

Transportation Information Update*

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AIR TRANSPORTATION

1. Government of Canada working with airports and air carriers to reduce airport wait times

The Honourable Omar Alghabra, Minister of Transport, and the Honourable Marco Mendicino, Minister of Public Safety, issued this statement on May 27, 2022 to provide an update on actions the government is taking to reduce wait times at Canadian airports: "The Government of Canada recognizes the impact that significant wait times at some Canadian airports are having on travellers. It is great news that more and more Canadians are choosing to travel. As travel volume surges, there are reports of delays in many aspects of travel: Canadian customs, United States customs, airport security screening, luggage handling, airline services, taxis and limos, among many other areas. We are also witnessing similar phenomena at other airports around the world. Having said that, we are taking action to quickly address delays while continuing to maintain adequate security screening. We are working with airports, air carriers and other airport partners to find solutions to reduce delays in airports in advance of the summer peak season. The goal of this collaboration is to ensure efficient services for inbound and outbound passengers, so Canadians are able to travel smoothly and safely as the sector recovers from the COVID-19 pandemic. Specific actions being taken were indicated.

2. Aeroplan members can now earn points for online LCBO purchases

Aeroplan, Canada's leading travel loyalty program, and the LCBO, one of the world's largest buyers and retailers of beverage alcohol, are pleased to announce that Aeroplan members can now earn Aeroplan points for eligible purchases made on LCBO.com and the LCBO app, in addition to eligible purchases made in store. "We're excited for our members in Ontario to experience the new LCBO.com and earn Aeroplan points while doing so," said Scott O'Leary, Vice President, Loyalty and Product at Air Canada. "It's one more way we're bringing our members closer to their next reward."

3. Reforms Needed to Attract / Retain Ground Handling Talent

The International Air Transport Association (IATA) called for holistic reforms to manage the long-term need for a stable talent base for the ground handling sector. Thousands of ground handling staff left the aviation industry during the pandemic. Now as aviation ramps up, the severe shortage of skilled ground handlers is shedding light on the need for reform to stabilize the talent pool. In the immediate term, the most pressing issue is the bottleneck for security clearances as the airline industry prepares for the peak northern summer season. Longer-term, IATA urges the ground handling sector to: 1. Adopt a stronger talent acquisition strategy; 2. Streamline onboarding processes, and 3. Develop a more compelling retention proposition.

4. The Canadian Transportation Agency issues final determination on whether Flair is Canadian

The Canadian Transportation Agency (Agency) issued on June 1, 2022 its final determination and found that Flair is Canadian. After considering all of the facts, the Agency found that Flair addressed the concerns raised in its

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3. Reforms Needed to Attract / Retain Ground Handling Talent, May 31, 2022, www.iata.org
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5. Air Canada Wins Five Top Honours in Global Traveler's Leisure Lifestyle Awards and Wherever Awards for Family Travel, June 1, 2022, www.aircanada.ca
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10. Annual civil aviation statistics: First look, 2021, June 8, 2022, www.statcan.gc.ca
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18. Government of Canada and airport and airline partners making progress on reducing traveller wait times at Canada's major airports, June 10, 2022, www.tc.gc.ca
19. U.S. Cargo and Passenger Airlines Add 4,752 Jobs in April 2022 for New COVID-19

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

preliminary determination. In particular it found that: 1. As a result of changes related to Flair's Board provisions, including composition and quorum requirements, Canadian shareholders now have the right to appoint no less than half of the Board, and no less than half of the members of the Board must be Canadian. 2. As a result of amendments to its Unanimous Shareholder Agreement (USA), 777 no longer holds unique shareholder rights. 3. Flair has demonstrated it can generate positive cash flow from operations, alleviating concerns it would be dependent on 777 for additional new financing. 4. Flair has amended the Promissory Note Agreement with 777 to ensure that debt funding will continue to be available until at least 2026 thereby considerably mitigating 777's ability to exert influence over Flair. 5. Flair has demonstrated that it can lease new aircraft without having to rely on 777.

5. Air Canada Wins Five Top Honours in Global Traveler's Leisure Lifestyle Awards and Wherever Awards for Family Travel

Air Canada won five honours in a series of awards for excellence in leisure and lifestyle travel, and the best of family travel. The carrier was voted by readers of FXExpress Publications' well-regarded travel magazine, Global Traveler and its sister publication WhereverFamily for the following accolades: Leisure Lifestyle Awards: 1. Best Airline for Onboard Entertainment for the fourth consecutive year; 2. Best Premium Economy Class for the fourth consecutive year; and 3. Best Airline for Onboard Menu – Air Canada Business Class. Family Travel Awards: 1. Best Family-Friendly Airline in North America for the fourth consecutive year; and 2. Best Family Friendly International Airline for the third consecutive year.

6. Weekly aircraft movements, May 14 to 20, 2022

Weekly data on aircraft itinerant movements are now available for May 14 to 20, 2022. Total domestic movements for the week ending May 14, 2022 was 46, 158 compared to 51,301 on May 7, 2022.

7. U.S. Airlines' April 2022 Fuel Consumption Down 9.5% from Pre-Pandemic 2019; Aviation Fuel Cost per Gallon Hits Record High

The Department of Transportation's Bureau of Transportation Statistics (BTS) on June 1, 2022 released airline Fuel Cost and Consumption information for April 2022. U.S. scheduled service airlines used 1.35 billion gallons of fuel, 2.3% less fuel than in March 2022 (1.38B gallons) and 9.5% less than in April 2019. The monthly cost per gallon was \$3.59, up 55 cents (18.0%) from March 2022 (\$3.04) and up \$1.53 (74.3%) from April 2019. April 2022 airline fuel expenditure (\$4.82B) increased 15.3% from March 2022 (\$4.18B) and was up 57.8% from April 2019.

8. WestJet's new service between Toronto and Edinburgh takes off

WestJet on June 3, 2022 is celebrating the launch of service to Edinburgh with the departure of WS16 from Toronto Pearson International Airport (YYZ) at 9:25 p.m. local time last night. With the addition of the airline's latest connection to Europe, WestJet will now fly non-stop to five European destinations from Toronto this summer including Edinburgh, Glasgow, Dublin, London-Gatwick and Barcelona, Spain.

9. Air cargo market fades 7% in May, faces summer of uncertainty

The air cargo market continues to lose altitude in the face of an overall economic slowdown and supply chain dislocations. Air freight volumes tumbled 7% in May versus 2021, replicating April's slide, as the Ukraine war, large-scale COVID lockdowns in China, soaring inflation and high interest rates slowed global output and consumption, according to figures released on June 1, 2022 by *Clive Data Services*. Demand for air cargo service was also 8% lower than in May 2019, before the pandemic, the air intelligence arm of freight rate benchmarking and analytics firm Xeneta reported. Meanwhile,

Pandemic High; Employment Remains 2.2% Above Pre-Pandemic April 2019, June 10, 2022, www.bts.gov

20. 2022 1st Quarter U.S. Airline Financial Data, June 13, 2022, www.bts.gov

21. WestJet and Aero Design Labs set out to reduce emissions and increase fuel efficiency of Boeing 737-700 aircraft, June 13, 2022, www.westjet.ca

22. Leading indicator of international arrivals to Canada, May 2022, June 13, 2022, www.statcan.gc.ca

23. Aviation's long haul to replace jet fuel, June 9, 2022, www.iata.org

24. Hope Air and Porter Airlines announce renewed partnership, June 15, 2022, www.flyporter.com

25. Weekly aircraft movements, May 28 to June 3, 2022, June 15, 2022, www.statcan.gc.ca

26. FAA Proposes Requiring More Efficient Jets and Turboprops to Lower Climate Impacts, June 15, 2022, www.dot.gov

27. WestJet boosting flights in Western Canada, de-emphasizing eastern routes as part of new strategic plan, June 16, 2022, www.globeandmail.ca

28. Airlines were totally unprepared when travel came roaring back, June 17, 2022, www.ajot.com

29. Government of Canada and airport and airline partners making progress on reducing traveller wait times at Canada's major airports, June 15, 2022, www.tc.gc.ca

30. Air Canada to Launch Seasonal Flights to Bangkok and Mumbai for Winter 2022-23, June 20, 2022, www.aircanada.ca

31. Flair Airlines shakes off regulator's scrutiny — now can it survive the market?, June 20, 2022, www.financialpost.ca

32. Government Support Needed to make Transport of Lithium Batteries Even Safer, June 21, 2022, www.iata.org

33. Airlines must also be accountable for their role in flight delays: transport minister, June 21, 2022, www.nationalpost.ca

34. Minister Alghabra highlights new regulations to address refund requirements for future flight cancellations outside of an air carrier's control, June 22, 2022, www.tc.gc.ca

35. New refund regulations, June 22, 2022, www.cta-otc.gc.ca

36. Government of Canada and airport and airline partners making additional progress on reducing traveller wait times at Canada's major airport, June 20, 2022, www.tc.gc.ca

37. Air Canada Comments on Aviation Industry Summit with Federal Transport Minister, June 23, 2022, www.aircanada.ca

38. Drugs by drone pilot project to begin in Ontario, June 24, 2022, www.insidelogistics.ca

39. Air Travel Consumer Report: Consumer Complaints Against Airlines Rise More Than 300 Percent Above Pre-Pandemic Levels, June 23, 2022, www.dot.gov

40. Schiphol Flight Restrictions Throttling Air Connectivity Benefits in the Netherlands, June 24, 2022, www.iata.org

41. Statement on CAA Decision on Heathrow

available capacity increased 4% from the year prior but still remains at a 12%

Charges, June 28, 2022, www.iata.org

deficit compared to 2019. The change in supply and demand resulted in substantially lower aircraft utilization, as the average load factor dropped 9 points to 60%. The reduced competition for shipping space led to lower rates, although they still remain quite elevated relative to historical norms. Rates in May were still 16% greater than in 2021 and 134% above 2019, but about 10 points less than in April.

10. Annual civil aviation statistics: First look, 2021

Canadian air carriers transported 25.6 million passengers in 2021, down 8.9% from the 28.1 million carried in 2020. However, this represents a little over one-quarter (27.2%) of the number of passengers carried in 2019, before the COVID-19 pandemic. In 2021, the speed of recovery in domestic traffic (18.1 million passengers, or 62.9% below 2019) appears to have been somewhat faster than that in international traffic (7.5 million passengers, or 83.4% below the pre-pandemic level). These totals mask sub-annual differences between the two pandemic-impacted years. While the majority (roughly 70%) of passengers in 2020 were flown in the first three months, conversely, in 2021, more than 4 in 5 passengers were carried in the second half of the year. Traffic was 52.1 billion passenger-kilometres in 2021, a decline of 16.8% from the 2020 level and a fraction (22.3%) of the 2019 level. On average, each passenger travelled 2,038 kilometres, a decrease of 8.7% compared with 2020. The number of total hours flown was 5.7% lower than in 2020, at 1.4 million hours. Operating revenue earned by Level I to III air carriers in 2021 totalled \$12.0 billion, 59.3% below that earned in 2019. Passenger revenue was at 30.4% of the 2019 level, with travel demand weakened by continuing travel restrictions attributable to the COVID-19 pandemic in most of 2021.

11. Weekly aircraft movements, May 21 to 27, 2022

Weekly data on aircraft itinerant movements are now available for May 21 to 27, 2022. For the week ending May 21, 2022 domestic movements were 48,503 compared to 46,419 for the week ending May 14, 2022.

12. Drones flying cargo from Edmonton airport

Drone Delivery Canada (DDC) has begun operating drone flights carrying cargo from Edmonton International Airport (EIA) for its customers Ziing Final Mile and Apple Express. The 12-month project will enable defined-route deliveries from EIA to an off-airport property with DDC's Sparrow drone, and its DroneSpot takeoff and landing zones and FLYTE software. The drones will transport cargo for the two couriers located in the industrial park in Leduc County, Alberta.

13. Government of Canada continues to work with airports and air carriers to reduce traveller wait times

The Government of Canada recognizes the impact that significant wait times at some Canadian airports are having on travellers and are working with airports, air carriers, baggage handlers, and other partners to implement solutions to reduce delays as the summer peak season is approached. The goal is to streamline services for inbound and outbound passengers, so Canadians can travel smoothly and safely as the sector recovers from the COVID-19 pandemic. "Our efforts are having an impact – as wait times for security continue to decrease at all major airports. While we are seeing some issues at Toronto Pearson International Airport that we have raised with the Greater Toronto Airports Authority, the vast majority of airports across the country are not seeing similar delays. Even then, thanks to the efforts of Pearson Airport, Canadian Air Transport Security Authority (CATSA), and air sector workers, only three per cent of all passengers at Pearson and Vancouver International Airport are now waiting more than 30 minutes in line.

14. Fall in Air Cargo Demand in line with Expectations

The International Air Transport Association (IATA) released April 2022 data for global air cargo markets showing a drop in demand and contraction in capacity. The effects of Omicron in Asia and the Russia-Ukraine war continue to create a challenging operating backdrop that is driving the decline. The highlights were: 1. Global demand, measured in cargo tonne-kilometers (CTKs), fell 11.2% compared to April 2021 (-10.6% for international operations). Global demand is down 1% compared to April 2019. 2. Capacity was 2% below 2021 (+1.2% for international operations). Both global capacity and international capacity decreased slightly in April compared to March. Asia experienced the largest falls in capacity.

15. Strong International Traffic Propels Continuing Air Travel Recovery

The International Air Transport Association (IATA) announced that air travel resumed its strong recovery trend in April 2022, despite the war in Ukraine and travel restrictions in China. This was driven primarily by international demand. The highlights were: 1. Total demand for air travel in April 2022 (measured in revenue passenger kilometers or RPKs) was up 78.7% compared to April 2021 and slightly ahead of March 2022's 76.0% year-over-year increase. 2. April domestic air travel was down 1.0% compared to the year-ago period, a reversal from the 10.6% demand rise in March. This was driven entirely by continuing strict travel restrictions in China, where domestic traffic was down 80.8% year-to-year. Overall, April 2022 domestic traffic was down 25.8% versus April 2019. 3. International RPKs rose 331.9% versus April 2021, an acceleration over the 289.9% rise in March 2022 compared to a year ago. Several route areas are actually above pre-pandemic levels, including Europe – Central America, Middle East – North America and North America – Central America. April 2022 international RPKs were down 43.4% compared to the same month in 2019.

16. Air Transat loses \$112 million in the second quarter: What you need to know

Transat A.T. Inc., the Montreal-based holiday airline, reported a net loss of \$111.6 million in the 2022 second quarter, and said rising fuel prices continue to thwart its attempts to recover from two difficult years.

17. Air Canada cancels almost 10% of Toronto flights over seven days as staffing crunch, passenger surge hit Pearson airport

Air Canada cancelled more than 350 flights at Toronto Pearson in the first seven days of June – almost 10 per cent of its schedule – as staffing shortages and a surge in passengers continue to beleaguer Canada’s busiest airport. WestJet and Air Transat have also seen delays and cancellations at Pearson as a rebound in demand for air travel has overwhelmed government agencies that conduct security, customs and immigration checks at the facility and other major Canadian airports. Those in Calgary, Montreal and Vancouver have experienced bottlenecks but not to the extent of Pearson. The aviation industry says its reduced work force is unable to manage the increase in passengers while still enforcing COVID-19 rules. Vaccine mandates for employees of federal agencies and airlines have also reduced staff numbers, the industry says, as some employees refused to be vaccinated.

18. Government of Canada and airport and airline partners making progress on reducing traveller wait times at Canada’s major airports

To provide an update on progress being made by the Government of Canada and industry partners to reduce wait times at Canadian airports government officials released this statement on June 10, 2022: “The Government of Canada recognizes the impact that significant wait times at some Canadian airports are having on travellers. We continue to work with airports, airlines, baggage handlers, and other partners to implement solutions to reduce delays as we approach the summer peak season. Our efforts are having a positive impact. Current traveller wait times at major Canadian airports are decreasing. Today, the Government of Canada is also announcing that Mandatory randomized testing will be temporarily suspended at all airports between Saturday, June 11 and Thursday, June 30, 2022. Unvaccinated travellers will still be tested on-site. As of July 1, all testing, including for unvaccinated travellers, will be performed off-site. This expanded measure builds upon action currently underway by the Government of Canada and the air industry...”

19. U.S. Cargo and Passenger Airlines Add 4,752 Jobs in April 2022 for New COVID-19 Pandemic High; Employment Remains 2.2% Above Pre-Pandemic April 2019

U.S. airline industry (passenger and cargo airlines combined) employment increased to 751,165 workers in April 2022, 4,752 (0.64%) more workers than in March 2022 (746,413) and 16,178 (2.20%) more than in pre-pandemic April 2019 (734,987). U.S. scheduled-service passenger airlines employed 470,317 workers in April or 63% of the industry-wide total. Passenger airlines added 5,448 employees in April 2022 for a twelfth consecutive month of job growth dating back to May 2021.

20. 2022 1st Quarter U.S. Airline Financial Data

U.S. Passenger Airlines (all 25 scheduled) reported a first-quarter 2022 after-tax net loss of \$5.1 billion and a pre-tax operating loss of \$5.2 billion. One year earlier, in the first quarter of 2021, the airlines reported an after-tax net loss of \$4.2 billion and a pre-tax operating loss of \$12.7 billion.

21. WestJet and Aero Design Labs set out to reduce emissions and increase fuel efficiency of Boeing 737-700 aircraft

WestJet on June 13, 2022 announced a new partnership with Aero Design Labs to modify the airline's 737-700 NG aircraft for greater reduced emissions and improved fuel efficiency. As WestJet continues to make investments to reduce the airline's environmental footprint, it's anticipated that the modifications will reduce overall fuel burn through drag reduction and lead to long-term cost savings and reduced carbon emissions on the 737-700 aircraft. The first approved modified 737-700 aircraft is expected to take flight as early as Fall 2022.

22. Leading indicator of international arrivals to Canada, May 2022

In May 2022, the number of international arrivals to Canada rose sharply from May 2021, continuing to approach levels recorded in the same month in 2019, before the COVID-19 pandemic. Compared with May 2021, there were 30 times as many non-resident visitors (507,600) arriving from abroad at Canadian airports equipped with electronic kiosks. US residents took 619,200 trips to Canada through land ports with electronic sensors in May 2022, over 540,000 more than in May 2021. At the same time, the number of Canadian residents returning by air from visiting abroad via kiosk-equipped airports was much greater than in May 2021. Compared with May 2021, over 1 million more Canadian residents—for a total of 1,365,300—returned from trips to the United States through land ports with electronic sensors. This release provides a first glimpse of international arrivals to Canada in May 2022. Complete counts for May 2022 will be available in the "Travel between Canada and other countries" release on July 22, 2022.

23. Aviation's long haul to replace jet fuel

If aviation is to achieve its target of net zero carbon emissions by 2050, investment in sustainable aviation fuels (SAF) is essential. SAF are a proven drop-in technology that have the potential to cut carbon emissions in the range of 70% to

100%. To date, they have powered some 450,000 flights. “Even if we have hydrogen and electric propulsion systems for short haul commercial flights by 2035, the majority of emissions come from long-haul widebody flights,” says Hemant Mistry, IATA’s Director of Energy Transition. “We need SAF to be widely available at a competitive price.” IATA estimates that to reach net zero by 2050, the aviation sector will require about 450 billion liters of SAF. Mistry says the association will be working hard to ensure all stakeholders work toward this goal.

24. Hope Air and Porter Airlines announce renewed partnership

Hope Air, Canada’s national charity, supporting families and children in need who must travel for vital medical care, and Porter Airlines announced on June 15, 2022 a new partnership to strengthen Hope Air’s mission and service. As part of this partnership, Porter is providing free travel vouchers for Hope Air patients travelling through Billy Bishop Toronto City Airport. This is a critical connection for thousands of families, individuals and children each year who must travel to Toronto for specialized medical care. Patients living in communities such as Sault Ste. Marie, Timmins, and Thunder Bay, Ontario, among others, are able to travel conveniently to reach Toronto hospitals.

25. Weekly aircraft movements, May 28 to June 3, 2022

Weekly data on aircraft itinerant movements are now available for May 28 to June 3, 2022. Domestic movements as of May 28, 2022 were 51,370 compared to 48, 503 on May 21, 2022.

26. FAA Proposes Requiring More Efficient Jets and Turboprops to Lower Climate Impacts

The U.S. Department of Transportation’s (DOT’s) Federal Aviation Administration (FAA) released a proposed rule on June 15, 2022 aimed at reducing greenhouse gasses emitted by most large aircraft flying in U.S. airspace. The rule would require more fuel efficiency for new subsonic jet aircraft and large turboprop and propeller aircraft that are not yet certified and for new planes manufactured after January 1, 2028.

27. WestJet boosting flights in Western Canada, de-emphasizing eastern routes as part of new strategic plan

WestJet Airlines says it will emerge from the pandemic with a renewed focus on Western Canada, boosting its flight schedule in its backyard while flying less often within the eastern parts of the country. The changes are part of the Calgary-based airline’s strategic plan unveiled on June 16, 2022 by chief executive officer Alexis von Hoensbroech, who joined WestJet in February.

28. Airlines were totally unprepared when travel came roaring back

Airline and airport executives spent the past two years trying to convince everyone it’s safe to fly during a pandemic, touting reduced touch points and hospital-grade filters. Little did they know how overwhelmed they’d be once travel came roaring back. From Sydney, where passengers are waiting for hours to check in, to chaotic scenes in India and Europe, where Deutsche Lufthansa AG is cancelling hundreds of flights, the aviation industry doesn’t have nearly enough people to run operations smoothly, even as post-summer demand for travel is still unclear. As countries reopen borders and Covid curbs fall away, travel has sprung back with such voracity that it’s resulted in an unprecedented labor crunch, made worse by the pandemic-induced layoffs of hundreds of thousands of workers, from pilots to cabin crew and ground-handling staff. Many are in no mood to come back but even if they were, scaling up at such pace is a risk for airlines and airports, with spiraling inflation and economic pressures putting a question mark over how sustainable the current demand really is.

29. Government of Canada and airport and airline partners making progress on reducing traveller wait times at Canada’s major airports

Government officials provide an update on progress being made by the Government of Canada and industry partners to reduce wait times at Canadian airports: “The Government of Canada recognizes the impact that significant wait times at some Canadian airports are having on travellers. We continue to work with airports, airlines, baggage handlers, and other partners to implement solutions to reduce delays as we approach the summer peak season. “Our efforts are having a positive impact. Current traveller wait times for pre-board passenger screening at Canadian airports continue to decrease. “During the week of June 3-9, an average of 10 percent of departing passengers waited more than 15 minutes at Toronto Pearson International Airport, compared to 23 percent during the week of May 9-15. And for the same dates at Vancouver International Airport, this improved to 13 per cent from 26 percent of departing passengers who waited more than 15 minutes.”

30. Air Canada to Launch Seasonal Flights to Bangkok and Mumbai for Winter 2022-23

Air Canada announced on June 20, 2022 the expansion of its international network with the addition of Bangkok, Thailand, the carrier's first non-stop service to South-East Asia. The airline will also be resuming flights to Mumbai, its second destination in the strategic India market. Air Canada's seasonal service to Bangkok will operate from its trans-Pacific hub at Vancouver International Airport, while the carrier's Mumbai flights will operate from Toronto via London-Heathrow. Both routes are subject to receiving final government approvals. It will also restore key routes to India, Australia, New Zealand and Peru.

31. Flair Airlines shakes off regulator's scrutiny — now can it survive the market?

Flair has survived the regulator's examination but the discount upstart faces steep challenge in airspace dominated by two giants, Air Canada and WestJet. "Can any of these startups find something exclusive? Find some markets where they're going to face limited competition? Highly unlikely, but that's what they have to search for." Still, there may be a path for an ultra-low-cost carrier, according to Moore at Desautels, if it can fill a niche in the Canadian marketplace with routes linking underserved second-tier airports in places such as Abbotsford, B.C., and Hamilton, Ont. "I think there's room for an ultra-low-cost carrier, there's demand there," he said. "There's something that's missing in the marketplace. I think Canadians will respond well."

32. Government Support Needed to make Transport of Lithium Batteries Even Safer

The International Air Transport Association (IATA) called on governments to further support the safe carriage of lithium batteries by developing and implementing global standards for screening, fire-testing, and incident information sharing. As with many products shipped by air, effective standards, globally implemented, are needed to ensure safety. The challenge is the rapid increase in global demand of lithium batteries (the market is growing 30% annually) bringing many new shippers into air cargo supply chains. A critical risk that is evolving, for example, concerns incidents of undeclared or mis-declared shipments.

33. Airlines must also be accountable for their role in flight delays: transport minister

Travellers, experts and now Canada's transport minister are casting an increasingly wary eye on airlines' role in the travel turbulence playing out at airports across the country, with many calling for carriers to take more ownership of the issue. The federal government has been scrambling to respond to scenes of endless lines, flight delays and daily turmoil at airports — particularly Toronto's Pearson airport — a problem the aviation industry has blamed on a shortage of federal security and customs officers. "Airlines have a duty as well. We're hearing some stories about luggage issues and flights cancelling. So cancellation — we want to make sure that the airlines as well do their part," Transport Minister Omar Alghabra told reporters on June 21, 2022 in Ottawa.

34. Minister Alghabra highlights new regulations to address refund requirements for future flight cancellations outside of an air carrier's control

The Minister of Transport, the Honourable Omar Alghabra, issued this statement on June 22, 2022 on new regulations by the Canadian Transportation Agency (CTA) to ensure Canadians' interests are protected when they travel by air:

"The new regulations, which amend Canada's existing Air Passenger Protection Regulations, will apply to future flights that are cancelled for reasons outside an air carrier's control, including major weather events, a pandemic, as well as situations where it is not possible for the carrier to complete the passenger's itinerary within a reasonable timeframe. "These new requirements provide clarity around timing, cost coverage, method of payment, and deadlines to refund travellers in such situations. They were developed in a manner that is fair and reasonable to passengers, with the goal of not imposing an undue financial burden on air carriers that could result in higher travel costs. "Whether due to a large-scale cancellation or a small incident, we know that sometimes travel doesn't go according to plan. These new regulations will protect travellers in these unexpected situations. Our government will continue to protect the interests of passengers."

35. New refund regulations

The Canadian Transportation Agency (CTA) on June 22, 2022 announced that the Regulations Amending the Air Passenger Protection Regulations will come into force on September 8, 2022. Until now, the Air Passenger Protection Regulations required refunds to be provided for flight disruptions within the control of airlines. The new requirements will require airlines to provide passengers with either a refund or rebooking, at the passenger's choice, when there is a flight cancellation, or a lengthy delay, due to a situation outside the airline's control that prevents it from ensuring that passengers complete their itinerary within a reasonable time. They will apply to all flights to, from and within Canada, including connecting flights, taking place after the coming into force of the regulations. The new regulatory requirements: 1. Require airlines to provide a passenger affected by a cancellation or a lengthy delay due to a situation outside the airline's control with a confirmed reservation on the next available flight that is operated by them or a partner airline, leaving within 48 hours of the departure time indicated on the passenger's original ticket. If the airline cannot provide a confirmed reservation within this 48-hour period, it will be required to provide, at the passenger's choice, a refund or rebooking; 2. Identify what costs must be refunded (unused portion of the ticket, which includes any unused add-on services paid for); 3. Identify the method to be used for refunds (same as the original payment, e.g., a return on the person's credit card); 4. Require airlines to provide a refund within 30 days.

36. Government of Canada and airport and airline partners making additional progress on reducing traveller wait times at Canada's major airport

Government on June 20, 2022 provided an update on progress being made by the Government of Canada and industry partners to reduce wait times at Canadian airports. "Actions currently underway by the Government of Canada and the air industry include: 1. Since April, nearly 1,000 CATSA screening officers have been hired across Canada. With this, the number of screening officers at Toronto Pearson International Airport and Vancouver International Airport is now

over 100 percent of the targeted requirements for this summer based on projected traffic. 2. CBSA is maximizing officer availability and additional Student Border Services Officers are now at work. 3. CBSA and the Greater Toronto Airports Authority are making available additional kiosks at Toronto Pearson International Airport customs hall areas. 4. CBSA and PHAC streamlined the process to identify travellers who are required to undergo testing at Toronto Pearson International Airport. 5. As of June 11, 2022 mandatory randomized COVID-19 testing has been temporarily suspended at all airports until June 30, 2022. As of July 1, 2022, all test swabbing, including for unvaccinated travellers, will be performed off-site. 6. PHAC is adding additional staff on select days to verify that travellers have completed their ArriveCAN submissions on arrival and further inform air travellers about the importance of the mandatory requirements. ArriveCAN is mandatory for all travellers to Canada and is available for free as an app or through the website. “We recognize that there is still work to be done; and we will continue to work with partners to reduce the delays in the travel system and to report back to Canadians.”

37. Air Canada Comments on Aviation Industry Summit with Federal Transport Minister

Following a meeting on June 23, 2022 of senior Air Canada representatives and other key participants in the Canadian aviation industry with Canada's Federal Transport Minister, the airline has issued the following statement. Michael Rousseau, President and Chief Executive Officer of Air Canada said "At Air Canada, we know every trip is important, even more so today as many are flying for the first time in years to see loved ones or take an eagerly anticipated holiday. We are determined not to disappoint and have been long preparing for a travel surge this summer, including coordinating with our industry partners. As all businesses worldwide are finding, restarting after COVID is an extremely complex task and we deeply appreciate our customers' understanding and patience during these often-frustrating times. I also thank our dedicated employees who are working hard to serve our customers and transport them safely." The steps taken in customer initiatives, airports and network/schedule were indicated.

38. Drugs by drone pilot project to begin in Ontario

Drones will soon begin flying supplies from a distribution centre in Milton, Ontario, to a nearby hospital. Using drones from Drone Delivery Canada (DDC), the pilot program will see medical isotopes winging from third-party logistics provider DSV's distribution centre to the Oakville Trafalgar Memorial Hospital. Hamilton's McMaster University is also involved in the project, and hopes to gain insights into how the nuclear isotope supply chain can benefit from drone technology. The university has a focus on medical isotope research, development, and production, and provides personalized cancer treatments for more than 70,000 patients every year.

39. Air Travel Consumer Report: Consumer Complaints Against Airlines Rise More Than 300 Percent Above Pre-Pandemic Levels

The U.S. Department of Transportation on June 23, 2022 released its Air Travel Consumer Report (ATCR) on airline operational data compiled for the month of April 2022 for on-time performance, consumer complaints received, mishandled baggage, and mishandled wheelchairs and scooters. Regarding complaints about airline service for April 2022, DOT received 5,079 complaints about airline service from consumers, up 14.8% from the 4,423 complaints received in March 2022 and up 321.5% from the 1,205 complaints received in pre-pandemic April 2019. Of the 5,079 complaints received in April 2022, 3,173 (62.5%) were against U.S. carriers, 1,409 (27.7%) were against foreign air carriers, and 497 (9.8%) were against travel companies.

40. Schiphol Flight Restrictions Throttling Air Connectivity Benefits in the Netherlands

The International Air Transport Association (IATA) expressed shock at the announcement by the government of the Netherlands will cut the number of annual flights at Schiphol Airport to 440,000 – a 20% cut to Schiphol's potential cap. “This sudden decision is a shocking blow to aviation, jobs, and the economy of the Netherlands. It comes on top of a tripling of the passenger tax, and a 37% rise in airport charges. We are seeing a throttling of air connectivity which has been steadily built up for 100 years, and supported large parts of the Dutch economy and the aspirations of millions of Dutch travelers,” said Willie Walsh, IATA's Director General.

41. Statement on CAA Decision on Heathrow Charges

“It's two steps back and eventually one step forward. While it's good that charges will slightly fall in the long term, the reality is that the UK's competitiveness, passengers and airlines need help now. And right now, charges are initially going up by a staggering 56% compared to 2021. This is based on false assumptions that are already being proven wrong by the strong post-pandemic demand for travel. Independent analysis has shown that charges could fall today, while still protecting investment and a generous rate of return for Heathrow. The CAA must stop rewarding this monopoly whose insatiable desire to gouge its customers will damage the competitiveness of ‘Global Britain’. Unless the CAA takes the opportunity to protect today's consumers, the whole process should be reviewed,” – Willie Walsh, IATA Director General.

WATER TRANSPORTATION

1. Saint John attracts \$42 million to increase port capacity

Government investments are expected to triple capacity at Port Saint John amid accelerated growth brought on by partnerships with Canada Pacific, DP World, and more.

2. Burnaby rail corridor improvements complete, improving access to North Shore port terminals

The Vancouver Fraser Port Authority, CN and the City of Burnaby announced on May 30, 2022 the completion of rail upgrades in Burnaby, B.C. as part of the Burnaby Rail Corridor Improvements Project. Rail improvements in Burnaby will enhance Canada's trade capacity and sustain growth in the gateway. "Congratulations to CN and everyone involved in completing the rail components of this important infrastructure project, which aims to reduce transportation bottlenecks and increase our country's trade efficiency. We're pleased to reach this important project milestone that will allow for more fluid rail movement to port terminals in North Vancouver," said Cliff Stewart, vice president, infrastructure, at the port authority. The completed rail improvements have reduced the amount of time by half that trains wait in Burnaby for the tunnel to vent. About 65% of rail traffic through Burnaby goes to the North Shore, so these improvements will result in more trains per hour able to deliver goods to port terminals for export and will reduce train idling in Burnaby.

3. Great Lakes Ports' Director outlines infrastructure priorities

New infrastructure investments will be needed to support U.S. Great Lakes ports and their expansion, says Steve Fisher, executive director, American Great Lakes Ports Association (AGLPA). The ports are seeing an increase in shipments of wind turbine components, some expansion of container cargoes and continued shipments of steel products and exports of agricultural products. At the same time, a May 2022 report in Maritime Exchange has noted new containership services at the Great Lakes ports of Duluth, Minnesota, and Cleveland, Ohio: "The rise in fuel prices has prompted renewed interest in expanding container shipping at America's Great Lakes ports, like Duluth and Cleveland. There is potential for Port of Duluth to develop containerized dry bulk agricultural exports to Europe, where growing numbers of customers are willing to take delivery of containers of agricultural produce."

4. Canada's greenest transportation sector is moving toward net-zero emissions by 2050

The marine shipping industry is Canada's greenest transportation mode, and it's committed to reducing its carbon footprint even more. Key stakeholders in Canada's inland shipping industry are looking to establish a green transportation corridor in the Great Lakes-St. Lawrence region as part of ongoing efforts to reduce greenhouse gas (GHG) emissions to net zero by 2050.

5. FMC could investigate 'numerous charges' in ocean shipping

The Federal Maritime Commission's Rebecca Dye on May 31, 2022 called for clarity on empty container return practices as well as an investigation into the "numerous charges assessed by ocean common carriers and seaports and marine terminals through tariffs." The recommendations were among 12 in Dye's final report on the effects of COVID-19 on the ocean shipping supply chain. During the two-year Fact Finding 29 investigation, Dye focused on two pandemic-related issues: the high cost of shipping cargo and demurrage and detention charges. "I look forward to implementation by the commission of my final recommendations, which I believe will provide badly needed clarity and consistency in certain port and supply chain operations, especially involving earliest return dates and empty container return," she said in a

WATER TRANSPORTATION Canada

1. Saint John attracts \$42 million to increase port capacity, May 27, 2022, www.joc.com
2. Burnaby rail corridor improvements complete, improving access to North Shore port terminals, May 30, 2022, www.portofmetrovancouver.com
3. Great Lakes Ports' Director outlines infrastructure priorities, May 27, 2022, www.ajot.com
4. Canada's greenest transportation sector is moving toward net-zero emissions by 2050, May 31, 2022, www.nationalpost.ca
5. FMC could investigate 'numerous charges' in ocean shipping, May 31, 2022, www.freightwaves.com
6. Shipping container prices fall but the global supply chain crisis persists, June 1, 2022, www.globeandmail.ca
7. Port authority-led ECHO Program launches expanded measures to support recovery of southern resident killer whales, June 1, 2022, www.portmetrovancover.com
8. Ports get 'much needed respite' as container-ship traffic jam eases, June 1, 2022, www.freightwaves.com
9. Minister of Transport announces funding to support marine safety for six Indigenous communities, June 1, 2022, www.tc.gc.ca
10. Port Saint John reports successful 2021 at AGM, June 2, 2022, www.insidelogistics.ca
11. Port Authority's Centerm Expansion Project and South Shore Access Project win the highest-ranking award from the, June 2, 2022, www.portmetrovancover.ca
12. Quebec pension fund investing in DP World, June 7, 2022, www.insidelogistics.ca
13. Autonomous cargo ship completes first ever transoceanic voyage, June 7, 2022, www.cargonews.com
14. US import demand is dropping off a cliff, June 7, 2022, www.freightwaves.com
15. Strong Container Market Slowing in the Face of Uncertainties, June 7, 2022, www.maritime-executive.com
16. U.S. ports continue to handle near-record volumes, June 8, 2022, www.insidelogistics.ca
17. Near-record US imports to continue through October: retailers, June 8, 2022, www.joc.com
18. Biden slams ocean carriers ahead of Port of LA speech, June 9, 2022, www.freightwaves.com
19. Port of Long Beach has 2nd busiest month in 111-year history during May, June 9, 2022, www.dailybreeze.com
20. Biden to ocean carriers: 'The rip-off is over', June 10, www.
21. Halifax Port Authority releases its 50-Year Plan, June 13, 2022, www.ajot.com
22. US ocean shipping reform heads to Biden after House approval, June 13, 2022, www.joc.com
23. Statement on FMC's approval of the \$2 million settlement agreement with Hapag-Lloyd, June 14, 2022, www.ajot.com
24. DP World invests in Saint John terminal,

statement issued by the FMC with the report on May 31, 2022. Costs for shipping goods in containers have been dropping since March, though experts say it's too early for retailers to celebrate as congestion in the global supply chain lingers and consumer spending shifts.

6. Shipping container prices fall but the global supply chain crisis persists

During most of the past two years, the costs for transporting shipping containers ballooned as people altered their purchasing behaviour to favour physical goods. Now, consumers are increasingly spending their disposable income on services rather than household items and reacting to climbing interest rates. Since March 2022, prices have tumbled by 19 per cent, according to two shipping-container indexes. Global events including Russia's invasion of Ukraine and lockdowns in China have also reduced the number of shipping containers in use, freeing up supply. As a result, the containers are down to their lowest prices since June of 2021, according to *Drewry Shipping Consultants Ltd.* Similarly, the Freightos global container freight index shows container prices in the midst of a comparatively steep decline.

7. Port authority-led ECHO Program launches expanded measures to support recovery of southern resident killer whales

On June 1, 2022, the Vancouver Fraser Port Authority-led Enhancing Cetacean Habitat and Observation (ECHO) Program launches its sixth season of large-scale underwater noise reduction initiatives to support the recovery of southern resident killer whales. As part of the ECHO Program's 2022 measures, ship operators are encouraged to slow down or stay distanced while transiting through key areas of southern resident killer whale critical habitat. To date, more than 80 marine transportation organizations have confirmed their intention to participate. This year, the program's underwater noise reduction measures will cover a record-high distance of about 80 nautical miles of the Salish Sea, including at Swiftsure Bank; Haro Strait and Boundary Pass; and in the Strait of Juan de Fuca. These measures will run from approximately June to November, when southern resident killer whale presence is typically highest.

8. Ports get 'much needed respite' as container-ship traffic jam eases

It could be the relative calm before the peak-season, post-Shanghai-lockdown storm. Or it could be the final unwinding of COVID-era congestion as inflation takes hold. What happens next is still highly uncertain. But as of now, U.S. port queue numbers remain down from highs. "This appears to be a much needed respite for some ports that have seen significant delays over the course of the year to date," said *S&P Global Commodity Insights*. "Congestion is easing in [some] areas," said Flexport. It advised importers to "take advantage of currently available space." There were only 25 container ships waiting to berth in the ports of Los Angeles and Long Beach on Friday, according to data from the Marine Exchange of Southern California. That's the lowest tally since July 28, 2021. As of May 27, 2022, there were 28 ships waiting. Current numbers are far below the all-time high of 109 ships waiting on Jan. 9, 2022.

9. Minister of Transport announces funding to support marine safety for six Indigenous communities

On June 1, 2022, the Minister of Transport, the Honourable Omar Alghabra announced funding for six Indigenous communities to improve vessel safety through the MSET Initiative. Snuneymuxw, Ka:'yu:'k't'h'/Che:k'tles7et'h', Pauquachin, Tsawout, Malahat and T'Sou-ke First Nations will receive over \$947,000 in funding to purchase marine safety equipment for over 70 vessels, and provide marine safety equipment and training for more than 215 community members.

10. Port Saint John reports successful 2021 at AGM

June 15, 2022, www.cargonews.com

25. St. Lawrence ports collaborating to boost competitiveness, June 15, 2022, www.insidelogistics.ca

26. Shipper groups applaud U.S. ocean reform bill, June 15, 2022, www.insidelogistics.ca

27. Carriers expect no improvement in trans-Atlantic schedules this year, June 14, 2022, www.joc.com

28. Port of LA has busy May, Port of Long Beach appointed to Federal Committee, June 14, 2022, www.cargonews.com

29. Rolling Truck Age Program at Port of Vancouver to launch on September 15, 2022, following additional stakeholder engagement, June 15, 2022, www.portofmetrovanancouver.com

30. Vancouver port to require post-2006 trucks beginning Sept. 15, 2022,

www.todaystrucking.com

31. Biden to sign ocean shipping reform bill after Congress approves legislation, June 13, 2022, www.freightwaves.com

32. Will the Shipping Reform Act help rebalance scales? The FMC chairman thinks so, June 15, 2022, www.freightwaves.com

33. Government of Canada launches request for proposal to develop "next generation" quiet vessel technologies, June 16, 2022, www.tc.gc.ca

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36. Biden attempts to curb inflation with law aimed at cutting shipping rates, June 2022, www.ajot.com

37. Red-hot ocean carrier profits face cooling volumes, June 17, 2022, www.joc.com

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39. Import demand dip hasn't fully manifested but is sign of things to come, June 18, 2022, www.freightwaves.com

40. Carriers' antitrust immunity may be next target of US shipping reform, June 21, 2022, www.joc.com

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43. Asia-US container shipping rates are flashing two bearish signals, June 23, 2022, www.freightwaves.com

44. Container shipping market showing clear signs of weakness: analysts, June 27, 2022, www.joc.com

45. OSRA-22 rules on detention, demurrage go into effect, June 27, 2022, www.joc.com

46. Government of Canada invests in the expansion of the Port of Oshawa, June 27, 2022, www.tc.gc.ca; and Transport Canada transfers management of Burlington Canal Piers to Hamilton-Oshawa Port Authority, June 27, 2022, www.tc.gc.ca

47. Union talks at West Coast ports going well, U.S. labor secretary says, June 28, 2022, www.reuters.com

At its annual general meeting held May 31, 2022 the Saint John Port Authority reported overall cargo tonnage at Port Saint John for the year 2021 was 28.8 tonnes, an 11 percent increase over 2020. The port is still behind its 2017 cargo tonnage record of 30.5 tonnes. In 2021, 919 vessels called

48. Viewpoint: The jaws of trade squeezing the supply chain, June 28, 2022, www.americanshipper.com

at the port. In the container sector, the Port experienced its fifth consecutive year of growth in both TEUs and tonnage throughput. Containers rose year-over-year to 86,949 TEUs (10 percent over 2021) with tonnage increasing to 617,312 tonnes, a six percent rise over 2021.

11. Port Authority's Centerm Expansion Project and South Shore Access Project win the highest-ranking award from the

The Vancouver Fraser Port Authority, in partnership with DP World, announced on June 2, 2022 that the port authority-led Centerm Expansion Project and South Shore Access Project have been awarded the Institute for Sustainable Infrastructure (ISI) Envision Platinum award, the highest rated award by ISI. The Envision Platinum award recognizes organizations for their commitment to building sustainable infrastructure.

12. Quebec pension fund investing in DP World

The Caisse de depot et placement du Quebec is buying a minority stake in three DP World assets in the United Arab Emirates for US\$5 billion. The Quebec pension fund manager will invest US\$2.5 billion in Jebel Ali Port, Jebel Ali Free Zone and National Industrial Park through a new joint venture in which it will hold a stake of around 22 percent. It will finance the rest of the deal with debt. Other long-term investors will have the opportunity to also acquire a stake of up to US\$3 billion. In a news release, the Caisse says the transaction implies a total enterprise value of about US\$23 billion for the three assets.

13. Autonomous cargo ship completes first ever transoceanic voyage

A self-steering ship has completed the world's first transoceanic voyage of a large vessel using autonomous navigation technology. Avikus, which is a subsidiary of the world's largest shipbuilding company HD Hyundai, announced that the 180,000 square-metre-class ultra-large vessel Prism Courage completed the 20,000km (12,500 mile) journey on 2 June, 2022. Setting off from the Gulf of Mexico, the Prism Courage sailed through the Panama Canal before crossing the Pacific Ocean to the Boryeong LNG Terminal in South Korea. The voyage took 33 days to complete, with route optimisation increasing fuel efficiency by around 7 per cent and reducing greenhouse gas emissions by around 5 per cent, according to Avikus.

14. US import demand is dropping off a cliff

The latest ocean container bookings data reveals that despite the strong levels of inbound cargo during the first five months of 2022, import demand is not just softening — it's dropping off a cliff. Because capacity on the trans-Pacific has remained relatively stable, Drewry's container spot rates from China to the West Coast have plunged 41% month-over-month to \$9,630. Freight forwarders will enjoy expanding margins on ocean freight, while U.S. trucking carriers and intermodal volume providers may start to see volume risks. Consumer buying patterns are rapidly normalizing to pre-COVID levels, and U.S. retailers are stuck with too much inventory. Container imports bound for the U.S. have dropped over 36% since May 24. (This index measures departing container volumes at the port of origin). This is a troubling sign for domestic U.S. freight markets that have been benefiting from an unprecedented surge of containerized import volumes over the last 18 months. Since ocean transit times for these inbound container volumes have recently been averaging between 30 and 35 days, we will begin seeing the softer volumes show up at U.S. ports in the first couple of weeks of July, 2022.

15. Strong Container Market Slowing in the Face of Uncertainties

After two years of record results driven by a surge in volumes, capacity constraints, and port delays, the container shipping industry is starting to show the first signs of weakening. With consumers shifting their spending patterns, rampant global inflation, and fears of a looming recession, signs point to the coming normalization of the market that industry executives have been alluding to in recent months. "The container market is facing significant and unprecedented uncertainties regarding both future demand and supply," writes BIMCO's Chief Shipping Analyst, Niels Rasmussen. He notes that while the carriers have all reported strong results, container volumes have shown some early signs of weakening. "Though still high compared to the pre-COVID market, there has been a noticeable impact on rates and prices as well as activity in the asset markets."

16. U.S. ports continue to handle near-record volumes

Imports at major retail container ports in the U.S. should see near-record volume again in June 2022. According to the National Retail Federation (NRF), retailers are working to meet still-strong consumer demand and protect themselves against potential disruptions at West Coast ports. The predictions are based on data from the monthly *Global Port Tracker* report released by the NRF and Hackett Associates. "We're in for a busy summer at the ports," NRF vice-president for supply chain and customs policy Jonathan Gold said.

17. Near-record US imports to continue through October: retailers

US retailers are forecasting near-record imports through the peak shipping season as back-to-school goods that have already begun landing are followed quickly by holiday season merchandise.

18. Biden slams ocean carriers ahead of Port of LA speech

Ahead of President Joe Biden's planned speech at the Port of Los Angeles on June 10, 2022, the White House released a video of the president on a phone call with retailers who were complaining about the high cost of ocean shipping. "One of the big reasons why prices are going up is the cost of shipping things across the Pacific, in particular," Biden says during the call. "There's only nine major ocean line shipping companies who ship from Asia to the United States. These companies have raised their prices by as much as 1,000%." The video ends with Biden calling on Congress to pass the *Ocean Shipping Reform Act*, which the U.S. House of Representatives is expected to vote on as early as next week. "I expect it to pass. And I'm looking forward to signing it," Biden states.

19. Port of Long Beach has 2nd busiest month in 111-year history during May

May 2022 was the Port of Long Beach's strongest month this year, with 890,989 cargo container units processed. That also made May the second-busiest month on record for the nation's second busiest port in its 111-year history. The surge of twenty-foot equivalent units — the industry's standard measurement for cargo — was just 1.8% below the numbers seen in May 2021. May figures from the neighboring Port of Los Angeles are expected to be released next week and are also expected to be strong, a spokesman for that port said. "We are moving an extraordinary amount of cargo and continue to work with industry partners to quickly move imports and empties off the docks," said Port of Long Beach Executive Director Mario Cordero. "Looking ahead, we are ready for the traditional summertime surge to coincide with China's recovery from a lengthy lockdown." Imports decreased 1.7% last month to 436,977 TEUs, but it was still a strong showing — since May 2021 was the Long Beach port's strongest month on record. Exports were down 12.6% — to 118,234 TEUs — compared to the same month last year, reflective of the ongoing trade imbalance. Empty containers that moved through the port in May, however, increased by 2.6% to 335,778 TEUs.

20. Biden to ocean carriers: 'The rip-off is over'

President Joe Biden on June 10, 2022 laid much of the blame for record-setting inflation data released earlier in the day on the decks of the world's largest ocean carriers. "Every once in a while something you learn makes you viscerally angry," Biden said, speaking at the Port of Los Angeles. "That's why I've called on Congress to crack down on foreign-owned shipping companies that have raised their prices while raking in just last year \$190 billion in profit, a sevenfold increase in one year." He repeated assertions in a video released by the White House on June 9, 2022 that nine major ocean shipping companies in the trans-Pacific trade have raised rates by as much as 1,000%, implying that lack of competition is the root of the problem. In a report issued earlier this month, however, the Federal Maritime Commission found no evidence of collusion among the major carriers. Biden is presumably referring to alliance members Maersk, MSC, CMA CGM, Cosco, Evergreen, HMM, Hapag-Lloyd, ONE, and Yang Ming (which leaves out Zim, which is also a major player in the trans-Pacific trade). According to Sea-Intelligence, the alliances accounted for roughly 80-85% of capacity in the trans-Pacific trade in 2012-2020, but in the first four months of 2022, their share had fallen to 64%. Congress is expected to take up the *Ocean Shipping Reform Act of 2022* as early as next week. Biden said he would sign it into law if it passes. The legislation broadens the regulatory powers of the Federal Maritime Commission over container ship carriers while also promoting U.S. exports.

21. Halifax Port Authority releases its 50-Year Plan

The Halifax Port Authority 50-Year Plan looks at port planning to 2070 and the various benchmarks that will trigger expansion projects. "Our goal is to build smart, in a way that is financially and environmentally sustainable, and that complements our surrounding community," said Captain Allan Gray, President and CEO, Halifax Port Authority. "We are preparing now to ensure our assets are ready for where the industry is going, not just where it's at currently. This includes our landside infrastructure, digital systems, and people. Containerized cargo and cruise will be the drivers of port-related growth over the next 50 years. By 2070, the Port of Halifax could be handling 1,600,000 TEU and upwards of 2.4 million cruise passengers a year. To capture the full potential of these markets, infrastructure will need to be developed in a way that is complimentary to the needs of the surrounding community."

22. US ocean shipping reform heads to Biden after House approval

President Joe Biden has promised to sign ocean shipping reform legislation, but the bill won't do anything to address US port and inland congestion or the record freight rates he's railed against.

23. Statement on FMC's approval of the \$2 million settlement agreement with Hapag-Lloyd

Commissioners Carl W. Bentzel and Max Vekich commend the Commission's Bureau of Enforcement for its work in reaching a \$2 million settlement agreement with Hapag-Lloyd with regards to unreasonable assessment of detention and demurrage charges. The Commission must continue its work to address unjust and unreasonable practices for the benefit of U.S. exporters and importers. Shippers are already paying freight rates at all-time high levels due to an imbalance in the supply and demand of ocean transportation services. The improper assessment of demurrage and

detention charges compounds the difficulties confronting shippers at the worst possible time. Based on the facts found by the Administrative Law Judge (ALJ) in the initial decision issued in Docket No. 21-09, we agree that Hapag-Lloyd violated 46 U.S.C. 41102(c) by unjustly and unreasonably assessing detention charges when there were insufficient appointments available. However, while the ALJ assessed a penalty for each day that detention was unreasonably assessed (14 days), we believe that under 46 U.S.C. § 41107(a), each day of a continuing violation constitutes a separate violation. As determined by the ALJ, Hapag-Lloyd's unjust and unreasonable practice was to assess detention and demurrage when there were insufficient appointments available. Accordingly, each day that this practice was in place should constitute a separate violation.

24. DP World invests in Saint John terminal

DP World is making a technology and asset investment in its Saint John multipurpose container terminal on Canada's East Coast to enhance and modernise operations. New equipment will include two super-post-Panamax quay cranes, more than a dozen additional reach stackers, additional internal transfer vehicles and container trailers. The company will also implement technology solutions that include an upgrade to the terminal operating system, a new truck gate system, and enterprise-wide financial management systems. This is the second recent announcement of significant investment in the port. On May 27, Port Saint John announced new project funding of \$42m from the federal and provincial governments that will enable it to increase cargo capacity by 146% between 2023 and 2029. In a statement, the port said its cargo volumes have been steadily increasing and more growth is expected as additional logistics and supply chain solutions are added.

25. St. Lawrence ports collaborating to boost competitiveness

The Port Authorities of Montréal, Québec and Trois-Rivières are creating a working group to identify and facilitate the implementation of joint initiatives. The working group will explore potential collaboration that might improve the competitiveness of the St. Lawrence corridor, such as the connection between the ports and the freight and train transport networks, the exchange of expertise, or the compatibility of technological systems.

26. Shipper groups applaud U.S. ocean reform bill

U.S.-based shipper and transportation groups are applauding the U.S. Congress for passing the Ocean Shipping Reform Act of 2022 (S.3580). But ocean carriers are not impressed. The Consumer Brands Association, National Retail Federation (NRF) and American trucking Association (ATA) all weighed in urging US president Joe Biden to quickly sign the bill into law. The law will add restrictions on contracts between shippers and ocean carriers, and will require the carrier to provide the proof in disputes where previously the onus was on the shipper. The legislation also makes it illegal for ocean carriers to decline export cargo providing the containers can be safely loaded in a timely manner.

27. Carriers expect no improvement in trans-Atlantic schedules this year

Importers in the US are finding higher volumes on the westbound trans-Atlantic are coming with soaring rate levels and record-low schedule reliability, with little relief in sight.

28. Port of LA has busy May, Port of Long Beach appointed to Federal Committee

Port of Los Angeles Executive Director Gene Seroka on June 14, 2022 announced that May 2022 was the third best month on record when it came to cargo numbers. The ports of LA and Long Beach are the two busiest in the nation. In the month of May, Seroka said, the Port of Los Angeles processed 967,000 twenty-foot equivalent units (TEUs, the industry's measurement standard), making it the third best overall month in the port's 115-year history. Five months into 2022, Seroka said, the port has processed more than 4.5 million TEUs, running equal so far to last year's record-setting pace. May's 967,900 TEUs rank only behind May 2021 and October 2020 at the LA port. Imports remained strong at 499,960 TEUs in May and exports, in an encouraging report, saw a 14.4% increase compared to the same period last year, with 125,656 TEUs. "Finally, some good news" on exports, Seroka said, adding it was the highest level of exports processed at the port since November 2020. "This is welcome news, but one month does not make a trend." LA's May cargo numbers came about a week after the neighboring Port of Long Beach announced that last month was the second busiest in its 111-year history.

29. Rolling Truck Age Program at Port of Vancouver to launch on September 15, 2022, following additional stakeholder engagement

The Vancouver Fraser Port Authority announced on June 15, 2022 that its Rolling Truck Age Program will go into effect on September 15, 2022, following additional stakeholder engagement earlier this year. Old, diesel-powered trucks are a significant source of particulate matter, which is known to cause cancer. There are currently older container trucks serving the Port of Vancouver, some more than 20 years old. The Rolling Truck Age Program phases out older container trucks serving the port, for the benefit of the region's air quality and local communities' health. The Rolling Truck Age Program will cap the age of container trucks serving the port to support safer, more reliable trucks and cleaner air for communities in the region. The current fleet provides an average of 30,000 single-sided port moves per week. Once implemented, the program is expected to significantly reduce air emissions from trucking activities in the region, including: an estimated 93% decrease in particulate matter, which is a known carcinogenic air pollutant; an

estimated 80% decrease in nitrogen oxides, which are smog-forming pollutants; and a 2.5% decrease in carbon dioxide, a greenhouse gas that contributes to climate change.

30. Vancouver port to require post-2006 trucks beginning Sept. 15

The Vancouver Fraser Port Authority has announced it will ban any container trucks with model years older than 2006, in a bid to improve air quality. The change is effective Sept. 15, 2022. An association representing many truckers who serve the port immediately criticized the move. United Truckers Association (UTA) spokesman Gagan Singh told trucknews.com the group is considering legal action and reaching out to politicians in a bid to block the change.

31. Biden to sign ocean shipping reform bill after Congress approves legislation

The first major overhaul of regulations governing U.S. container trades since 1998 was easily approved by Congress on June 13, 2022 and President Biden is expected to sign the bill into law shortly. By a vote of 369-42, the U.S. House of Representatives passed the Ocean Shipping Reform Act (OSRA) of 2022, which is the Senate's version of a reform bill passed by the House in December. The legislation, which broadens the powers of the Federal Maritime Commission to address unfair business practices on the part of ocean carriers and marine terminal operators, is supported by a wide array of associations, including the National Industrial Transportation League, Agriculture Transportation Coalition, American Association of Port Authorities, National Retail Federation, American Trucking Associations, and the Harbor Trucking Association. "This week, as 570 agriculture exporters and service providers are gathered for our 34th annual meeting in Tacoma, Washington, we applaud Congress 3,000 miles away advancing OSRA 2022," Peter Friedmann, AgTC's executive director, told FreightWaves.

32. Will the Shipping Reform Act help rebalance scales? The FMC chairman thinks so.

The scales of trade for U.S. importers and exporters have been severely tilted against them since the pandemic and President Biden [is expected to sign](#) the Ocean Shipping Reform Act on June 16, 2022. American Shipper spoke with Federal Maritime Commissioner Dan Maffei on the passage of the bill and what participants in the world of trade should be aware of. The Commissioner felt that the bill will do substantial good, particularly with the D&D [detention and demurrage] rule. Transferring the burden of proof regarding the reasonableness of detention or demurrage charges from the invoiced party to the ocean carrier will help. The other good thing is this bill does address the fear of retaliation. Questions on decline of exports, entry, shortage of chassis, empty containers and container rates were also answered.

33. Government of Canada launches request for proposal to develop "next generation" quiet vessel technologies

The Government of Canada recognizes the importance of reducing underwater noise to support the protection and recovery of Canada's endangered whale species. Acoustic disturbances can affect their ability to find prey, navigate effectively, and communicate with each other, while also creating stress. On June 15, 2022, the Minister of Transport, the Honourable Omar Alghabra, announced the launch of a new request for proposal to support the development of propulsion improving devices, specifically aimed at reducing underwater noise generated by propellers. Propellers are the most significant source of noise generated by most vessels. By implementing devices like ducts, fins, rudders, or propeller caps on a vessel, the flow of water across the propeller can be optimized to reduce underwater noise.

34. Rivières look to jointly strengthen the St. Lawrence corridor

The Port Authorities of Montreal, Québec and Trois-Rivières have announced the creation of a working group to identify and facilitate the implementation of joint initiatives. The signing of a collaboration agreement between these three ports on the St. Lawrence River is motivated by strategic, environmental and economic factors. The three ports combined annually handle approximately 72.4m tons of general cargo, containers, non-containerized general cargo, and solid and liquid bulk. The St. Lawrence is the entry and exit route for a multitude of goods, food and materials traded between Canada and the rest of the world.

35. Biden signs OSRA-22 shipping reform into law

The White House says US shipping reform will help corral inflation by easing port congestion and more closely monitoring ocean carriers, claims disputed by OSRA-22 opponents.

36. Biden attempts to curb inflation with law aimed at cutting shipping rates

President Joe Biden signed legislation on June 16, 2022 aimed at cutting overseas shipping prices, calling the new law another move by his administration to curb stubborn inflation. The law will stop "shipping companies taking advantage of American families, farmers, ranchers and businesses," the president said at a signing ceremony for the broadly bipartisan measure—an indication of the White House's urgency to show voters it's trying to bring down price increases stuck at a four-decade high. "They raked in the profits and the costs got passed on, as you might guess, directly to consumers," he added. "Sticking it to American families and businesses because they could." The shipping measure seeks to alleviate supply-chain bottlenecks at sea that were exacerbated by a spike in demand during the pandemic. It directs the Federal Maritime Commission to prevent ocean carriers from unreasonably refusing to fill open cargo space with US exports and to investigate late fees charged by shippers. Biden said the law would "at least marginally" reduce inflation. It doesn't directly address elevated shipping costs that American importers and exporters

have long complained are the heart of the problem, though backers of the bill predicted it would have an overall chilling effect on prices.

37. Red-hot ocean carrier profits face cooling volumes

Global volume data shows a slowing of the container shipping market, and a new forecast does not expect any strengthening of demand this year.

38. FMC ready to hit ground running on OSRA: Maffei

The head of the Federal Maritime Commission said his agency is ready to enforce new US shipping reform aimed at monitoring carrier behavior around container use charges and export slots.

39. Import demand dip hasn't fully manifested but is sign of things to come

The 36% drop in import volumes reported earlier this month has not materialized domestically yet and may not for several months, depending on your place in the supply chain. The Inbound Ocean TEUs Volume Index (IOTI) measures trends in TEU volumes that companies book by departure date from their ports of origin. With an average reported transit time of roughly 26.5 days, the ports will not feel the full impact of this until the middle of July 2022 and downstream providers will feel it be even later. There is already sufficient evidence both in data and in company reports to support declining orders. Inventories have grown at record levels since February 2022. Trucking demand has already experienced a sharp decline, causing spot rates to fall 19% since January 2022. The S&P 500 has dropped 20% over the past six months. Consumers are spending more on services. Inflation is still not under control and has inspired the Fed to increase interest rates faster than it had in 28 years. Companies like Target have reported inventory gluts that will lead to greater discounts in the second half of the year. To put it simply, the goods economy is cooling from an unsustainable level of activity and it should not be a surprise. The debate should not be whether or not companies are ordering less, but what exactly does this dip mean economically and for supply chains and transportation?

40. Carriers' antitrust immunity may be next target of US shipping reform

The next logical step in reforming US shipping law – the elimination of ocean carriers' antitrust immunity – was briefly proposed earlier this year, but shot down due to its potential impact on carriers' ability to operate within alliances.

41. Yang Ming, HMM ensnared in latest FMC shipper complaint

Yang Ming and HMM are the latest container lines to be brought under the microscope of US regulators thanks to a complaint from an Illinois importer alleging the carriers breached annual service contracts last year.

42. Containers lost at sea trending upwards

The number of shipping containers lost at sea increased by 18 percent in 2021, reversing a trend that saw container losses decreasing. Although the actual number of containers lost at sea – 1,629 – is a less than one thousandth of one percent of the 241 million moved in the two years covered by the World Shipping Council's (WSC) *Containers Lost at Sea Report covering 2020-2021*, the organization is concerned by the increase, it said. The winter of 2020-21 saw an unusually high number of weather-related incidents, and the average losses for the two-year period 2020-2021 were 3,113 compared to 779 in the previous period. Every container overboard is one too many, and every day carriers work with the other parties in the supply chain to enhance safety, the WSC said.

43. Asia-US container shipping rates are flashing two bearish signals

Trans-Pacific spot container shipping rates have crossed two bearish thresholds. It depends on which indexes you believe, but according to Drewry's, spot freight rates are now below where they were at this time last year, and according to Xeneta's, spot rates are now below current contract rates. Drewry's weekly spot rate assessment, released on June 23, 2022, put Shanghai-Los Angeles rates at \$7,952 per forty-foot equivalent unit, down 7% year on year (y/y). Drewry put the Shanghai-New York rate at \$10,403 per FEU, also down 7% y/y. That's a big change from the week before, when Drewry's Shanghai-Los Angeles assessment was still up 32% y/y and Shanghai-New York spot rates were up 33%. The huge week-on-week flip was not due to a collapse in rates in the past week. Drewry's trans-Pacific assessments pulled back the most this year between mid-March and mid-April. Declines have been more gradual since. Rather, the main driver of the y/y decline was a spike in rates during this week last year, when Drewry's Shanghai-Los Angeles and Shanghai-New York spot assessments surged 34% and 39% week on week, respectively. The current week also marks the first time that Drewry's Global Composite Index has gone into the red. It's now down 10% y/y. Nevertheless, trans-Pacific spot rates remain far above pre-COVID levels. Drewry's Shanghai-Los Angeles assessment is still 5.7 times the rate in the same week in 2019. The Shanghai-New York rate is still 4.3 times higher.

44. Container shipping market showing clear signs of weakness: analysts

Rate levels on the major trade lanes out of Asia should be rising as peak season begins and key destination ports remain congested, but the spot market has continued to decline.

45. OSRA-22 rules on detention, demurrage go into effect

Amid ongoing complaints that shippers can't move cargo or return empties, new US shipping rules are enforcing when carriers can levy detention and demurrage fees.

46. Government of Canada invests in the expansion of the Port of Oshawa

On June 27, 2022, the Minister of Transport, the Honourable Omar Alghabra, announced close to \$14 million for an export expansion project at the Port of Oshawa. As the recipient, the Hamilton-Oshawa Port Authority is contributing \$16 million, representing a total investment of almost \$30 million. With this investment, new infrastructure will be built to modernize operations in the port's main area and position it for growth. On June 28, 2022, government officials announced that Transport Canada is transferring management of the Burlington Canal Piers to the Hamilton-Oshawa Port Authority on July 2, 2022.

47. Union talks at West Coast ports going well, U.S. labor secretary says

Talks to reach a new contract with union workers at West Coast shipping ports before the existing deal expires this week are going well with no major sticking points, U.S. Labor Secretary Martin Walsh told Reuters on June 28, 2022. The current contract covering more than 22,000 port laborers at 29 West Coast ports expires on July 1, 2022. Retailers, farmers and other U.S. shippers worry that any breakdown in the often-contentious West Coast port labor talks will further disrupt cargo flows and send inflation-fueling transportation costs even higher.

48. Viewpoint: The jaws of trade squeezing the supply chain

The jaws of the supply chain vise are squeezing trade so tight that the headache it is creating will be a whopper for logistics managers this peak season. Port congestion is growing again as a result of labor and equipment inefficiencies. Trade requires people, and what we see in the CNBC Supply Chain Heat Maps is the people component in trade is behind this latest squeeze. Shanghai is still in the process of reopening, and while there are more green lights on the screen, the supplying of drivers and people to move and make the product is slower than normal. This is affecting the delivery of critical medical devices. "The manufacturing plant in Shanghai was down for 75 days because of the 'zero-COVID' restrictions," explained Gerry LoDuca, president of Dukal, which sells infection-control products and has manufacturing plants in Shanghai, Wuhan and Xingtai, China. "They are now operating 24/7 and they will be caught up by the end of July. Then the products will need to be packed up, shipped to Shanghai port and moved by vessel." Unfortunately, this delay is one of many being experienced by global importers. There is also strife in Germany and the situation in Europe is deteriorating.

RAIL TRANSPORTATION

1. Q1 2022: resilience through omicron and setting the stage to get back on track

The effects of the COVID-19 pandemic continued to be felt in the first quarter of 2022 as the Omicron variant took hold across the country plunging Canada into a fifth wave and forcing VIA Rail Canada (VIA Rail) to be flexible in its operations once again. Despite those challenges, ridership increased 233.2% compared to the same quarter last year, largely because of the adjustments made to service levels to accommodate an increase in demand as the quarter progressed. The highlights from January 1st to March 31, 2022 were: 1. Continued schedule adjustments in response to the fifth wave of the pandemic; 2. Ridership increased by 233.2% compared to the same period in 2021; and 3. Operating expenses increased by 25.7 % compared to the same quarter last year

2. Freight Rail Services Price Index, May 2022

Data for May for the Freight Rail Services Price Index (2018=100) are now available. The index was 122.7 for May 2022 compared to 116.8 for the month of April 2022. The index for individual components is also provided.

3. CP inks deal with CMA CGM for Canadian service

Canadian Pacific will become CMA CGM's primary rail provider in Canada, servicing the ports of Vancouver, Montreal and Saint John, N.B. CP's access to the Port of Vancouver and Port of Montreal, combined with CP's strategic connection to Port Saint John via New Brunswick Southern Railway, will enable CP to move the majority of CMA CGM's freight from Canadian ports to key Canadian and US Midwest inland markets. "CP is proud to provide CMA CGM with safe and reliable service that includes the shortest route miles to key markets," said John Brooks, CP Executive vice-

RAIL TRANSPORTATION

Canada

1. Q1 2022: resilience through omicron and setting the stage to get back on track, May 31, 2022, www.viarail.ca
2. Freight Rail Services Price Index, May 2022, May 31, 2022, www.statcan.gc.ca
3. CP inks deal with CMA CGM for Canadian service, June 1, 2022, www.insidelogistics.ca
4. U.S. Rail Volumes: 'Mixed' Bag Lingers in May, June 1, 2022, www.railwayage.com
5. CSX-Pan Am Merger Complete, June 1, 2022, www.railwayage.com
6. Minister of Transport announces new measures to improve track conditions, reduce risks of derailments, June 1, 2022, www.tc.gc.ca
7. Minister of Transport announces investments to make railways safer while growing the economy, June 3, 2022, www.tc.gc.ca
8. CP, CBP Open New Border Station in Maine, June 3, 2022, www.railwayage.com
9. VIA rail is the most trusted carrier and an employer of choice according to Canadians, June 6, 2022, www.viarail.ca
10. CN to STB: New Amtrak OA Sought—on Our Terms, June 7, 2022, www.railwayage.com
11. Delays rise at Ontario rail ramps amid surge in Vancouver volumes, June 7, 2022, www.joc.com
12. Brake Safety Week to include special focus on hoses, tubing, June 7, 2022, www.todaystrucking.com
13. Week 22: U.S. Rail Traffic Remains Below

president and chief marketing officer. “CP’s dedication to best-in-class service is enabling supply chain recovery that will drive future growth opportunities for the North American economy.”

4. U.S. Rail Volumes: ‘Mixed’ Bag Lingers in May

“Rail traffic volumes in May reflected an economy that is a mixture of good and not-so-good,” Association of American Railroads (AAR) Senior Vice President John T. Gray reported on June 1, 2022. Total U.S. carload traffic for the first five months of 2022 came in at 4,835,705 carloads, up 0.2%, or 8,490 carloads, from the same period last year; and 5,555,607 intermodal units, down 6.6%, or 389,799 containers and trailers. Total combined U.S. traffic for the first 21 weeks of 2022 was 10,391,312 carloads and intermodal units, a decrease of 3.5% compared with 2021. Total U.S. weekly rail traffic was 514,277 carloads and intermodal units, a 3% fall-off compared with the same week last year. This is the 14th consecutive week that total traffic has declined. Canadian railroads reported 77,381 carloads for the week, up 0.9%, and 70,418 intermodal units, down 3.2% vs. the same week in 2021. For the first 21 weeks of 2022, they reported cumulative rail traffic volume of 2,990,982 carloads, containers and trailers, down 6.1%.

5. CSX-Pan Am Merger Complete

CSX on June 1, 2022 reported completion of its Pan Am Railways, Inc., acquisition, six weeks after the Class I railroad received regulatory approval from the Surface Transportation Board (STB). The decision was unanimous. Transaction terms were not disclosed.

6. Minister of Transport announces new measures to improve track conditions, reduce risks of derailments

On June 1, 2022, the Minister of Transport, the Honourable Omar Alghabra, announced that Transport Canada has approved a series of changes that will strengthen the *Rules Respecting Track Safety*. These changes – the final phase in a series of three – stem from a 2020 Ministerial Order that focused on major risks that could cause derailments due to the condition of railway infrastructure. The changes require railway companies to: 1. develop key performance indicators to help Transport Canada analyze track conditions and inform the department’s oversight activities; 2. strengthen requirements for railways to inspect and maintain crossties; and 3. provide Transport Canada inspectors with access to additional information on company track standards so they can ensure that oversight is effective and consistent across Canada.

7. Minister of Transport announces investments to make railways safer while growing the economy

On June 3, 2022, the Minister of Transport, the Honourable Omar Alghabra, and the Member of Parliament for Vaughan—Woodbridge, Francesco Sorbara, announced that the Government of Canada is providing almost \$24 million to fund 147 projects across Canada under the Rail Safety Improvement Program. This includes contributions for 58 grade crossing, infrastructure, and research projects in Ontario, for a total amount of more than \$13 million.

8. CP, CBP Open New Border Station in Maine

With Canadian Pacific’s (CP) support, U.S. Customs and Border Protection (CBP) has opened a new freight inspection facility that the Class I railroad says “will help to create a seamless flow of goods across the border between Quebec and Maine.” CP on May 17 celebrated the launch of the facility, located in Jackman, Maine, with officials from Hapag-Lloyd, DP World (the operator of Port Saint John in New Brunswick), and CBP, as well as Sen. Susan Collins (R-Maine) and representatives from the town of Jackman, among others. “For more than a century beginning in the late 1800s, CP operated trains across the Canada-U.S. border near Jackman, Maine,” the railroad reports. “The corridor was sold to a short line in 1995. In 2020, we reacquired the line with the purchase of the Central Maine & Quebec Railway. This critical route connects Port Saint John, N.B., and inland points on CP’s system, including Montreal, Toronto and

2021 Levels, June 8, 2022, www.railwavage.com
14. UP, BNSF blame shippers for rail container buildup in LA, June 13, 2022, www.joc.com
15. CN, CSX Scuttle Massena Line Transaction, June 13, 2022, www.railwavage.com
16. Update on the rail bypass project during an open house in Lac-Mégantic, June 14, 2022, www.tc.gc.ca
17. CN Receives Strike Notice from Union Representing Signals and Communications Employees in Canada, June 15, 2022, www.cn.ca
18. Rail Traffic for the Week Ending June 11, 2022, June 15, 2022, www.ajot.com
19. Canadian National workers strike after failed negotiations: IBEW, June 19, 2022, www.ajot.com
20. CN and electrical workers no closer to settlement, June 21, 2022, www.insidelogistics.ca
21. TSB Releases 2021 Transportation Occurrence Statistics, June 20, 2022, www.railwavage.com
22. Railway carloadings, April 2022, June 21, 2022, www.statcan.gc.ca
23. CN to Invest \$365 Million in Alberta Enabling Sustainable Growth, Improving Capacity and Advancing the Company’s Commitment to Safety, June 22, 2022, www.cn.ca
24. Rail traffic for the week ending June 18, 2022, June 21, 2022, www.ajot.com
25. FMC members urge STB rejection of CP-KCS merger, June 23, 2022, www.joc.com
26. Statements of Commissioners on the proposed consolidation of Canadian Pacific and Kansas City Southern Railways, June 24, 2022, www.ajot.com
27. Bartlett to STB: Approve CPKC, Reject CN’s Springfield Line Bid, June 23, 2022, www.railwavage.com
28. UK Railway strike resumes as talks fail to reach a deal, June 26, 2022, www.ajot.com
29. CN to Invest \$150 Million in Illinois Enabling Sustainable Growth, Improving Capacity and Advancing the Company’s Commitment to Safety, June 27, 2022, www.cn.ca; CN to Invest \$185 Million in Saskatchewan Enabling Sustainable Growth, Improving Capacity and Advancing the Company’s Commitment to Safety; June 27, 2022, www.cn.ca; and CN plans capital investments in Illinois, Tennessee, 2 Canada provinces, June 27, 2022, www.freightwaves.com
30. No immediate relief seen for Canada’s rail problems, June 27, 2022, www.joc.com

Chicago. We are already realizing significant growth in the corridor. For example, ocean container line Hapag-Lloyd began operating weekly service through Port Saint John in 2021 and recently announced [April 25] it will add a second seasonal weekly call.”

9. VIA rail is the most trusted carrier and an employer of choice according to Canadians

VIA Rail is proud to have been ranked first in two categories among transportation companies: as an employer of choice and as the most trusted carrier in the 2022 Canadian Reputation study published by Leger. The study also reveals that VIA Rail is the carrier that Canadians are most proud of, particularly because of its products and services, its Canadian origins, and its excellence in the field. The Corporation also ranked second overall among transportation companies in the brand reputation survey, standing out from other companies in the categories of honesty and transparency as well as quality of products and services.

10. CN to STB: New Amtrak OA Sought—on Our Terms

The Railway Age recently reported on Amtrak’s request to the Surface Transportation Board (STB) to set terms and conditions for a new operating agreement (OA) between Amtrak and CN, as one of the host railroads whose lines Amtrak uses for its trains. Given the adversarial nature of the briefs filed thus far, the STB will not have an easy task sorting the issues out and arbitrating a new agreement for Amtrak and CN. To make matters more difficult, the provisions that the Board recommends will probably apply, at least sometime in the foreseeable future, to other railroads that host Amtrak trains. Needless to say, that category includes all the other Class Is. While the dispute between Amtrak and CN has been going on for several years, this particular skirmish in the long-term conflict is just beginning.

11. Delays rise at Ontario rail ramps amid surge in Vancouver volumes

Canada’s Class I railroads have been dealing with a surge of freight from Vancouver that has taxed a shrinking pool of available truckers across the country in Ontario.

12. Brake Safety Week to include special focus on hoses, tubing

Brakes continue to dominate out-of-service violations across North America, and they’ll once again be the target of a dedicated enforcement and education blitz. The Commercial Vehicle Safety Alliance (CVSA) will run Brake Safety Week Aug. 21-27, with a special focus on chafed hoses and tubing. “Poorly maintained brake systems can reduce the braking capacity and stopping distance of large trucks and motor coaches, which poses a serious risk to driver and public safety,” said CVSA president John Broers, a captain with the South Dakota Highway Patrol. “In those split-second emergency situations, the proper functionality of the brake systems on large commercial motor vehicles is crucial.”

13. Week 22: U.S. Rail Traffic Remains Below 2021 Levels

U.S. Class I railroads hauled 475,513 carloads and intermodal units for the week ending June 4, 2022, falling 2.8% from the prior-year period. This is based on 225,274 carloads—down 1.0% from 2021—and 250,239 containers and trailers—down 4.4%, the Association of American Railroads (AAR) reported on June 8, 2022. This is the 15th consecutive week that total traffic has declined. (Total traffic gains were last seen in Week 7, which ended Feb. 17, 2022). Canadian railroads reported 75,646 carloads for the week, a 3.5% decrease, and 67,573 intermodal units, a 9.2% drop compared with the same week in 2021. For the first 22 weeks of 2022, they reported cumulative rail traffic volume of 3,134,201 carloads, containers and trailers, down 6.1%.

14. UP, BNSF blame shippers for rail container buildup in LA

BNSF and Union Pacific say shippers are letting their containers sit too long at inland hubs, especially Chicago, delaying the return of trains to Southern California.

15. CN, CSX Scuttle Massena Line Transaction

CSX and CN have mutually terminated their transaction in which CN would purchase CSX’s Montreal-Syracuse, N.Y., Massena Line and fold it into its Bessemer Subdivision, the former Bessemer & Lake Erie, which CN acquired in 2004 as part of its larger purchase of holding company Great Lakes Transportation. In April 2020, the Surface Transportation Board approved the transaction, which CN conducted through its B&LE subsidiary, but ordered CSX and CN to eliminate a provision in the agreement that would permanently prevent CN from negotiating direct interchange with the Finger Lakes Railway and the New York, Susquehanna & Western in the Syracuse region. STB had twice extended the deadline for CN and CSX to submit a revised acquisition agreement. The railroads told the Board they were unable to reach a revised agreement and asked the agency to reconsider the original deal.

16. Update on the rail bypass project during an open house in Lac-Mégantic

The Government of Canada is committed to supporting Lac-Mégantic and the surrounding communities, listening to residents, and keeping them informed about the next steps in the completion of the Lac-Mégantic bypass project. The following is an overview of recent project-related developments that will be shared with the public during the open house event: 1. In April 2022, plans and specifications for the project reached the 70% completion level. 2. In Budget 2022, \$237.2 million was allocated to Transport Canada over five years, starting in 2022-2023. These funds will be used

to build the Lac-Mégantic bypass. 3. Private negotiations with affected property owners are ongoing. 4. As part of the environmental assessment process completed in 2020, 138 mitigation measures (in French only) were identified. Transport Canada will hold public consultations on the hydrogeology and wetlands in the coming weeks.

17. CN Receives Strike Notice from Union Representing Signals and Communications Employees in Canada

CN confirmed on June 15, 2022 that the International Brotherhood of Electrical Workers (IBEW), which represents approximately 750 employees in Canada, have given the Company a 72-hour notice of its intention to strike as of 11:00 AM Eastern Time on June 18, 2022.

18. Rail Traffic for the Week Ending June 11, 2022

For the week ending June 11, 2022, total U.S. weekly rail traffic was 510,295 carloads and intermodal units, down 3.6 percent compared with the same week last year. Total carloads for the week ending June 11, 2022 were 234,942 carloads, down 2.8 percent compared with the same week in 2021, while U.S. weekly intermodal volume was 275,353 containers and trailers, down 4.4 percent compared to 2021. Canadian railroads reported 77,814 carloads for the week, up 2.1 percent, and 73,084 intermodal units, down 0.4 percent compared with the same week in 2021. For the first 23 weeks of 2022, Canadian railroads reported cumulative rail traffic volume of 3,285,099 carloads, containers and trailers, down 5.8 percent.

19. Canadian National workers strike after failed negotiations: IBEW

Canadian National Railway Co. workers have gone on strike after failing to reach an agreement on Saturday over benefits and wages, according to the International Brotherhood of Electrical Workers lead negotiator. The strike of 750 signals and communications workers began at 11 a.m. on Saturday after negotiations failed, Steve Martin said by phone. The union had given a 72-hour strike notice to the company on June 15. The two sides are still in discussions, he said. An email to CN for comment wasn't returned. The strike could worsen logistical bottlenecks that have happened as a result of the Covid 19 pandemic, contributing to higher prices. Canada's inflation rate is expected to reach a 40-year high when Statistics Canada reports consumer prices next week, according to a Bloomberg survey of economists. The rail company is one of two in Canada that transport goods throughout the country and into the U.S.

20. CN and electrical workers no closer to settlement

Canadian National Railway Co. says it has gone the extra mile to meet union demands amid a strike by signal and electrical workers, who say the concessions do not go far enough. About 750 CN employees represented by the International Brotherhood of Electrical Workers walked off the job across the country on June 18, 2022 morning. "We have met or exceeded every one of the union's demands in an effort to reach an agreement prior to the strike deadline. Unfortunately, we did not reach an agreement and the union has exercised its legal right to strike," CN chief operating officer Rob Reilly said in an open letter to employees dated Monday.

21. TSB Releases 2021 Transportation Occurrence Statistics

The Transportation Safety Board of Canada (TSB) has published its final annual statistics on accidents/incidents for the rail, air, marine and pipeline sectors for 2021. While total railway accidents were up 5% from 2020, they fell 3% compared with the 10-year (2011-20) average. In 2021, 1,038 railway accidents were reported to the TSB, a 5% increase compared with 2020 (988), but a 3% decrease from the 10-year average of 1,071. Of these, 189 (18%) involved fires on rail right-of-way or on rolling stock, which is a 139% increase from 79 such events in 2020; there was an average of 40 per year from 2011 to 2020. Freight trains accounted for 38% of all trains involved in rail accidents in 2021. Passenger trains accounted for 4% (42 in total) and the remaining 58% comprised mainly single cars/cuts of cars, locomotives, and track units. In Air transportation, accidents totaled 190, a 12% increase from the previous year (170), but 21% below the yearly average of 239 accidents reported in the prior 10 years, 2011 to 2020. In marine transportation there were 220 marine accidents (accidents resulting directly from the operation of a ship other than a pleasure craft), 17% below the 2020 total of 264 and 23% below the 10-year average of 284. In pipeline transportation, there were two pipeline accidents. These were the first accidents since 2018 and are less than the previous 10-year average of three accidents per year.

22. Railway carloadings, April 2022

In April 2022, the volume of cargo carried by Canadian railways was 31.3 million tonnes, edging down 1.2% from April 2021 and marking the eighth consecutive month of year-over-year decline. Overall freight volume remained near the five-year monthly average of 31.4 million tonnes, with increases in loadings of energy products offsetting the ongoing steep declines in grain shipments. April's year-over-year overall decline was entirely driven by non-intermodal loadings (mainly commodities), since intermodal loadings (mainly containers) and freight traffic from connections with American railways both rose.

23. CN to Invest \$365 Million in Alberta and \$430 million in Ontario Enabling Sustainable Growth, Improving Capacity and Advancing the Company's Commitment to Safety

CN announced on June 22, 2022 plans to invest approximately C\$365 million in Alberta in 2022 and C\$430 million in Ontario in 2022. This includes investments in technology, capacity, rolling stock units and company-wide

decarbonization initiatives, as well as network improvements. These investments will power sustainable growth and ensure the continued safe movement of goods in Alberta and everywhere on CN's transcontinental network.

24. Rail traffic for the week ending June 18, 2022

The Association of American Railroads (AAR) on June 21, 2022 reported U.S. rail traffic for the week ending June 18, 2022. For this week, total U.S. weekly rail traffic was 501,207 carloads and intermodal units, down 2.5 percent compared with the same week last year. Total carloads for the week ending June 18 were 232,921 carloads, up 0.4 percent compared with the same week in 2021, while U.S. weekly intermodal volume was 268,286 containers and trailers, down 4.9 percent compared to 2021. Canadian railroads reported 76,443 carloads for the week, down 0.2 percent, and 70,088 intermodal units, down 2.6 percent compared with the same week in 2021. For the first 24 weeks of 2022, Canadian railroads reported cumulative rail traffic volume of 3,431,630 carloads, containers and trailers, down 5.6 percent.

25. FMC members urge STB rejection of CP-KCS merger

Three FMC members ask the STB not to approve the proposed merger of Canadian Pacific Railway and Kansas City Southern, saying the deal would result in the loss of cargo to Canadian ports.

26. Statements of Commissioners on the proposed consolidation of Canadian Pacific and Kansas City Southern Railways

Federal Maritime Commissioners Carl W. Bentzel, Louis E. Sola, and Max M. Vekich, in their capacity as individual Commissioners, submitted comments on June 22, 2022 to the Surface Transportation Board (STB) opposing/objecting to the proposed consolidation of the Canadian Pacific Railway, Ltd. (CP) and the Kansas City Southern Railway (KCS). The three Commissioners urged the STB to disapprove the CP and KCS consolidation under the provisions of 49 U.S.C. § 11324 (d)(2). "The proposed consolidation does not ensure that the anticompetitive effects of the transaction outweigh the public interest in meeting significant needs. We understand that the supply chain is competitive, interdependent, and complex. In our ever-changing world, the shipping industry is constantly working through major operational and cargo-volume challenges to make itself more efficient while maintaining the integrity, security, and fluidity of the supply chain," the Commissioners stated in the comments submitted to the STB. Commissioner Bentzel noted that "It is important that the U.S. maintains our infrastructure as well as our operational capabilities. The pandemic reinforced how important these resources are within the global supply chain as well as the impact that they have on local communities, businesses, and jobs." Commissioner Sola said that "The consolidation of any limited asset integral to the supply chain merits close examination and the acquisition of such an asset by an enterprise supported, subsidized, or controlled by a foreign power deserves scrutiny."

27. Bartlett to STB: Approve CPKC, Reject CN's Springfield Line Bid

Bob Knief, President of Bartlett Grain Co., LP (Bartlett), a leading U.S. exporter of grain to Mexico, submitted a statement on June 22, 2022 to the Surface Transportation Board (STB) to address comments and applications filed on the Canadian Pacific (CP) and Kansas City Southern (KCS) merger transaction. Specifically, Bartlett is urging the STB to approve the CPKC (Canadian Pacific Kansas City) transaction and reject CN's requesting that KCS's Springfield Line be divested to it. "Bartlett supports the CP/KCS transaction, which we see as bringing important benefits to shippers, and we oppose CN's proposal that KCS's Kansas City-Springfield/St. Louis Line be severed from the CPKC system and sold to CN or another purchaser," stated Knief, who is also President of the Savage Agriculture Sector. Bartlett, which was established in 1907, joined the Savage family of companies in 2018.

28. UK Railway strike resumes as talks fail to reach a deal

The third day of a national UK rail strike is underway Saturday after talks with union leaders ended without a deal. The 24-hour walkout is part of efforts by the National Union of Rail, Maritime and Transport Workers to press demands for higher pay, a ban on compulsory layoffs and the retention of existing working conditions. Track owner Network Rail says it's seeking to modernize and deal with a plunge in passenger numbers as more people work at home. The strikes this week have led many commuters to stay home, taking advantage of more flexible work arrangements ushered in by the pandemic. Now weekend travel is hit, disrupting getaways and major leisure events such as the Glastonbury music festival, which finishes June 26, 2022. Talks with the RMT ended on June 26, 2022 without a deal and will resume on either on June 27, 2022, a Network Rail spokesman said. The union's executive committee meets Tuesday to decide on what further action to take. "We won't hesitate to use more industrial action if we can't reach an agreement or if the companies carry through their threats to make people redundant," Mick Lynch, general secretary of RMT, told Sky News on June 25, 2022.

29. CN plans capital investments in Illinois, Tennessee, 2 Canada provinces

Canadian railway CN has announced another \$355 million in capital investments in two provinces and two U.S. states, bringing the total to \$1.67 billion for 2022. In Canada, CN will invest about CA\$185 million for capital and maintenance projects in Saskatchewan, including replacing 25 miles of rail track, installing more than 151,000 railroad ties and rebuilding 23 road crossing surfaces. CN has invested more than CA\$900 million in the last five years in

Saskatchewan, where it operates 1,936 railroad route miles. CN also plans to spend CA\$40 million in New Brunswick in 2022. Maintenance projects will include the replacement of 2 miles of rail, installation of 7,000 new railroad ties and rebuilding of road crossing surfaces. The railway operates 596 route miles in New Brunswick, where it has invested more than CA\$100 million in the last five years.

30. No immediate relief seen for Canada's rail problems

A shortage of drayage capacity serving rail hubs and local warehouses in Toronto and Montreal (above) is the root cause of congestion problems in Canada's supply chain. A lack of drayage capacity in Toronto and Montreal for receiving cargo from Prince Rupert and Vancouver is increasingly putting upstream pressure on the West Coast ports, keeping rail dwells elevated at marine terminals and slowing the inland movement of Asian imports. Vancouver has been grappling with persistent bouts of congestion since last summer due to a series of mishaps — [wildfires and flooding](#) that crippled road and rail infrastructure in British Columbia, and sub-freezing temperatures this winter that compounded the rail problems. Cargo flow through Prince Rupert has been relatively smoother. In addition to serving markets in eastern Canada, the ports also serve as gateways for US-bound cargo. Cargo volumes this year highlight the fact that inland bottlenecks, not container volumes, are the cause of the ports' woes. Vancouver's container volume was down 13.7 percent in January through May from the year-ago period, according to the port. Prince Rupert data shows the port's volume was up 1 percent through the first five months of the year. "Rail dwell is challenging across the port due to capacity constraints in the network and inland terminals, and this is not isolated to terminals within the Port of Vancouver," GCT Canada, which operates the Deltaport and Vanterm terminals in Vancouver, told JOC.com in a statement.

HIGHWAY TRANSPORTATION

1. Couriers and Messengers Services Price Index, April 2022

The Couriers and Messengers Services Price Index (2019=100) is now available for April 2022. The index for couriers and messenger services for April 2022 was 123.8 compared to 119.5 for March 2022.

2. Nanos: Driver-Equipment Shortages & Driver Inc. Top Concerns for Trucking Execs

Demand for trucking services has increased beyond what trucking companies can handle in certain markets, causing some carriers to turn away loads, according to a *Nanos* survey of leading trucking executives. *Nanos*, which conducted the survey on behalf of the Canadian Trucking Alliance, interviewed 36 senior executives, representing companies which operate over 39,000 trucks, employ over 40,000 full and part-time employees and transported over 2.2 million loads in 2021. While most respondents reported that trucking activity excelled in the first half of 2022, about a third stated demand hasn't directly increased, but a shortage of drivers and trucks has led to a reduction of available capacity. A return to full capacity of the economy and customer demand will exacerbate this problem.

3. Women with Drive returns, drive to recruit more women to trucking continues

The last time Trucking HR Canada hosted its Women with Drive event in Toronto, Angelique Magi noticed a lot of audience members repeatedly checking their phones. No matter how engaging the presentations were, there was no ignoring news that Covid-19 had just been declared a pandemic. Organizers had done what they could to keep the March 2020 event on schedule. "We were making hand sanitizer because we couldn't get it," recalled the vice-president – specialty solutions at Intact Insurance. But as the day wore on, it became clear that a closing reception would have to be canceled. One of the challenges is that women represent such a small share of the trucking industry's labor pool. They account for just 15% of the Canadian industry's overall workforce. While women fill 87% of administration jobs, they represent 3.7% of truck driving jobs, and 1.5% of technicians and mechanics. "Fewer than 5% of the sector's female

HIGHWAY TRANSPORTATION Canada

1. Couriers and Messengers Services Price Index, April 2022, May 31, 2022, www.statcan.gc.ca
2. Nanos: Driver-Equipment Shortages & Driver Inc. Top Concerns for Trucking Execs, June 1, 2022, www.cantruck.ca
3. Women with Drive returns, drive to recruit more women to trucking continues, June 2, 2022, www.todaystrucking.ca
4. STA's Ewart Named Women of Distinction Award Winner, May 31, 2022, www.ontruck.ca
5. Passenger bus and urban transit, 2020, June 3, 2022, www.statcan.gc.ca
6. AV Not a Threat to Driver Jobs: ATA, June 3, 2022, www.ontruck.ca
7. Trucking Industry Leaders Predict Top Two Changes Over the Next 10 Years, June 8, 2022, www.ontruck.ca
8. Top trucking legal issues of 2022, June 9, 2022, www.todaystrucking.com
9. Post promises to electrify 14,000-vehicle fleet, June 9, 2022, www.todaystrucking.com
10. Biden-Harris Administration Takes Key Step Forward in Building a National Network of User-Friendly, Reliable, and Accessible Electric Vehicle Chargers, June 9, 2022, www.dot.gov
11. Trucking Industry Leaders Predict Top Two Changes Over the Next 10 Years, June 10, 2022, www.ontruck.ca
12. Private fleets challenged by aging drivers and older equipment: Survey, June 13, 2022, www.todaystrucking.ca
13. Facility Association Moves to Tackle Fraudulent Behaviour in Trucking Industry, June 14, 2022, www.ontruck.ca
14. For-hire Motor Carrier Freight Services Price Index, first quarter 2022, June 14, 2022, www.statcan.gc.ca
15. Feds Confirm Border Vaccine Mandate Remains in Place for Truck Drivers; Domestic

employees are in management or supervisory positions,” Splinter said. “We think that 5% is not enough.”

4. STA’s Ewart Named Women of Distinction Award Winner

Saskatchewan Trucking Association (STA) Executive Director, Susan Ewart was named a 2022 YWCA Regina Nutrien Women of Distinction Award Winner. The event celebrates women making a difference in Southern Saskatchewan.

5. Passenger bus and urban transit, 2020

Because of lockdowns and travel restrictions, the COVID-19 pandemic had a significant, but uneven, impact on Canadian passenger bus and urban transit industries in 2020. Financially, total operating revenues reported by passenger bus and urban transit operators decreased 9.7% to \$13.5 billion, compared with 2019. Total operating expenses were down 9.8% to \$14.3 billion. In terms of activity, the impact of the pandemic hit some types, such as charter and airport shuttle services, much harder than others. On the other hand, urban transit continued to operate as an essential service.

6. AV Not a Threat to Driver Jobs: ATA

American Trucking Associations President Chris Spear said he doesn’t view the ongoing advancement of autonomous trucking as a threat to drivers, since economic factors will ensure demand for drivers for years to come, reports *Transport Topics*. “I’m not threatened by it because of where our economy, where our country and where our industry is headed,” Spear said during the 2022 Recruitment and Retention Conference, hosted by Conversion Interactive Agency, ATA and Transport Topics. “It’s all about growth. Right now, one in 16 jobs in the United States is trucking related. The top job in 29 states is being a truck driver.”

7. Trucking Industry Leaders Predict Top Two Changes Over the Next 10 Years

Trucking industry executives pointed to the reduction of fossil fuel use and carbon emissions as the top change coming to the trucking sector over the next 10 years, followed by labour shortages as a close second. The sentiments were captured in a survey conducted by Nanos Research between April 2022 and May 2022.

8. Top trucking legal issues of 2022

Heather Devine, a lawyer with Alexander Holburn-Beaudin and Lang, understands the legal risks trucking operations can face in a courtroom. But the underlying threats can also evolve from one year to the next. Here are trucking-related legal challenges that she has identified for 2022: 1. Mobile app liability; 2. Independent contractors vs. employees; 3. Telematics and data management policies; 4. Electronic bills of lading; 5. Mergers and acquisitions; 6. The rise of electric vehicles; 7. Nuclear verdicts; 8. Inflation and volatile markets; 9. Force majeure termination clauses.

9. Canada Post promises to electrify 14,000-vehicle fleet

Canada Post announced it will electrify its entire fleet of 14,000 vehicles by 2040 as part of its plan to achieve net zero emissions by 2050. It will spend \$1 billion to transform its fleet, with an initial goal of being 50% electric by 2030.

10. Biden-Harris Administration Takes Key Step Forward in Building a National Network of User-Friendly, Reliable, and Accessible Electric Vehicle Chargers

In keeping with President Biden’s commitment to jumpstart the construction of a national network of 500,000 electric vehicle (EV) chargers by 2030, the U.S. Department of Transportation’s Federal Highway Administration on June 9, 2022 announced a Notice of Proposed Rulemaking (NPRM) on proposed minimum standards and requirements for projects funded under the National Electric Vehicle Infrastructure (NEVI) Formula Program. This news follows the announcement earlier this year of nearly \$5 billion that will be made available to states over the next five years under the new NEVI Formula Program, established by President Biden’s Bipartisan Infrastructure Law, to build out a national EV charging network.

11. Trucking Industry Leaders Predict Top Two Changes Over the Next 10 Years

Trucking industry executives pointed to the reduction of fossil fuel use and carbon emissions as the top change coming to the trucking sector over the next 10 years, followed by labour shortages as a close second. The sentiments were captured in a survey conducted by *Nanos Research* between April and May 2022. In total, the 36 senior executives interviewed for the survey represented companies which operated over 39,000 trucks, employed over 40,000 full and

Mandate for Federally Regulated Sectors Suspended, June 14, 2022, www.cantruck.ca
16. Fastfrate takes majority stake in Challenger, June 15, 2022, www.todaystrucking.com
17. CTA Meets with National Supply Chain Task Force, June 16, 2022, www.ontruck.ca
18. Canada Cartage buys Mackie Moving Systems, June 16, 2022, www.todaystrucking.ca
19. Permanent repairs to start soon on B.C.’s Coquihalla, Hwy. 1, June 16, 2022, www.todaystrucking.ca
20. Urban public transit, April 2022, June 17, 2022, www.statcan.gc.ca
21. Fastfrate takes majority stake in Challenger, June 20, 2022, www.insidelogistics.ca
22. Labour Minister Takes on Driver Inc. in House of Commons, June 17, 2022, www.ontruck.ca
23. Recession risk growing: ACT Research, June 20, 2022, www.todaystrucking.com
24. Couriers and Messengers Services Price Index, May 2022, June 21, 2022, www.statcan.gc.ca
25. North American Transborder Freight up 26.0% in April 2022 from April 2021, June 22, 2022, www.bts.gov
26. Cross-border truck traffic surged in April, June 23, 2022, www.todaystrucking.ca
27. Truckload spot market offering deepest discounts since the early pandemic, June 25, 2022, www.freightwaves.com
28. FMCSA banishes ELD to “revoked” list, June 24, 2022, www.todaystrucking.ca
29. THRC Report Highlights Growing Driver Shortage, June 27, 2022, www.todaystrucking.com; Great time to be a driver, trucking CEO says, June 28, 2022, www.insidelogistics.ca; and World was short more than 2.6 million truck drivers in 2021, IRU says, June 27, 2022, www.todaystrucking.com

part-time employees, and transported over 2.2 million loads in 2021.

12. Private fleets challenged by aging drivers and older equipment: Survey

Canada's private fleets identified the search for truck drivers as their top challenge in 2021, and those who were hired tended to come from a familiar labor pool. About half the new drivers came from other private fleets, National Private Truck Council (NPTC) executive vice-president Tom Moore said, presenting findings of an annual benchmarking survey to members of the Private Motor Truck Council of Canada (PMTCC). Members of both groups participated in the survey.

13. Facility Association Moves to Tackle Fraudulent Behaviour in Trucking Industry

After consultations with the Canadian Trucking Alliance, commercial writers and brokers, the Facility Association (FA) announced measures to curb fraudulent insurance practices in the trucking industry. FA announced a new 'rating matrix' aimed at restricting the carriers from misregistering commercial vehicles in an attempt to avoid market rates. Since 2019, there has been an increasing number of truck owners/operators who have been registering vehicles in one province and operating primarily in another to obtain a lower premium, says FA. The new matrix allows FA to apply a surcharge or a reduction based on the jurisdiction where the vehicle is mainly operating. FA has received approval from several provinces to implement the new matrix and is optimistic the rating matrix will be approved in all jurisdictions it operates.

14. For-hire Motor Carrier Freight Services Price Index, first quarter 2022

The For-hire Motor Carrier Freight Services Price Index (2013=100) is now available for the first quarter. For the first quarter of 2022 it was 130.5 compared to 111.9 for the same quarter in 2021 and 121.0 compared to the previous quarter.

15. Feds Confirm Border Vaccine Mandate Remains in Place for Truck Drivers; Domestic Mandate for Federally Regulated Sectors Suspended

The Government of Canada announced on June 14, 2022 that the mandatory vaccination mandate at the land border remains in place for all travellers entering the country, including truck drivers crossing the border. Although there are no changes to land border policies regarding the vaccine mandate, the federal government did announce the suspension of mandatory vaccination requirements for most domestic and international air travellers to assist with delays related to air travel. The border vaccination mandate has been in place for both Canada and the U.S. since January of 2022. The Canadian Trucking Alliance (CTA) is reminding members that any future removal of the land border vaccination mandate remains a bilateral decision, and the Alliance continues to work with officials on both sides of the border on this policy. Mandatory vaccination requirements for entry into Canada by foreign nationals also remains unchanged. Foreign nationals who are not fully vaccinated continue to be prohibited entry into Canada. The Government of Canada also announced that, as of June 20, 2022, it will be suspending the mandatory vaccination requirement for employers in the federally regulated air, rail, and marine sectors. Furthermore, the Government of Canada is no longer moving forward with consultations and proposed regulations on mandatory vaccination requirements for all federally regulated workplaces. The federally regulated trucking sector was granted exempt status from the domestic mandate in the summer of 2021.

16. Fastfrate takes majority stake in Challenger

Fastfrate has purchased a majority stake in Challenger Motor Freight – Canada's ninth-largest fleet according to the Today's Trucking Top 100 rankings – creating what will be one of Canada's largest privately owned transportation providers. Together they have more than 5,000 employees and owner-operators, 1.2 million square feet of facilities, and 5,500 pieces of equipment. The mega-deal was borne out of a mutual friendship between Fastfrate chairman Ron Tepper and Challenger founder Dan Einwechter.

17. CTA Meets with National Supply Chain Task Force

Canadian transport leaders, including staff from the Canadian Trucking Alliance and the Quebec Trucking Association met in Montreal on June 15, 2022 to address the capacity crisis in the supply chain. "It is clear from this week's discussions, all members of the supply chain are stressing the urgent need for the Canadian business and policy community to overcome the current inefficiencies in the supply chain to protect the reputation of Canada's global competitiveness," said CTA president Stephen Laskowski. "It is CTA's goal to identify inefficiencies throughout the supply chain and present solutions to government and stakeholders to implement."

18. Canada Cartage buys Mackie Moving Systems

Canada Cartage announced on June 15, 2022 that it has purchased Mackie Moving Systems in a move to expand its Final Mile delivery offerings. Mackie Transportation remains family-held and operated. Mackie Moving specializes in home delivery, high-value, and household moving. The Atlas Van Lines agent has been in business since 1928. "We are excited about the acquisition of Mackie Moving Systems and look forward to helping their team to grow throughout Canada and the United States," Canada Cartage president and CEO Jeff Lindsay said in a release.

19. Permanent repairs to start soon on B.C.'s Coquihalla, Hwy. 1

The British Columbia government announced that permanent repairs to flood-damaged sections of the Coquihalla (Highway 5) and Highway 1 will soon be underway. Work is expected to be substantially complete this winter, according to a press release. “This marks a significant milestone in our recovery from the devastating atmospheric river events of last fall,” said Rob Fleming, B.C. minister of transportation and infrastructure. “Following the extraordinary work that was done to reconnect these highways in December [2021], we’re building back permanent infrastructure that will be equipped to better withstand the impacts of climate change and future extreme weather events.” The work to return the Coquihalla to the previous full, four-lane capacity will begin this summer and take place at three sites: Bottletop bridges, 50 km south of Merritt; Juliet bridges, 3 km south of Bottletop; and Jessica bridges, 48 km south of Juliet.

20. Urban public transit, April 2022

The number of urban transit passengers in Canada continued to climb in April 2022, reaching 88.2 million trips. With an easing of restrictions and fewer Canadians working from home, ridership has recovered 56.1% of its April 2019 pre-pandemic level, a two-year high. Operating revenues (excluding subsidies) were 198.3 million for April 2022.

21. Fastfrate takes majority stake in Challenger

Fastfrate Group has taken a majority stake in the Challenger Group. Fastfrate Group will add the Challenger Group’s cross-border trucking services to its LTL, TL, intermodal, drayage, logistics, warehousing, distribution services, home delivery, e-commerce offerings. The new entity will bring over 100 years of experience combined, more than 5,000 employees and owner operators, over 1.2 million square feet of facilities, and over 5,500 pieces of equipment. “Our acquisition of the Challenger Group brings together two iconic organizations in transportation and supply chain,” said Ron Tepper, chairman of Fastfrate Group.

22. Labour Minister Takes on Driver Inc. in House of Commons

Canadian Labour Minister Seamus O’Regan issued the federal government’s strongest statement yet against the trucking industry misclassification scheme known as Driver Inc. Speaking in the House of Commons, the Minister stated that Driver Inc “deprives workers of their basic rights” and assured Canadians that Ottawa will begin cracking down on the illegitimate business model. “Where non-compliance is found, we will take action – including through orders, fines, and even prosecutions,” he stated.

23. Recession risk growing: ACT Research

Truck demand is likely to decrease in light of falling spot market rates and rising fuel costs, ACT Research reports. And the chance of a mild recession is increasing. “Russian commodities remain locked out of Western markets, Ukraine remains besieged, and China continues to struggle with Covid and lockdowns,” Eric Crawford, vice-president and senior analyst with ACT Research, said in a press release.

24. Couriers and Messengers Services Price Index, May 2022

The Couriers and Messengers Services Price Index (2019=100) is now available for May 2022. The couriers and messenger index for May 2022 was 127.8 compared to 123.9 for April 2022.

25. North American Transborder Freight up 26.0% in April 2022 from April 2021

The highlights of transborder freight between the U.S. and North American countries (Canada and Mexico) in April 2022 were: 1. Total transborder freight: \$135.3 billion of transborder freight moved by all modes of transportation, up 26.0% compared to April 2021. 2. Freight between the U.S. and Canada totaled \$69.1B. Freight between the U.S. and Mexico totaled \$66.2B. 3. Trucks moved \$79.6 billion of freight, up 16.5% compared to April 2021. 4. Railways moved \$19.3 billion of freight, up 22.6% compared to April 2021. U.S.-Canada trade in (both directions) was: Truck: \$35.6b; Rail: \$11.4b; Pipeline: \$11.4b; Vessel: \$3.8b; and Air: \$3.2b.

26. Cross-border truck traffic surged in April

Talk of a potential recession continues, and inflation has hit levels not seen since 1983, but the surge in cross-border freight continues. Trucks moved US\$35.6 billion of freight in both directions across the Canada-U.S. border in April 2022, according to the U.S. Bureau of Transportation Statistics. Another US \$44 billion was hauled by trucks across the U.S.-Mexico border. The vehicles were responsible for 58.9% of all trans-border freight by value.

27. Truckload spot market offering deepest discounts since the early pandemic

The spread between long-term contract truckload rates and spot rates has expanded beyond early pandemic amounts when demand for capacity dropped to its lowest level since the great recession in 2009. While this data point may paint a bleak picture for truckload carriers in general, this environment favours the ones that have focused on operational efficiency over pure growth in the past two years. Contract rates for dry van have grown nearly 50% since July 2020, according to FreightWaves’ contract rate database built on approximately \$100B worth of invoice data. The increase was attributed to shippers competing for priority with their carriers by bidding long-term rates higher on a faster cadence to avoid having to source capacity from daily spot market negotiations, which were as much as 20% above contract. Truckload spot rates have plummeted 20% since early January, but that is not the full story. Spot rates include fuel costs, which have increased 60% to 90% over the same period of time. This means carrier margins have eroded

much faster than the nominal rate implies, thanks to inflation in operating costs. The observation is that the spot market has become a place of desperation for carriers to bid against each other for freight, while the contracted freight market is now an extremely profitable safe haven. For now, contracted rates are still enjoying a nice padding of revenue over costs where carriers can still have room for inefficiency. Revenue cures just about any ill. Inevitably, contracts will go into a correction on some level. Carriers who have built their networks for the long run and can handle some decline in demand will have the best chances for success.

28. FMCSA banishes ELD to “revoked” list

The U.S. Federal Motor Carrier Safety Administration (FMCSA) has added the ArionT ELD to its list of revoked devices. It appears to be the first device to be revoked by FMCSA itself, joining a list of nearly 60 devices that have been “self-revoked” and added to the Revoked Devices list. Carriers using a revoked device must stop using it immediately, and can resort to paper logs or logging software for up to 60 days. By Aug. 24, anyone still using the ArionT ELD will be out of compliance and at risk of penalties, the FMCSA warns.

29. THRC Report Highlights Growing Driver Shortage and World Shortage

New data from Trucking HR Canada (THRC) shows the acute truck driver shortage continues to grow at a torrid pace, threatening Canada’s supply chains and economic recovery, as industry leaders have warned. The special report shows the number of truck driver vacancies surged for the third straight quarter to 25,560 between January and March of 2022 – a rise of 15.4% over the previous quarter when just under 23,000 vacancies were reported) and a whopping 73% year-over-year increase since Q1 of 2021. Ontario and Quebec are looking to hire over 12,300 drivers and another 9,100 are needed in Alberta and BC. Without interventions, the number of total trucking job vacancies throughout the Canadian industry is expected to jump to 55,000 by 2024. Experienced truck drivers who do their homework can garner a salary between US\$100,000 and \$120,000, and demand for their services is only going to grow, an industry leader says. “It’s a really, really good time to be a truck driver,” said Reid Dove, CEO of AAA Cooper Transportation. “And they’re good people. They deserve what they are getting.” The IRU – a global transportation organization – identified 2.6 million unfilled truck driving jobs in 2021, based on data from the U.S., Mexico, Argentina, Europe, Eurasia, Turkey, Iran and China. The problem intensified in all regions outside Eurasia, but 18% of its driving jobs were still unfilled. “It is a global issue,” said IRU business analyst Natalia Corchado, presenting the statistics during a June 27 webinar. The shortage is also expected to intensify in 2022.

GENERAL TRANSPORTATION

Canada

2. Supply chain shortages stressing Canadians: Survey

Canadians are increasingly concerned about whether they will be able to get the products they want in the face of supply chain disruptions, according to a poll commissioned by the Canadian Trucking Alliance (CTA). Eighty-five percent of those surveyed by Nanos said they were concerned or somewhat concerned about their ability to get products. There was particular anxiety around perishable goods. Two-thirds of those surveyed said they experienced delays or shortages for basic perishable necessities such as food. Thirteen percent said this happens regularly and 55 percent said it happens occasionally. Frequent and regular shortages of this type were cited most often by those in B.C. (17 percent), followed by the Prairies (14 percent) and Ontario (13 percent). But those in Atlantic Canada were most likely to report occasional shortages (71 percent), followed by those surveyed in Ontario (58 percent) and B.C. (56 percent).

2. National Transportation Statistics 6/1/22 Updated

The Bureau of Transportation Statistics (BTS) on June 1, 2022 released its monthly update to National Transportation Statistics (NTS), a guide to historical national-level transportation trends. This month’s updated tables include transportation safety statistics, roadway and lane-mile vehicle-miles traveled, goods export and import to Canada and Mexico, number of U.S. airports, vehicle production and fuel economy, sales price of transportation fuel, freight per ton-mile, and air pollution trends.

GENERAL TRANSPORTATION

Canada

1. Supply chain shortages stressing Canadians: Survey, May 31, 2022, www.insidelogistics.ca
2. National Transportation Statistics 6/1/22 Updated, June 1, 2022, www.bts.gov
3. Loblaw to be anchor tenant in major new GTA construction, June 6, 2022, www.insidelogistics.ca
4. U.S. Transportation Sector Unemployment Rate of 4.5% In May 2022 Is Below the May 2021 Level of 7.9% But Just Above the Pre-Pandemic May, June 3, 2022, www.bts.gov
5. Premier Moe Shuffles Cabinet, June 6, 2022, www.westac.ca
6. April 2022 Freight Transportation Services Index (TSI): First decline after 7-Consecutive-Month Growth, June 7, 2022, www.bts.gov
7. CITT conference launches with economic outlook, June 9, 2022, www.insidelogistics.ca
8. Canadian Tourism Activity Tracker, March 2022, June 10, 2022, www.statcan.gc.ca
9. Inefficient supply chains will cost billions, study finds, June 10, 2022, www.insidelogistics.ca
10. President Biden, U.S. Department of Transportation Open Applications for First Round of Funding from the Bipartisan Infrastructure Law’s New Competitive Bridge Investment Program, June 10, 2022, www.dot.gov
11. Suspension of the mandatory vaccination requirement for domestic travellers and federally regulated transportation workers, June 14, 2022,

3. Loblaw to be anchor tenant in major new GTA construction

Loblaw is planning to build a 1.2 million square foot, automated, multi-temperature distribution centre north of Toronto. The facility will be built on a property newly purchased by Choice Properties Real Estate Investment Trust. The 154 acre parcel is in East Gwillimbury in the Greater Toronto Area, at the corner of Highway 404 and Green Lane East. The development plan for the property is for the trust to build a multi-phase industrial park with the potential for approximately 1.8 million square feet of new logistics space. For the first phase, the Trust and Loblaw entered into an approximately 100-acre land lease.

4. U.S. Transportation Sector Unemployment Rate of 4.5% In May 2022 Is Below the May 2021 Level of 7.9% But Just Above the Pre-Pandemic May

The unemployment rate in the U.S. transportation sector was 4.5% (not seasonally adjusted) in May 2022 according to Bureau of Labor Statistics (BLS) data recently updated on the Bureau of Transportation Statistics (BTS) Unemployment in Transportation dashboard. The May 2022 rate fell 3.4 percentage points from 7.9% in May 2021 but is just above the pre-pandemic May level of 4.3% in May 2019. Unemployment in the transportation sector reached its highest level during the COVID-19 pandemic (15.7%) in May 2020 and July 2020.

5. Premier Moe Shuffles Cabinet

Saskatchewan Premier Scott Moe appointed the Hon. Jeremy Cockrill (MLA for Battlefords) as the province's new Minister of Highways, making him the youngest member of the provincial cabinet. "When you get a call from the Premier asking you to serve in this other capacity and serve all the people of the province... humbling, I think, is maybe the best way to put it," Cockrill said about the appointment. Minister Cockrill attended the WESTAC Spring Member Forum earlier this year and will take over as Chairman of WESTAC's Board of Directors. WESTAC thanked Minister Bradshaw for his contribution to the Council for the past year.

6. April 2022 Freight Transportation Services Index (TSI): First decline after 7-Consecutive-Month Growth

The Freight Transportation Services Index (TSI), which is based on the amount of freight carried by the for-hire transportation industry, fell 0.4% in April 2022 from March 2022, falling for the first month after seven months of consecutive growth, according to the U.S. Department of Transportation's Bureau of Transportation Statistics' (BTS). From April 2021 to April 2022 the index rose 2.1 percent compared to a rise of 9.7 percent from the COVID low month of April 2020 to April 2021 and a decline of 9.9 percent from pre-COVID April 2019 to April 2020.

7. CITT conference launches with economic outlook

CITT's 2022 Canada Logistics Conference launched on June 9, 2022 in Montreal with an economic update from Royce Mendes, managing director and head of macro strategy at Desjardins. Mendes painted a grim picture in the near term. He said that inflation is not just high, it's widespread. Prices are rising across the economy. Businesses are now planning for at least three percent inflation. Inflation is being driven by the swiftly recovering post-pandemic economy. We are at above pre-pandemic levels of work being performed in terms of hours. "That's great news, but as with anything in economics it's all supply and demand," he said. And the catch is there is a significant supply constraint – labour shortages are widespread in Canada. Many people who left the labour market during the pandemic are not coming back.

8. Canadian Tourism Activity Tracker, March 2022

In March 2022, overall tourism activity in Canada was 29.1% below the level reached in March 2019, before the COVID-19 pandemic. There was a steady improvement in tourism from May to December 2021 until a temporary pause in January 2022 due to the Omicron variant. Tourism activity in March 2022 rebounded to equal the strongest recovery since the onset of the pandemic. With the further easing of travel restrictions in March 2022, both domestic and inbound travel contributed to the improvement in overall tourism recovery across the country.

9. Inefficient supply chains will cost billions, study finds

More than half of consumer products companies (CPG) will miss out on growth opportunities because of their inefficient supply chains. This is one finding of a new study by consulting group Kearney. It found that about US\$800 billion will be left on the table by these companies unless they upgrade their supply chain operations. The global CPG industry, which includes food and beverage, beverage alcohol, household, and beauty and personal care, accounts for US\$5.3 trillion in annual sales and is projected to grow at 5.6 percent, according to Statista. Kearney found the top 48 percent of CPG companies will capture the majority of this growth, eclipsing companies that are still operating outdated legacy supply chain models.

www.tc.gc.ca

12. Brexit has made UK less open and competitive, study finds, June 21, 2022, www.ajot.com

13. Supply chains out of sync, logistics report says, June 22, 2022, www.insidelogistics.ca

14. Travel between Canada and other countries, April 2022, June 23, 2022, www.statcan.gc.ca

15. OTA Welcomes Back Minister Mulroney, June 24, 2022, www.ontruck.ca

16. Stocks fluctuate, oil falls again as recession warnings build, June 24, 2022, www.cargonews.com and US recession would be 'necessary price' to defeat inflation: IMF chief June 24, 2022, www.cargonews.com

17. Better regional connectivity will help Asia to decarbonise, June 28, 2022, www.itf-oecd.org

18. Singapore's \$40 billion mega-port takes aim at shipping chaos, June 28, 2022, www.ajot.com

19. War in Ukraine raises global shipping costs, stifles trade, June 28, 2022, www.ajot.com

10. President Biden, U.S. Department of Transportation Open Applications for First Round of Funding from the Bipartisan Infrastructure Law's New Competitive Bridge Investment Program

Reflecting President Biden's commitment to rebuilding our nation's infrastructure, the U.S. Department of Transportation's Federal Highway Administration on June 10, 2022 opened a call for applications through a Notice of Funding Opportunity for the competitive Bridge Investment Program established by the President's Bipartisan Infrastructure Law, which includes the single largest dedicated investment in bridges since the construction of the Interstate highway system. The program will provide \$12.5 billion over five years, with nearly \$2.4 billion available in Fiscal Year 2022 to help plan, replace, rehabilitate, protect, and preserve some of the nation's largest bridges. This competitive grant program comes on top of more than \$27 billion in formula bridge funding the U.S. Department of Transportation announced earlier this year.

11. Suspension of the mandatory vaccination requirement for domestic travellers and federally regulated transportation workers

On June 14, 2022, the Government of Canada announced that, as of June 20, it will suspend vaccination requirements for domestic and outbound travel, federally regulated transportation sectors and federal government employees. Masking requirements will be required on federally regulated planes and trains and cruise ships. Canadian citizens and Canadian permanent residents returning from international destinations who do not qualify for the fully vaccinated traveller exemption continue to be required to provide a valid pre-entry test result, remain subject to Day 1 and Day 8 molecular testing, and quarantine for 14 days. Vaccine requirements for entry into Canada by foreign nationals remain unchanged at this time. Foreign nationals who are not fully vaccinated continue to be prohibited entry into Canada.

12. Brexit has made UK less open and competitive, study finds

Brexit has reduced the competitiveness of the British economy, with alarming implications for productivity and wages, according to the Resolution Foundation. The research firm said a loss of openness since Britain left the European Union is set to leave the country poorer in the coming decade, with advanced manufacturing and parts of northern England dealt the heaviest blow. The warning will raise fresh questions about whether Prime Minister Boris Johnson can deliver on an election pledge to "level up" poorer regions of the UK. It comes amid heightened tensions between Britain and the EU as Johnson's Conservative government seeks to rip up parts of the post-Brexit trade deal relating to Northern Ireland. The analysis, carried out with the London School of Economics, warned that workers can expect to be almost £500 pounds worse off in real terms by 2030 as reduced productivity depresses pay levels across the economy.

13. Supply chains out of sync, logistics report says

Supply chains are out of sync, costs are climbing and companies are looking to nearshoring to better meet demand. These are some of the findings in the 2022 State of Logistics Report produced by the Council of Supply Chain Management Professionals (CSCMP). In 2021, USBLC climbed 22.4 percent to US\$1.85 trillion, representing eight percent of 2021's \$23 trillion GDP. "It's not surprising that we are continuing to see ongoing disruptions related to the pandemic, but the scope and impact of disruptions continue to weigh heavily on the minds of logistics providers – as they do for all companies contributing to the U.S. economy," said Balika Sonthalia, partner at Kearney and lead author of the report.

14. Travel between Canada and other countries, April 2022

In April 2022, the number of international arrivals to Canada continued to increase, but remained below 2019 levels, before the COVID-19 pandemic. While residents of overseas countries made almost seven times more trips to Canada in April 2022 compared with the same month in 2021, this was half (50.1%) of the number of trips observed in April 2019. Likewise, US residents made almost eight times more trips to Canada in April 2022 than in April 2021. However, this was less than half (47.8%) of the trips taken in the same month in 2019. Compared with April 2021, Canadian residents made over eight times more trips home from visiting abroad in April 2022, reaching over half (56.0%) of the April 2019 pre-pandemic level. For information on international arrivals into Canada for May 2021 can be found in "Leading indicator of international arrivals to Canada."

15. OTA Welcomes Back Minister Mulroney

Premier Ford on June 24, 2022 unveiled his new cabinet and brought back Caroline Mulroney as Minister of Transportation. OTA chair, Wendell Erb said "The Ontario Trucking Association welcomes back Minister Mulroney to the position of transportation minister and looks forward to continuing to working with her and making progress on our industry. There is much to do in our sector, including ensuring the smooth implementation of ELD enforcement in January 2022, the construction of the Bradford By-pass and Highway 413, addressing the driver shortage and bringing the full enforcement onto the law-abusing Driver Inc. scheme. The Ford Government has been tremendous in working with our sector over the last four years and we look forward to another productive four years and continuing that relationship with Minister Mulroney."

16. Stocks fluctuate, oil falls again as recession warnings build

Asian markets mostly rose on June 23, 2022 on bargain buying after the previous day's battering, though oil extended losses after US Federal Reserve (Fed) boss Jerome Powell admitted the economy could tip into recession as the bank hikes interest rates to fight runaway inflation. Soaring prices and the battle by central banks to rein them in have sent a chill through global trading floors this year, while investors are also having to deal with the uncertainty wrought by the Ukraine war and patchy pandemic recovery. Commentators have warned for some time that the world economy could be heading for another contraction owing to the sharp increase in borrowing costs and rampant inflation, which is at decades highs in several countries. With inflation rising sharply, and the Federal Reserve raising interest rates, the United States is facing an increased risk of a downturn, IMF Managing Director Kristalina Georgieva said on June 24, 2022. But any temporary pain caused by a recession would be "a necessary price to pay" to defeat damaging inflation, she said. The IMF also called for a roll back of tariffs.

17. Better regional connectivity will help Asia to decarbonise

Transport Outlooks for three Asian sub-regions show pathways to low-carbon freight and passenger mobility. Improving transport connectivity in Asia in a strategic and well-planned way will enable the continent's sub-regions to reverse the trend of rising transport emissions while advancing economic development. This is the core message of a series of three special issues of the ITF Transport Outlook covering Southeast Asia, South and Southwest Asia and North and Central Asia. The reports are a collaboration between the International Transport Forum (ITF) and the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP).

18. Singapore's \$40 billion mega-port takes aim at shipping chaos

As the world's economies struggle to untangle unprecedented congestion in global supply chains, one of the world's busiest ports is backing an ambitious modernization plan to provide solutions. Singapore is forging ahead with a \$40 billion project to build the world's biggest automated port by 2040 — one that will double the existing space and feature drones and driverless vehicles. The city state started operations at two new berths last year, and construction work is continuing on the next phase. It's becoming more urgent for ports to add capacity and speed as the pandemic has changed the nature of global supply chains. The just-in-time system for shipping has broken down as exporters in Asia face obstacles getting goods transported to customers in the US and Europe, and the situation has only worsened this year with Covid lockdowns in China and the war in Ukraine. Ports are the most visible choke points in the \$22 trillion arena for merchant trade, and a long-overdue transformation will require tackling a host of problems. Terminals are constrained by fading technology and limited space, while inefficiencies are compounded by containers piling up at yards and a short supply of workers and trucks.

19. War in Ukraine raises global shipping costs, stifles trade

The UN Conference on Trade and Development (UNCTAD) says the war in the Ukraine is stifling trade and logistics of the country and the Black Sea region, increasing global vessel demand and the cost of shipping around the world. In a report entitled "*Maritime trade disrupted: The war in Ukraine and its effects on maritime trade logistics*" published on 28 June, UNCTAD says Ukraine's trading partners now have to turn to other countries for the commodities they import. It attributes the shipping and transport hurdles in the Black Sea region to disruptions in regional logistics, the halting of port operations in Ukraine, the destruction of important infrastructure, trade restrictions, increased insurance costs and higher fuel prices. Shipping distances have increased, along with transit times and costs. "Grains are of particular concern given the leading role of the Russian Federation and Ukraine in agrifood markets, and its nexus to food security and poverty reduction," the report says. Soaring shipping costs raise food prices. Fewer grain shipments over longer distances are leading to higher food prices. Grain prices and shipping costs have been on the rise since 2020, but the war in Ukraine has exacerbated this trend and reversed a temporary decline in shipping prices.