rail Traffic Behind 2021 Levels, March 17, 2022, www.railwayage.com

23. Industry groups call for uninterrupted rail service, March 18, 2022, www.insidelogistics.ca

24. Work stoppage Saturday initiated by TCRC, not by CP, March 20, 2022, www.cpr.ca

25. Canadian labor minister urges quick end to railway work stoppage, March 21, 2022, www.ajot.com

26. STB Sets Q22 Rail Cost Adjustment Factor, March 18, 2022, www.railwayage.com

27. CP workers return at noon Tuesday, March 22, 2022, www.insidelogistics.ca

28. Railway carloadings, January 2022, March 21, 2022, www.statcan.gc.ca

29. CP arbitration process could take weeks, March 23, 2022, www.insidelogistics.ca

30. Shippers want to make rail strikes impossible, March 24, 2022, www.insidelogistics.ca

31. AAR: North American Rail Volume Down 4% Through 11 Weeks, March 23, 2022, www.railwayage.com

32. Statement by Minister Alghabra on the Lac-Mégantic rail bypass project, March 24, 2022, www.tc.gc.ca

33. Winnipeg Rail Park Project Moving Forward, March 25, 2022, www.railwayage.com

34. Metrolinx Breaks Ground on Ontario Line, March 28, 2022, www.railwayage.com

said. “Flexibility is the key to helping our customers maximize their investments, saving them development costs and expediting their speed to market.” BNSF projects the creation of more than 1,700 new jobs as a result of the investments, which support commodities such as consumer, agricultural and industrial products in communities across the Class I railroad’s network.

8. CP launches first new train in cooperation with KCS

Canadian Pacific has launched the first dedicated international intermodal train between the Mexican Pacific coast port of Lázaro Cárdenas and the U.S. Midwest. The railway says the Lázaro Cárdenas to Chicago train was born out of the need to avoid excessive delays due to the “unprecedented and ongoing supply chain challenges affecting North America’s West Coast”. The first train carrying containers offloaded at Lázaro Cárdenas arrived March 8, 2022 at CP’s Bensenville Yard in the Chicago area. Total transit time from vessel arrival at Lazaro to train arrival in Chicago was just seven days. CP and KCS cooperated as interline carriers to offer a new intermodal service to meet market demand.

9. CP debuts interline service from Lázaro Cárdenas to Chicago

Canadian Pacific Railway Limited ("CP") on March 8, 2022 announced that, working with Kansas City Southern ("KCS") on an interline basis, it has successfully launched the first dedicated international intermodal train between Lázaro Cárdenas and the U.S. Midwest. This first Lázaro Cárdenas to Chicago train was born out of the need to avoid excessive delays due to the unprecedented and ongoing supply chain challenges affecting North America's West Coast. The first train carrying containers offloaded at Lázaro Cárdenas arrived March 8, 2022 morning at CP's Bensenville Yard in the Chicago area. CP is pleased to report that total transit time from vessel arrival at Lázaro to train arrival in Chicago was just seven days. CP and KCS cooperated as interline carriers to offer a new intermodal service to meet market demand.

10. Government of Canada launches the next phase in the procurement process for High Frequency Rail

On March 9, 2022, the Minister of Transport, the Honourable Omar Alghabra, along with the Parliamentary Secretary to the Minister of Transport, Annie Koutrakis, announced that the Government of Canada is launching a Request for Expressions of Interest seeking the advice and views from industry on the High Frequency Rail project through Buyandsell.gc.ca. High Frequency Rail is the largest transportation infrastructure project that Canada has seen in decades. Recognizing the project’s size and scale, the Government of Canada is seeking world-class knowledge and private sector expertise for all aspects of the project.

11. Week 9: U.S. Rail Traffic Returns to Near 2021 Levels

For the week ending March 5, 2022, U.S. rail traffic came in at 505,177 carloads and intermodal units, dipping 1.9% from the same week last year, based on 238,870 carloads—up 2.8% from 2021—and intermodal volume of 266,307 containers and trailers—down 5.8%, the Association of American Railroads (AAR) reported on March 9, 2022. Results for week 8 (ending March 5, 2022) were more in line with the prior-year period; February 2022 results—with double-digit gains—were skewed due to severe winter storms holding back volumes in February 2021, according to AAR. Canadian railroads reported 74,912 carloads for the week, an 8.9% drop, and 66,261 intermodal units, a 12.8% fall-off from the same week in 2021. For the first nine weeks of 2022, they reported cumulative rail traffic volume of 1,205,190 carloads, containers and trailers, down 10.4%.

12. CP’s volume, delays rising ahead of possible strike

Shippers are frontloading cargo on Canadian Pacific Railway ahead of a potential Teamsters strike on March 16, 2022 causing a surge in volume and delays getting containers onto trains.

13. Canada Commits to Passenger Rail Revival With HFR Certainty

In September 2021, VIA Rail Canada took delivery of the first of 32 new Siemens trainsets, and on Nov. 30, 2021 revealed it to the public; testing started in December 2021. Canada’s public passenger railway VIA Rail has been pulled back from pandemic-induced oblivion by a federal government now framing the scheme for a dedicated, electrified right-of-way linking Quebec City and Toronto as a certainty for the first time since the project was first revealed in 2015. “High Frequency Rail (HFR) will transform passenger rail service in Canada through the creation of a faster, more frequent, more accessible and more sustainable rail service among the major centers of Québec City, Trois-Rivières, Montréal, Ottawa, Peterborough and Toronto,” Transport Canada declared March 9, 2022.

14. Amtrak Recognizes CP as Best Performing Host Railroad

Amtrak President and CEO Stephen J. Gardner this week congratulated Canadian Pacific (CP) for earning an industry-leading "A" grade for the sixth consecutive year on the annual Amtrak Host Railroad Report Card, which ranks freight railroads for keeping Amtrak trains on-time. Gardner presented the host railroad award to CP President and CEO Keith Creel at Amtrak Chicago Union Station.

15. CP corn train derails in Saskatchewan

Canadian Pacific Railway says one of its trains derailed in southern Saskatchewan on Saturday, March 12, 2022. An email from the railway says the freight train, which was hauling corn, derailed at around 6:30 a.m. local time near Drinkwater, Sask. It says there were no injuries and no public safety concerns. The railway says Canadian Pacific

teams immediately responded to the site. The cause of the derailment remains under investigation. The village is approximately 35 km southwest of Regina.

16. A Primer on Reciprocal Switching

The Surface Transportation Board (STB) will hold a public hearing March 15-16, 2022 to consider finalizing a long-pending, shipper instigated rulemaking that could loosen the standard for imposing a competition enhancing Reciprocal Switching remedy created by Congress in 1980. The proceeding is officially known as Ex Parte No. 711 (Sub-No. 1). Its roots date to 2011. The remedy is intended to create two-railroad competition at origin or destination shipper facilities physically served by only one railroad. The remedy has never been imposed, however, with shippers alleging a too-difficult to meet evidentiary standard—that a railroad is engaging in anticompetitive behavior. The standard was established in 1985 by STB predecessor Interstate Commerce Commission (ICC).

17. CP issues lockout notice to Teamsters

Close to 3,000 employees of Canadian Pacific Railway Ltd. could be off the job early Sunday morning. Calgary-based CP Rail said in a release on March 16, 2022 that it has issued 72-hour notice to the Teamsters Canada Rail Conference of its plan to lock out employees at 00:01 eastern time on March 19, 2022 if the union and the company are unable to come to a negotiated settlement or agree to binding arbitration. CP Rail said it tabled an offer March 15, 2022 to address 26 outstanding issues, including the union's key issues of wages, benefits and pensions through final and binding arbitration.

18. Sask. premier wants Ottawa to designate rail workers essential

Saskatchewan Premier Scott Moe is urging the federal government to classify railway workers as essential and to ensure back-to-work legislation is passed if Canadian Pacific Railway employees go on strike. Moe says the Saskatchewan Party government plans to deliver a petition to Ottawa this week calling for the change. "I hope it finds its way to the floor of Parliament so they can have a discussion and prioritize what they can actually do to make a difference," Moe said at a Saskatchewan Association of Rural Municipalities convention Wednesday, March 17, 2022. He also said he will raise the issue with other provinces.

19. CP commits to clarifying train traffic data submitted as part of regulatory review of the CP-KCS combination

Canadian Pacific Railway Limited ("CP") on March 16, 2022 made the following statement in response to the Surface Transportation Board's (the "STB") decision on March 16, 2022 asking Applicants to "address an apparent inconsistency in certain data submitted" to the STB. CP welcomes and expects a comprehensive regulatory and environmental review of our application and shares the STB's desire for accurate, consistent information across all aspects of that review. As called for by the decision, CP will submit to the STB by March 21 a full explanation of the data submitted with its Application and shared with the Board's Office of Environmental Analysis in connection with its review of the Application. We look forward to the STB restarting the procedural schedule for its review of the proposed CP-KCS transaction following its review of the explanation Applicants will provide.

20. Farmers in Western Canada brace for worst in Canadian Pacific labour dispute

"And if we don't have that, we're facing a pretty serious animal health crisis." For ranchers, producers and industries in much of the southern prairies, Canadian Pacific is their only railway option. CN, Canada's largest railway in both revenue and network, built their transcontinental line along a more northerly route, with the bulk of branch lines and secondary routes servicing areas south of Saskatoon and Edmonton largely abandoned over the decades. A strike vote held earlier in March 2022 saw 96 per cent of TCRC members voting in favour of a strike, reflecting the frustrating impasse taking root at the bargaining table. The stalemate continued until March 16, 2022 evening when Canadian Pacific issued a 72-hour lockout notice.

21. VIA Rail's 2022-2025 Accessibility Plan Charts the Course for a More Accessible and Inclusive Travel Experience

VIA Rail Canada (VIA Rail) is proud to be the first Crown Corporation to table its 2022-2025 accessibility plan with the Government of Canada. With the tabling of this plan VIA Rail establishes itself as a leader in supporting the Government of Canada's vision of creating a barrier-free Canada by 2040. The Corporation is determined to be Canada's most accessible national and inter-city mode of transportation and driven by the mindset that it's time to create a barrier-free travel experience from reservation to destination. VIA Rail's multi-year plan charts the course for a more accessible and inclusive experience for employees at work and for passengers along their journey.

22. Week 10: U.S. Rail Traffic Behind 2021 Levels

For the week ending March 12, 2022, U.S. rail traffic was down 4.7% over the same week last year; total carloads came in 0.9% higher while intermodal volume dropped 9.1%, according to the Association of American Railroads' (AAR) March 16 report. In week 10, U.S. Class I railroads hauled a total of 496,134 carloads and intermodal units, comprising 232,388 carloads and 263,746 containers and trailers. Canadian railroads reported 74,498 carloads for the week, a 10% decline, and 68,865 intermodal units, a 7.6% fall-off from the previous-year period. For the first 10 weeks of 2022,

they reported cumulative rail traffic volume of 1,348,553 carloads, containers and trailers, down 10.2%.

23. Industry groups call for uninterrupted rail service

Canada's industry associations are asking the federal government to prevent a stoppage of rail service. With CP Rail and The Teamsters Rail Conference of Canada (TCRC) at the bargaining table, and a lockout notice issued for Sunday March 20, 2022 associations say a further disruption of rail service "would create a freight capacity crisis that would have a profound impact on rail shippers throughout the broader Canadian economy". A group of 30 associations sent a letter to the federal government in which they said economic recovery after the pandemic, extreme weather, inflationary pressures, labour shortages and global supply chain disruptions would be threatened by a work stoppage at CP. "Canada's rail network is a key driver of economic growth for many of the country's major industries. It is also crucial for exporting Canadian goods," the letter stated.

24. Work stoppage Saturday initiated by TCRC, not by CP

Canadian Pacific Railway Limited (CP) said that while the company was still engaged in ongoing negotiations facilitated by federal mediators, the Teamsters Canada Rail Conference (TCRC) withdrew its services and issued a news release misrepresenting the status of the talks. "We are deeply disappointed that, in the final hours before a legal strike or lockout was to potentially occur, the TCRC Negotiating Committee failed to respond to the company's latest offer that was presented to them by the federal mediators," said Keith Creel, CP President and Chief Executive Officer. "Instead, the TCRC opted to withdraw their services before the deadline for a strike or lockout could legally take place. The TCRC is well aware of the damage this reckless action will cause to the Canadian supply chain."

25. Canadian labor minister urges quick end to railway work stoppage

A work stoppage at one of Canada's two largest railways must end quickly, given increased pressure on already strained supply chains, Labor Minister Seamus O'Regan said. But O'Regan said he's still hoping for a negotiated solution between Canadian Pacific Railway Ltd. and the Teamsters Canada Rail Conference, rather than legislation that would force the railway back into operation. "Nobody's left the table, I think that that's incredibly important," he said in a phone interview about the work stoppage that began early Sunday, March 20, 2022 morning when a deal couldn't be reached between the railway and the union, which represents about 3,000 of CP's locomotive engineers and conductors. O'Regan said both sides are "keenly aware" of the extreme pressures that are already impacting global supply chains due to the war in Europe, the Covid-19 pandemic and the natural disasters that hit Western Canada last year. Canada is, for example, the world's largest producer of potash, with Russia and Belarus rounding out the top three.

26. STB Sets 2Q22 Rail Cost Adjustment Factor

The Surface Transportation Board has adopted for second-quarter 2022 the rail cost adjustment factor (RCAF), defined as "an index formulated to represent changes in railroad costs incurred by the nation's largest railroads over a specified period of time." STB is required by law to publish the RCAF on a minimum quarterly basis. The Association of American Railroads (AAR) each quarter computes three types of RCAF figures and submits them for STB approval: 1. Unadjusted RCAF: "an index reflecting cost changes experienced by the railroad industry, without reference to changes in rail productivity." 2. Adjusted RCAF: "an index that reflects national average productivity changes as originally developed and applied by the ICC [Interstate Commerce Commission], the calculation of which is currently based on a five-year moving average." 3. RCAF-5: "an index that also reflects national average productivity changes; however, those productivity changes are calculated as if a five-year moving average had been applied consistently from the productivity adjustment's inception in 1989."

27. CP workers return at noon Tuesday

Canadian Pacific Railway Ltd. and the union representing 3,000 conductors, engineers and train and yard workers say they have agreed to final and binding arbitration to end a work stoppage. Workers will return to the job at noon local time Tuesday, March 22, 2022. In a statement issued early Tuesday morning, Teamsters Canada Rail Conference spokesperson Dave Fulton said while arbitration was not the preferred method, TCRC was able to negotiate terms and conditions that were in the best interest of its members, with wages and pensions still stumbling blocks. He noted the decision to agree to final and binding arbitration was not taken lightly.

28. Railway carloadings, January 2022

In January 2022, Canadian railways transported 26.5 million tonnes of freight, down 19.1% from January 2021. This marked the fifth straight month of year-over-year declines and the steepest percentage drop in more than a decade. While rail freight transport typically slows down during the winter months, the volume of cargo carried in January 2022 was at its lowest level since 2014. To further explore current and historical data in an interactive format, please visit the Monthly Railway Carloadings: Interactive Dashboard.

29. CP arbitration process could take weeks

Canadian Pacific Railway Ltd. rail employees are back on the job, but one labour relations expert says it could take weeks before matters are settled between the country's second-largest railway and the union representing 3,000 conductors, engineers, train and yard workers. CP Rail and Teamsters Canada Rail Conference announced early

Tuesday (March 22, 2022) that they have agreed to final and binding arbitration to end a work stoppage that began on the weekend. “Given the high profile of this company, the arbitration process will probably be fast-tracked, but we’re not talking days, we’re talking weeks,” said Robert Hickey, a labour and employment professor at Queen’s University, in an interview.

30. Shippers want to make rail strikes impossible

Business groups advocating for rail to be declared an essential service in the wake of this week’s temporary work stoppage at Canadian Pacific Railway Ltd. say a “permanent solution” is needed to ease this country’s supply chain woes. In an interview on March 23, 2022, Fertilizer Canada president and chief executive Karen Proud said that since 2019, her industry has dealt with strikes at Canadian National Railway Co. and the Port of Montreal, in addition to the most recent labour dispute at CP. That’s on top of other supply chain disruptions that have resulted from COVID-19, natural disasters like wildfires and flooding and recent border blockades and protests. “We every few years seem to get stuck in the same situation. Sometimes a couple of times a year,” she said. “In the long-term, we’re really hoping that the government will look at this.”

31. AAR: North American Rail Volume Down 4% Through 11 Weeks

The Association of American Railroads (AAR) now has 11 weeks of rail traffic data for 2022 (ending March 19). Total carload and intermodal traffic fell 4% in North America—dropping 2.6% in the U.S. and 10.2% in Canada, and rising 3.4% in Mexico from the same point last year. Week 11 (ending March 19, 2022) marks the second year since the pandemic began. Total U.S. weekly rail traffic came in at 499,362 carloads and intermodal units, down 2.7% compared with the same week in 2021, AAR reported on March 23. U.S. Class I railroads moved 232,770 carloads, increasing 1.1% from the prior-year period; and 266,592 containers and trailers, declining 5.7% from last year. Canadian railroads reported 73,635 carloads for the week, falling 9.5%, and 65,486 intermodal units, dropping 10.7% from the same week in 2021. For the first 11 weeks of 2022, they reported cumulative rail traffic volume of 1,487,674 carloads, containers and trailers, down 10.2%.

32. Statement by Minister Alghabra on the Lac-Mégantic rail bypass project

The Minister of Transport, the Honourable Omar Alghabra, issued the following statement on March 24, 2022 regarding the Lac-Mégantic rail bypass project: "Our Government will always support the communities of Lac-Mégantic and the surrounding areas, listen to citizens and continue to keep them informed on the next steps in the Lac-Mégantic bypass project. "Mutual negotiations with the owners of the parcels of land that are necessary for the construction of the future rail bypass are underway. Since mid-February, all affected landowners have received an offer to purchase. "At the request of the communities of Lac-Mégantic, Nantes and Frontenac, we have granted an additional three-month extension to the negotiation period with all affected landowners. To this end, property owners will have until August 12, 2022, to negotiate with Public Services and Procurement Canada, regardless of when they received their offer to purchase.

33. Winnipeg Rail Park Project Moving Forward

Construction is slated to start this summer on the 665-acre CentrePort Canada Rail Park in the capital region of Winnipeg, Manitoba. The Manitoba (Canada) government and CentrePoint Canada Inc. on March 25 reported their selection of Focus Equities Inc. as the developer of a Winnipeg rail park, to be served by BNSF, Canadian Pacific (CP) and CN. The move follows a 2018 Request for Proposal to attract a private developer. Construction is slated to start this summer on the 665-acre CentrePort Canada Rail Park, which is part of CentrePort Canada, a 20,000-acre inland port in the Rural Municipality of Rosser, within the capital region of Winnipeg, Manitoba. The rail park will offer access to road and rail as well as Winnipeg’s James Armstrong Richardson International Airport, which handles more than 4,200 cargo flights per year. Estimated capital expenditures at the facility could exceed C\$3.0 billion (US\$2.4 billion), according to CentrePort Canada.

34. Metrolinx Breaks Ground on Ontario Line

Metrolinx and Canada’s Ontario Province on March 27 broke ground at Exhibition Station, the western terminus of the new, 9.7-mile (15.6-kilometer) Ontario Line, an expansion of the Toronto Transit Commission (TTC) rapid transit system. The Ontario Line’s western and eastern termini are, respectively, Exhibition (Ontario Place) and Science Centre. The groundbreaking at Exhibition Station, located on the GO Transit Lakeshore West Line, one stop west of Toronto Union Station, and the location of the Exhibition Loop on the TTC’s 509 and 511 streetcar lines, “marks the start of construction for a new subway line that will support the delivery of better and faster transit for the Greater Toronto Area (GTA).”

HIGHWAY TRANSPORTATION

1. Truckers say this Is the worst time for Biden’s plan to cut emissions

President Joe Biden is close to proposing new limits on nitrogen oxide emissions from trucks that environmentalists say are long overdue. But the industry says the timing couldn’t be worse as it fights a driver shortage and supply chain woes. Trucking companies argue that given the money they’re spending to hire new drivers and deal with delays in moving cargo off docks and other supply chain kinks it would be devastating to have to spend millions of dollars on new vehicles to meet the standards. “We have to make sure trucking companies can afford the anticipated high price tags of these new medium- and heavy-duty vehicles, that maintenance costs won’t dramatically increase,” Glen Kedzie, a vice president for environmental issues at the American Trucking Associations, said.

2. Couriers and Messengers Services Price Index, January 2022

The Couriers and Messengers Services Price Index (2003=100) is now available for January 2022. The index for January 2022 was 243.4 compared to 237.7 for January 2021.

3. Urban public transit, December 2021

Canada’s urban transit networks carried an estimated 86.0 million riders in December 2021, 4% fewer than the pandemic-era high posted in November 2021. The transit industry has recovered nearly three-fifths (56.1%) of the pre-pandemic ridership from December 2019. With an increasing vaccination rate, provincial re-openings and the resumption of in-class learning, transit ridership continued to recover in 2021. For the year, 771.8 million passenger trips were made, down 9.1%, or 77.3 million fewer rides from 2020 levels.

4. Tolls removed from Ontario’s highways 418 and 412

Ontario is eliminating tolls on highways 412 and 418 that run between highways 401 and 407 in Durham Region. “Some things don’t happen overnight but at the end of the day these tolls are gone,” Ontario Premier Doug Ford said when announcing the change to be effective April 5, 2022. The two highways represented the only tolled north-south highways in the province. Durham Region Chairman John Henry and mayors from within the region have been among those advocating for the tolls to be removed.

5. Canada aims to keep cross-border relations smooth

Canada is committed to working closely with the U.S. and Mexico to increase cross-border coordination and cooperation. Michael Grant, assistant deputy minister for the Americas, Global Affairs Canada, said cooperation during the pandemic has showed the relationship’s strength to deal with adversity. Speaking at the North American Transportation Forum webinar on February 23, 2022, Grant said Canada is committed to being a reliable, predictable, and secure trading partner. Given recent events in Canada, border crossings are open, and the government continues to monitor them closely to ensure there are no further disruptions, he said.

6. Cross-border truck freight surges in 2021

Trucks moved \$827.9 billion in freight across North America’s borders in 2021, up 19.2% from 2020 and 7.2% over the pre-pandemic totals seen in 2019. Overall freight traveling between Canada and the U.S. using any transportation mode was valued at \$664.2 billion during the year, marginally higher than the \$661.2 billion that crossed between the U.S. and Mexico, according to the U.S. Bureau of Transportation Statistics. (All figures in US dollars.)

7. Ontario Cutting the Cost of Taking Transit

The Ontario government is making it more convenient and affordable for people to use transit across the Greater Golden Horseshoe. The province is eliminating the fare for most local transit when using GO Transit service

HIGHWAY TRANSPORTATION Canada

1. Truckers say this Is the worst time for Biden’s plan to cut emissions, February 27, 2022, www.ajot.com
2. Couriers and Messengers Services Price Index, January 2022, February 28, 2022, www.statcan.gc.ca
3. Urban public transit, December 2021, February 28, 2022, www.statcan.gc.ca
4. Tolls removed from Ontario’s highways 418 and 412, March 1, 2022, www.insidelogistics.ca
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6. Cross-border truck freight surges in 2021, February 27, 2022, www.todaystrucking.ca
7. Ontario Cutting the Cost of Taking Transit, March 1, 2022, www.mto.gov.on.ca
8. TransPro buys iQ Logistics, March 1, 2022, www.todaystrucking.ca
9. Truck traffic quickly rebounded after border blockades were dismantled, March 3, 2022, www.todaystrucking.ca
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12. GTA transport plan includes new highways, March 11, 2022, www.insidelogistics.ca
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23. Ontario Making it Easier to Access Electric Vehicle Chargers, March 21, 2022, www.mto.gov.on.ca
24. Ottawa LRT Projects Advancing, March 22, 2022, www.railwayage.com
25. North American Transborder Freight Value Nears \$114 Billion in January 2022; Up 20.6% from January 2021 and 17.1% from Pre-pandemic January 2020, March 23, 2022,

and increasing PRESTO discounts for youth and post-secondary students.

www.bts.gov

Elimination of double fares, new fare discounts will keep more money in the pockets of families and young people. “Affordability and cost of living concerns are very much on the minds of families throughout Ontario, and that is why our government is taking action to make riding transit cheaper,” said Stan Cho, Associate Minister of Transportation. “As we cut costs for drivers, including by eliminating licence sticker renewal fees and removing tolls on Highways 412 and 418, we’re also slashing fares to keep more money in the pockets of families and young people when they need it most and making it easier to get from point A to B.”

8. TransPro buys iQ Logistics

TransPro Freight Systems has purchased iQ Logistics, a Mississauga, Ont.-based provider of cross-border LTL, warehousing, brokerage and logistics services. “iQL is honored to join KTG (Kriska Transportation Group) as part of TransPro,” said John Wheeler, president, iQL. “We are like-minded in our dedication to customer service and employee development. The added KTG network will allow us to offer additional supply-chain resources to our loyal customers.”

9. Truck traffic quickly rebounded after border blockades were dismantled

Cross-border truck traffic rebounded sharply in mid-February 2022 as border blockades supporting ‘Freedom Convoy’ protesters were dismantled. The Canada Border Services Agency (CBSA) processed 107,599 truck drivers from Feb. 14-20, 2022 reaching levels seen during that same week in 2022. Overall volumes had plunged during border blockades at the Ambassador Bridge in Windsor, Ont.; Coutts, Alta.; Emerson, Man.; and Surrey B.C. – dropping under 99,000 truck drivers during each of the first two weeks in the month. The Ambassador Bridge alone handles more than 7,000 trucks in a typical day.

10. Biden-Harris Administration and the U.S. Department of Transportation Announce Nearly \$1.5 Billion in Grants Funded by the Bipartisan Infrastructure Law to Modernize Bus Fleets and Facilities

At an event with Vice President Kamala Harris, U.S. Transportation Secretary Pete Buttigieg and Federal Transit Administration Administrator Nuria Fernandez on March 7, 2022 announced the availability of approximately \$1.47 billion in competitive grant funds to help modernize bus fleets and facilities across the country, which will support good-paying jobs and help reduce carbon emissions, leading to cleaner air, healthier communities, and better transportation.

11. Gordie Howe International Bridge tower construction enters new phase

The Gordie Howe International Bridge project’s tower legs – also known as the lower pylon – in Windsor, Ont. and Detroit, Mich., have reached their full height of 140 meters. Bridging North America will begin work on the final portion of the tower – the pylon head. The towers will take shape as this final 80 meters is completed over the remainder of 2022.

12. GTA transport plan includes new highways

Ontario’s 30-year vision to grow transportation networks around Toronto includes highway expansions and potential new transit networks, though many elements of the plan are not fully costed. Connecting the GGH: A Transportation Plan for the Greater Golden Horseshoe, sets out the 30-year plan. The Greater Golden Horseshoe extends from Waterloo, Wellington and Brant County in the west, Peterborough and Northumberland in the east, Simcoe County in the north, and Haldimand and Niagara in the south. The province says the Golden Horseshoe region is expected to grow to 15 million people by 2051 and the transportation plan aims to fight anticipated gridlock and efficiently move goods. The region is a nationally significant hub for goods movement and business travel that sees \$1.16 trillion in goods transported annually on its highways.

13. War in Ukraine creates risks for trucking conditions: FTR

The war in Ukraine is putting downside risk on trucking conditions, according to FTR’s Trucking Conditions Index (TCI). The index in January fell from 14.45 to 11.45 due to rising diesel prices, even before the war broke out. FTR reports higher freight rates more than offset the effects of rising fuel costs, but volumes slipped. And a record surge in fuel prices will hit carriers in the near term, FTR reported. It says its TCI remains positive but downside risks have “increased greatly.”

14. Safety professionals sound alarm on schools offering training for low prices

Ontario truck driver training institutions and safety professionals are claiming fraudulent activity by some schools that offer A/Z training for very low tuition fees — and a report by the province’s auditor general raises concerns of its own. “You can find MELT (mandatory entry level training) programs advertised in the Greater Toronto Area for \$3,500. It costs around \$6,000 to \$7,000 to deliver that program,” says Rolf VanderZwaag, CEO of Techni-Com, a business that produces compliance and training products for driver training and vehicle inspection. Radek Rogowski, operations manager at Richards Driving School in Mississauga, Ont., says ultra-low fees can be a sign of fraudulent activity.

15. Ontario Draws the Line on ELD Enforcement

The Ontario Ministry of Transportation’s Commercial Safety and Compliance Branch has confirmed to the Ontario

Trucking Association in a letter dated March 16, 2022 it will begin hard enforcement of the Electronic Logging Device (ELD) mandate on Jan. 1, 2023 for commercial carriers operating within the province. In the letter to OTA, the MTO stated: “Ontario will support the federal ELD mandate with an education and awareness period through to January 1, 2023 (without penalties for federally-regulated carriers). Ontario will implement a complementary education and awareness period for the provincial ELD mandate that was set to take effect June 12, 2022, through to January 1, 2023 (without penalties for provincially-regulated carriers) ...

16. More Miles Increasing Fleet Maintenance Costs: Report

As new truck equipment becomes more scarce, North American fleets are running older equipment much longer, and, consequently, fleet maintenance costs are continuing to rise, reports Jim Park from HDT. A new study commissioned by the American Trucking Associations, ATA’s Technology & Maintenance Council, and Decisiv has found maintenance costs rose 3.7% in the fourth quarter and are up more than 10% for North American fleets from the previous year.

17. Canada’s spot market continues record-setting load growth

Canada’s spot market continues to offer an abundance of loads, “with no signs of slowing down any time soon,” according to Loadlink Technologies. February 2022 volumes were up 171% year over year, and even beat January’s record highs by 21%. Truck capacity tightened, with a truck-to-load ratio of 0.63, a 76% decline from last February’s 2.61 trucks per load. Single-day load volumes reached an all-time high in February 2022, Loadlink reported, noting there was a heavy strain on inbound capacity.

18. National Safety Code Bulletin

Electronic Logging Devices (ELDs) in British Columbia B.C. is in the process of determining how to implement ELDs for commercial motor vehicles operating within the province. The revised intended target for the implementation of a provincial ELD mandate is January 1, 2023. More information will become available as the regulatory change process moves forward. Exact timelines for the implementation of ELDs in B.C. will be decided based on: 1) the process to make the necessary regulatory changes; 2) the availability of certified ELDs; National Safety Code BULLETIN Page 2 of 4 BULLETIN # 01-2021 Updated: March 17, 2022; 3) whether the current public health emergency has passed; and 4) conversations with jurisdictional partners on the progressive enforcement period

19. ELD information ready for the Truck World stage

Electronic logging devices (ELDs) are coming to all of Canada’s federally regulated carriers, and insights into the devices will be coming to the show floor at Truck World. Recurring “Knowledge Stop” presentations during the trucking industry trade show, scheduled for April 21-23, will include details from regulators and service providers alike. Any ELDs sold to meet the federal mandate must be certified by one of three recognized testing bodies, which determine whether the devices meet underlying technical standards. Twenty-two devices from 15 vendors have been approved so far. While the rules had been scheduled to take hold June 12, 2022 full enforcement has been delayed until Jan. 1, 2023.

20. OTA Applauds Introduction of Keeping Ontario Open for Business Act

OTA welcomes new legislation introduced by the Ontario government which will grant enforcement officials more powers outside of the *Emergency Act* to better enable the province to immediately respond to future disruptions at provincial-US border crossings.

21. Urban public transit, January 2022

In January 2022, urban transit recorded its lowest ridership in five months, falling to 67.3 million passenger trips. This drop followed the reintroduction of stricter public health measures in several provinces in response to an upsurge in COVID-19 cases. Provincial restrictions to combat the Omicron variant also served to slow the recovery in public transit. Ridership as a percentage, compared with pre-pandemic 2019 levels, slipped from 56.0% in December 2021 down to 41.8% in January 2022.

22. A long road still ahead for autonomous trucking technologies

Autonomous trucks aren’t being designed to replace professional drivers, but to take away the more dangerous and boring parts of the job and improve their lifestyles. That was the shared opinion of speakers at a Truckload Carriers Association convention executive panel held on March 2021. “If you are entering the trucking industry now, you’ll be able to retire a trucker if you want to,” Wiley Deck, vice-president of government affairs and public policy for Plus said. Charlie Jatt, head of commercialization for Waymo’s trucking business, agreed: “When we overlay the data of our planned rollout with the growing need for drivers, the need for drivers is growing faster than deployment of autonomous technology will be.”

23. Ontario Making it Easier to Access Electric Vehicle Chargers

The Ontario government is providing \$91 million to help make electric vehicle (EV) chargers more accessible to the public across the province. The investment will support the uptake of electric vehicles and further strengthen Ontario’s auto industry. “This investment is the next step forward that will help fill gaps in public charging infrastructure and

strengthen Ontario’s position as a leader in battery electric vehicle production,” said Caroline Mulroney, Minister of Transportation. “Providing all Ontarians with convenient, public access to fast and reliable charging will help us move towards our goal of making Made-in-Ontario electric vehicles the top choice for both passenger and commercial drivers.”

24. Ottawa LRT Projects Advancing

Work is progressing on the two extensions to Ottawa, Ontario’s crosstown Confederation LRT Line (Confederation Line, East Extension; and, Confederation Line, West Extension) opened in 2019. A third major rail transit project currently under way in the Ottawa area is extending and upgrading the DMU Trillium Line (with a possible extension to Quebec). Scheduled for completion in 2023, this improvement should significantly boost ridership.

25. North American Transborder Freight Value Nears \$114 Billion in January 2022; Up 20.6% from January 2021 and 17.1% from Pre-pandemic January 2020

The major highlights of transborder freight between the U.S. and North American countries (Canada and Mexico) in January 2022 were: 1) Total transborder freight: \$113.7 billion of transborder freight moved by all modes of transportation, up 20.6% compared to January 2021. January 2022 transborder freight was up 17.1% compared to \$97.1 billion in January 2020. 2) Freight between the U.S. and Canada totaled \$56.8B. Freight between the U.S. and Mexico totaled \$56.9B. 3) Trucks moved \$69.0 billion of freight, up 12.9% compared to January 2021. 4) Railways moved \$15.5 billion of freight, up 11.8% compared to January 2021. Total transborder freight between Canada and US for January 2022 was: Truck: \$29.3 billion; Rail: \$8.4 billion; Pipeline: \$10.6 billion; Air: \$2.7 billion; and Vessel: \$2.7 billion.

GENERAL TRANSPORTATION

Canada

1. Transportation Supply Chain Indicators

As a result of the strength of the recovery under President Biden, which helped create more than 6 million jobs, and the fastest quarter of economic growth since the mid-1980s, increases in cargo volume mean that our supply chains – particularly our ports, rail, and trucking that move goods throughout the country – have been stressed like never before. A shift from services to goods consumption as a result of the pandemic paired with both pandemic-induced supply and labour challenges and our aging infrastructure have caused disruptions across our supply chains. Over the course of the past year, as part of the President’s Supply Chain Disruptions Task Force, the Department of Transportation (USDOT), along with the Departments of Commerce and Agriculture, have been part of an administration-wide effort to improve the flow of goods, make our supply chains more resilient, and lower prices for Americans.

2. Energy analyst warns of soaring diesel prices

One of Canada’s leading energy analysts is warning of “stratospheric” diesel prices in coming weeks and months, and the pressure is not limited to Russia’s invasion of Ukraine. “I don’t see any end in sight,” Canadians for Affordable Energy president Dan McTeague told trucknews.com. “Prices are going to reach stratospheric levels.”

3. U.S. Department of Transportation Announces up to \$1.05 Billion Financing for Capital Beltway Express Lanes Construction in Virginia

U.S. Department of Transportation on March 3, 2022 announced that the Build America Bureau provided a \$1.05 billion low interest loan to Capital Beltway Express, LLC to refinance an existing loan for the Capital Beltway express lanes and construction of a northern extension called the 495 NEXT Project. The Bureau helps communities across the country reduce the costs of infrastructure projects by providing Transportation Infrastructure Finance and Innovation Act loans, known as TIFIA loans, and other types of financing. There are currently 14

GENERAL TRANSPORTATION

Canada

1. Transportation Supply Chain Indicators, March 1, 2022, www.dot.gov
2. Energy analyst warns of soaring diesel prices, March 2, 2022, www.todaystrucking.ca
3. U.S. Department of Transportation Announces up to \$1.05 Billion Financing for Capital Beltway Express Lanes Construction in Virginia, March 3, 2022, www.dot.gov
4. Supply chain woes reflected in corporate results, March 4, 2022, www.insidelogistics.ca
5. Canadian Tourism Activity Tracker, December 2021, March 4, 2022, www.statcan.gc.ca
6. U.S. Transportation Sector Unemployment Rate Increases to 5.4% in February 2022; Remains Above Pre-Pandemic Level of 3.8% in February 2020, March 4, 2022, www.bts.gov
7. Canada posts trade surplus in January, March 9, 2022, www.insidelogistics.ca
8. January 2022 Freight Transportation Services Index (TSI), March 9, 2022, www.bts.gov
9. Robots as a service growing in popularity, March 10, 2022, www.insidelogistics.ca
10. President Biden and the U.S. Department of Transportation Announce \$409 Million for 70 Transportation Projects in 39 States, March 14, 2022, www.dot.gov
11. OECD sees Ukraine war hitting GDP hard, March 18, 2022, www.insidelogistics.ca
12. CTA offers budget suggestions to stabilize supply chain, March 22, 2022, www.todaystrucking.ca
13. U.S., U.K. seek to deepen ties in absence of free-trade deal, March 23, 2022, www.ajot.com
14. Travel between Canada and other countries, January 2022, March 23, 2022, www.statcan.gc.ca
15. Strikes on Ukraine’s export hubs damage key commodity facilities, March 24, 2022, www.ajot.com
16. Minister of Transport announces co-chairs of the National Supply Chain Task Force, March 25, 2022, www.tc.gc.ca
17. CentrePort industrial park construction set to

miles of tolled express lanes (two in each direction) on Interstate 495 (Capital Beltway) in Fairfax County, Virginia. The 495 NEXT will extend the express lanes by 2.5 miles from the Dulles Access Road to the George Washington Memorial Parkway near the state line.

4. Supply chain woes reflected in corporate results

SNC-Lavalin Group Inc. felt the fallout of the COVID-19 pandemic last quarter, as sick workers and supply chain woes stalled projects in a development that could pile on millions more dollars in losses. After three straight quarters of profits, the engineering firm swung to a loss of almost \$53 million in the quarter ended Dec. 31, surprising analysts, who called the financial results “weak” and “messy.” “With the

Omicron variant ... we were seeing absenteeism of up to 50 percent on some of the jobs. And we saw a significant spike in productivity loss,” CEO Ian Edwards told analysts on March 3, 2022. On top of a labour shortage, supply chain disruptions and rising prices prompted delays and cost overruns.

5. Canadian Tourism Activity Tracker, December 2021

In December 2021, overall tourism activity in Canada was 29.1% below the level reached before the COVID-19 pandemic in December 2019. This was the seventh consecutive month of improvement since May 2021 and the highest level of activity since March of 2020. Despite new restrictions to combat the Omicron variant, increased activity in both domestic and inbound travel kept tourism on the track to recovery in December.

6. U.S. Transportation Sector Unemployment Rate Increases to 5.4% in February 2022; Remains Above Pre-Pandemic Level of 3.8% in February 2020

The unemployment rate in the U.S. transportation sector was 5.4% (not seasonally adjusted) in February 2022 according to Bureau of Labor Statistics (BLS) data recently updated on the Bureau of Transportation Statistics (BTS) Unemployment in Transportation dashboard. The February 2022 rate fell 3.5 percentage points from 8.9% in February 2021 but remains above the pre-pandemic rate of 3.8% in February 2020. Unemployment in the transportation sector reached its highest level during the COVID-19 pandemic (15.7%) in May and July 2020. The unemployment rate in the transportation sector is above overall unemployment. BLS reports that the U.S. unemployment rate, not seasonally adjusted, in February 2022 was 4.1% or 1.3 percentage points below the transportation sector rate. Seasonally adjusted, the U.S. unemployment rate in February 2022 was 3.8%.

7. Canada posts trade surplus in January

Canada posted a merchandise trade surplus in January 2022 compared with a deficit in December 2021 as imports fell to start the year. Statistics Canada said on March 8, 2022 that the country saw a merchandise trade surplus of \$2.6 billion for January 2022 compared with a revised deficit of \$1.6 billion in December 2021. BMO economist Shelly Kaushik said exports were supported by rising energy prices, which partially offset weakness in auto production from ongoing supply chain disruptions.

8. January 2022 Freight Transportation Services Index (TSI)

The Freight Transportation Services Index (TSI), which is based on the amount of freight carried by the for-hire transportation industry, rose 1.2% in January 2022 from December 2021, rising for the fifth consecutive month, according to the U.S. Department of Transportation’s Bureau of Transportation Statistics’ (BTS). From January 2021 to January 2022 the index rose 1.7 percent compared to a rise of 0.1 percent from January 2020 to January 2021 and a decline of 1.5 percent from January 2019 to January 2020. For-hire freight does not include the operations of fleets owned by retailers or other non-transportation companies referred to as private fleets.

9. Robots as a service growing in popularity

Robots hired as a service are becoming increasingly popular in logistics applications. New research from analyst firm IDTechEx shows that robots-as-a-service (RaaS) currently account for six to eight percent of robot revenue. X-as-a-Service business models are now commonplace, involving the delivery of a specific service rather than a product to perform the service. The most significant change in models such as this is the replacement of a proportionally very large up-front product price with a billing structure that is based on the services performed as the product itself.

10. President Biden and the U.S. Department of Transportation Announce \$409 Million for 70 Transportation Projects in 39 States

On March 14, 2022, President Biden and the U.S. Department of Transportation's Federal Transit Administration (FTA) awarded \$409.3 million in grants to 70 projects in 39 states to modernize and electrify America’s buses, make bus systems and routes more reliable, and improve their safety. The grants support modernizing and improving the most widespread form of transit in America and will help dozens of communities buy new-technology and electric buses, such as electric buses, that reduce or eliminate greenhouse gas emissions, promote cleaner air, and help address the climate crisis.

start, March 29, 2022, www.insidelogistics.ca

18. U.S. Commerce Department releases strategic plan to boost America’s competitiveness, March 29, 2022, www.ajot.com

19. U.S. Transportation Secretary Pete Buttigieg Announces the President’s Fiscal Year 2023 Budget for the U.S. Department of Transportation, March 28, 2022, www.dot.gov

20. Financial Incentives for the Trucking Industry, March 29, 2022, www.cantruck.ca

21. Ontario Raising Highway Speed Limits, March 29, 2022, www.mto.gov.on.ca

22. Canada’s biggest truck fleets: The Top 100 (1-25), March 29, 2022, www.todaystrucking.ca

11. OECD sees Ukraine war hitting GDP hard

Russia's war in Ukraine will disrupt commerce and clog up supply chains, slashing economic growth and pushing prices sharply higher around the globe, the Organization for Economic Cooperation and Development warned on March 17, 2022. In a grim new assessment, the 38-country OECD said that over the next year, the conflict would reduce gross domestic product – the broadest measure of economic output – by 1.08 percent worldwide, by 1.4 percent in the 19 European countries that share the euro currency and by 0.88 percent in the United States. But government spending and tax cuts could partially limit the damage, the organization said.

12. CTA offers budget suggestions to stabilize supply chain

The Canadian Trucking Alliance (CTA) has submitted a plan for the Canadian government to address the commercial driver shortage and help secure economic recovery by stabilizing the supply chain. "Currently there are over 23,000 truck driver vacancies in Canada, and this is expected to increase to over 55,000 vacancies in 2024," CTA chairman Jean-Claude Fortin said. "This shortage of professional drivers is having a negative impact on the supply chain and by extension the economic recovery of Canada."

13. U.S., U.K. seek to deepen ties in absence of free-trade deal

U.S. and U.K. officials said they're looking at new ways to deepen economic cooperation, even as President Joe Biden's negotiator suggested that a traditional free-trade agreement may not be the best approach to addressing the challenges faced by the two nations. The sides finished two days of talks in Baltimore on Tuesday, March 22, 2022, dubbed the "Dialogues on the Future of Atlantic Trade," by saying that they've started an important conversation about trade aimed at better spreading benefits, broadening cooperation and boosting prosperity. They plan to meet again next month in Scotland. Yet differences were on display at a closing news conference. U.K. International Trade Secretary Anne-Marie Trevelyan said that her government "absolutely" stands ready to work on a free-trade deal, a prize long eyed by Prime Minister Boris Johnson. U.S. Trade Representative Katherine Tai suggested that such a deal may be archaic and that new approaches are needed—though she didn't want to hastily rule out such a pact either. A free-trade deal is "is a very 20th-century tool," Tai said. "It has its place certainly in the toolbox," Tai added, saying that she wants to make sure that the approach by the two nations is "maximally responsive, and that we don't spend years and spend a lot of blood, sweat and tears working on something that isn't going to be relevant to the needs of our people and our economy."

14. Travel between Canada and other countries, January 2022

The number of international arrivals to Canada increased year over year in January 2022, but remained well below levels before the COVID-19 pandemic. While residents of overseas countries made more than twice the trips to Canada in January 2022 than in January 2021, it was under one-quarter (21.8%) of the number of trips recorded in January 2020. Likewise, US residents made two and a half times more trips in January 2022 compared with the same month in January 2021, yet less than one-fifth (18.2%) of those in January 2020. Compared with the same month in 2021, Canadians made almost three times the number of trips home from visiting abroad in January 2022, but this was just over one-quarter (26.0%) of the number of trips recorded in January 2020.

15. Strikes on Ukraine's export hubs damage key commodity facilities

Russian attacks on some of Ukraine's key export hubs are damaging commodities infrastructure and mean it could be a long road until shipments fully recover. Ukraine's ports have been closed since the war began, and now some major grain-export facilities and steel plants have been severely hit by shelling. They include a site belonging to agribusiness giant Bunge Ltd. in Mykolayiv on the Black Sea, as well as the large Azovstal steel plant in Mariupol. The country gets about 40% of its gross domestic product from exports. That includes roughly \$8 billion from wheat and corn and \$3.4 billion from iron ore, Observatory of Economic Complexity data show. While it's seeking to open new routes by rail for selling goods such as crops, volumes could be small. Ukraine's food companies are focused on securing local supplies, as hundreds of thousands face hunger and are without water and electricity.

16. Minister of Transport announces co-chairs of the National Supply Chain Task Force

Global supply chains continue to be disrupted by the COVID-19 pandemic, growing impacts of climate change, and recent sanctions against Russia. Ensuring that Canadian supply chains are resilient and fluid is a priority. During the National Supply Chain Summit in January 2022, the Minister of Transport, the Honourable Omar Alghabra, announced that a Supply Chain Task Force would be created. On March 25, 2022, Minister Alghabra is announcing that Jean Gattuso and Louise Yako have agreed to co-chair the National Supply Chain Task Force. The Task Force will consult broadly with industry, associations and experts to examine the key pressures and make recommendations regarding short and long-term actions to strengthen the efficiency, fluidity and resiliency of transportation infrastructure and reliability of Canada's supply chain.

17. CentrePort industrial park construction set to start

Real estate developer Focus Equities Inc. has been chosen to build an industrial project as part of CentrePort Canada. Construction will begin in the coming months. The 665-acre CentrePort Canada Rail Park is located within CentrePort

Canada, a 20,000-acre inland port project in the municipality of Rosser, in the Winnipeg region. The Rail Park will offer businesses with large-volume shipping needs the ability to access, transfer, and transport goods between road and rail, with close access to Winnipeg's James Armstrong Richardson International Airport. "As we emerge from this pandemic our government is focused on working with our economic development partners, industry and trade to unlock Manitoba's true economic potential," said premier Heather Stefanson.

18. U.S. Commerce Department releases strategic plan to boost America's competitiveness

The Department of Commerce released its fiscal year 2022-2026 Strategic Plan laying out an agenda for innovation, resilience and equity to strengthen America's competitiveness in the 21st century. Along with the strategic plan, the Department also published the first-ever learning agenda, through which all bureaus will build rigorous evidence on program outcomes. "Everything we do at the Department is focused on increasing America's competitiveness in the global economy. With this plan, we are positioning America's workers and businesses for success in the 21st century. And all Americans, especially those that have been historically excluded, will share in our prosperity," said Commerce Secretary Gina Raimondo. The Department has revised its mission statement to underscore the connection between our programs and all Americans. As of March 29, 2022, the Department's mission is to create the conditions for economic growth and opportunity for all communities. The Department's strategic plan has five goals: Drive American innovation and global competitiveness. By investing in resilient supply chains, advancing emerging and critical technologies, and engaging in strategic partnerships with allies, we will expand opportunities for American innovators, workers, and businesses. At the same time, improve cybersecurity, promote intellectual property rights, and vigorously enforce our trade rules.

19. U.S. Transportation Secretary Pete Buttigieg Announces the President's Fiscal Year 2023 Budget for the U.S. Department of Transportation

The Biden-Harris Administration on March 28, 2022 submitted to Congress the President's Budget for fiscal year 2023 (FY 2023). The President's Budget details his vision to expand on the historic progress our country has made over the last year and deliver the agenda he laid out in his State of the Union address—to build a better America, cut costs for families, reduce the deficit, and grow the economy from the bottom up and middle out. With the inclusion of the additional \$37 billion in guaranteed Advanced Appropriations provided under the Bipartisan Infrastructure Law, the Department's total budget for FY 2023 will be \$142 billion.

20. CTA Welcomes Government of Canada Approach to Environmental Regulatory Development & Use of Environmental Financial Incentives for the Trucking Industry

The Government of Canada announced on March 29, 2022 its 2030 Emissions Reduction Plan, which includes a strategy to reduce emissions from medium- and heavy-duty commercial vehicles (MHDV) through sales requirements by 2030, with nearly \$800 million worth of incentives and retrofits for large trucks. Exact details regarding incentives and the eligible technologies are expected in the upcoming budget.

21. Ontario Raising Highway Speed Limits

The Ontario government is raising the speed limit permanently from 100 km/h to 110 km/h on six sections of provincial highways in southern Ontario. The change follows several speed limit pilots and consultations and will align posted speeds with other jurisdictions across Canada.

22. Canada's biggest truck fleets: The Top 100 (1-25)

The Today's Trucking Top 100 ranking of Canada's largest for-hire truck fleets has been compiled for 2022. While much has changed in the wake of recent mergers and acquisitions, there are some familiar faces at the top. Here are the rankings for the 25 largest fleets among them. (Rankings are based on equipment totals provided to Today's Trucking.) The top four companies are: 1. TFI; 2. Day and Ross; 3. Mullen Group; and 4. Canadian National Transportation.

CTA Welcomes Government of Canada Approach to Environmental Regulatory Development & Use of Environmental