

Transportation Information Update*

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December 2023, 232

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AIR TRANSPORTATION

1. Porter Airlines Orders 25 Embraer E195-E2s

Porter Airlines has exercised purchase rights to place a firm order for 25 Embraer E195-E2 passenger jets, adding to its 50 existing firm orders. The new aircraft will be used to extend Porter's award-winning service to destinations throughout North America. The deal, valued at US\$2.1 billion at list price, brings the airline's orders with Embraer to 75 firm, with 25 purchase rights remaining. Deliveries from this additional order are set to commence in 2025. Porter, the North American launch customer for Embraer's E195-E2, has already taken delivery of 24 E195-E2s, and recently announced new destinations including Las Vegas, Miami, San Francisco, and Los Angeles; with destinations in Mexico and the Caribbean also planned.

2. IATA and ARC Extend Direct Data Solutions Partnership

The International Air Transport Association (IATA) and Airlines Reporting Corporation (ARC) have extended their Direct Data Solutions (DDS) partnership, which offers subscribing airlines the most comprehensive global set of airline sales, market and itinerary data. Signed at the 2023 IATA World Passenger Symposium, the partnership extension ensures more than 100 global airlines will continue to have access to this critical service for years to come. DDS incorporates airline-contributed data, IATA's Billing and Settlement Plan (BSP) transactions and ARC's Area Settlement Plan (ASP) transactions into a single data source to support critical airline analytics and decisions.

3. Aircraft movement statistics: Major and select small airports, September 2023

In September 2023, aircraft movements at Canada's major and select small airports totalled 508,827. This was an increase of 3.3% from September 2022 but 4.5% lower than September 2019, before the COVID-19 pandemic. The number of international movements between Canada and countries other than the United States was up 11.1% year over year in September 2023, while movements to and from the United States increased 7.3%. Total domestic movements increased 3.8% from September 2022, with those from smaller carriers (Level IV to VI) rising 9.1%.

4. Air Canada Customers Can Now Track their Baggage and Mobility Aids while Travelling in Canada

Air Canada on December 1, 2023 introduced a new feature to the Air Canada mobile app to enable customers traveling within Canada to track the progress of their baggage and mobility aid in real time at key points as it moves with them throughout their journey. The new tracking feature is designed to provide travellers with added confidence and improve the overall customer experience through greater convenience. "At Air Canada, we know that apart from a safe, comfortable journey, the prompt delivery of baggage and mobility aids is a top priority for our customers. We already achieve a very high reliability rate, but to further elevate our service we are introducing a new tracking feature in the Air Canada mobile app to give customers real-

AIR TRANSPORTATION Canada

1. Porter Airlines Orders 25 Embraer E195-E2s, November 29, 2023, www.flyporter.ca
2. IATA and ARC Extend Direct Data Solutions Partnership, November 29, 2023, www.iata.org
3. Aircraft movement statistics: Major and select small airports, September 2023, December 1, 2023, www.statcan.gc.ca
4. Air Canada Customers Can Now Track their Baggage and Mobility Aids while Travelling in Canada, December 1, 2023, www.aircanada.ca
5. Air Travel Consumer Report: September 2023 Numbers and 3rd Quarter Numbers, December 1, 2023, www.dot.gov
6. Alaska Air agrees to buy Hawaiian in \$1.9 billion deal, December 1, 2023, www.ajot.com
7. Porter connects Montreal to Western Canada with new three non-stop routes, December 4, 2023, www.flyporter.com
8. U.S. Airlines' October 2023 Fuel Cost per Gallon Down 0.8% from September 2023; Aviation Fuel Consumption Up 2.9% from Pre-Pandemic October 2019, December 4, 2023, www.bts.gov
9. Air Cargo Demand up 3.8% in October, December 4, 2023, www.iata.org
10. Air Canada Makes Europe Easier to Explore by Offering Customers Convenient New Air-to-Rail Connections, December 5, 2023, www.aircanada.ca
11. WestJet endorses Canadian production of sustainable aviation fuel, December 6, 2023, www.insidelogistics.ca
12. Passenger Demand Recovery Continues on Track in October, December 5, 2023, www.iata.org
13. Airlines Set to Earn 2.7% Net Profit Margin on Record Revenues in 2024, December 6, 2023, www.iata.org
14. SAF Volumes Growing but Still Missing Opportunities, December 6, 2023, www.iata.org
15. Statement on Air Canada safety, December 7, 2023, www.aircanada.ca
16. New Air Canada Holiday Spot Shares the Joy of Reuniting with Loved Ones this Festive Season, December 7, 2023, www.aircanada.ca
17. Air Canada tests jet de-icing strips to end blasts of glycol, December 7, 2023, www.ajot.com
18. Porter Airlines sees strength in East Coast, increases capacity on three Halifax routes, December 11, 2023, www.flyporter.ca

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

time information, greater certainty about the movement of their belongings during their trip, and heightened convenience," said Tom Stevens, Vice President, Customer Experience and Operations Strategy at Air Canada. Using the Air Canada mobile app, customers can now track their baggage and mobility aid as it travels with them on domestic flights, based on the same tag scanning information that Air Canada employees use at each stage to handle these items. Initially available to customers travelling within Canada during final development, the tracking feature will be expanded to the airline's U.S. flights next year and, over time, select international destinations.

5. Air Travel Consumer Report: September 2023 Numbers and 3rd Quarter Numbers

The U.S. Department of Transportation (DOT) on December 1, 2023 released its Air Travel Consumer Report (ATCR) on airline operational data compiled for the month of September 2023 and third quarter of 2023 for on-time performance, mishandled baggage, and mishandled wheelchairs and scooters. The ATCR is designed to assist consumers with information on the quality of services provided by airlines. DOT remains committed to ensuring airline passengers are treated fairly and flights operate as scheduled. For the first nine months of 2023, 1.6% of flights have been cancelled, far below the 2.8% cancellation rate for the first nine months of last year and the 2.2% cancellation rate for first nine months of pre-pandemic 2019. For additional information visit DOT's website.

6. Alaska Air agrees to buy Hawaiian in \$1.9 billion deal

Alaska Air Group Inc. has agreed to buy rival Hawaiian Holdings Inc. in a \$1.9 billion cash and debt deal, challenging the Biden administration's aggressive stance on mergers that has already derailed one partnership between carriers. Alaska will pay \$18 per share in cash in a deal that includes about \$900 million of Hawaiian's debt, according to a statement on December 3, 2023. The offer is a significant premium to Hawaiian Holdings' \$4.86 closing share price on December 1, 2023. The deal could provide a valuable lifeline to Hawaiian, whose stock has tumbled more than 52% this year. The company has been hurt by the slow return of tourism between Asia and Hawaii following the pandemic and a ramp up in growth in the Hawaii-to-mainland US market by Southwest Airlines Co. Alaska Air Group will be the parent holding company, with Alaska Airlines and Hawaiian Airlines continuing to operate under their separate brands. Alaska is taking on the acquisition despite the Justice Department filing a record number of challenges last year to corporate combinations and a pending antitrust challenge to a separate airline deal. A federal antitrust lawsuit over JetBlue Airways Corp.'s \$3.8 billion cash takeover of Spirit Airlines Inc. is nearing a close.

7. Porter connects Montreal to Western Canada with new three non-stop routes

Porter Airlines is adding daily roundtrip flights on three new non-stop routes between Montréal-Trudeau International Airport (YUL) and Vancouver International Airport (YVR), Calgary International Airport (YYC) and Edmonton International Airport (YEG). The addition of the new routes beginning next spring provides another way to travel between Porter's extensive Eastern Canada network and the west. Service features on these routes include complimentary premium snacks, beer and wine served in glassware, and free, fast WiFi for all passengers. Fresh, healthy meals are also provided on an all-inclusive basis with PorterReserve fares or may be purchased à la carte for passengers travelling in PorterClassic. The new daily roundtrip flights are operated with the state-of-the-art 132-seat Embraer E195-E2 aircraft. The two-by-two configuration means there are no middle seats on any Porter flight.

8. U.S. Airlines' October 2023 Fuel Cost per Gallon Down 0.8% from September 2023; Aviation Fuel Consumption Up 2.9% from Pre-Pandemic October 2019

The Department of Transportation's Bureau of Transportation Statistics (BTS) on December 4, 2023 released U.S. airlines' October 2023 fuel cost and consumption numbers indicating U.S. scheduled service airlines used 1.587 billion

19. U.S. Cargo and Passenger Airlines Gained 4,516 Jobs in October 2023; Employment Remains 8.8% Above Pre-Pandemic October 2019, December 11, 2023, www.bts.gov
20. Travel Like an Expert This Holiday Season with Air Canada's Top Tips for Travellers, December 12, 2023, www.aircanada.ca
21. WestJet service to shore diving destination, Bonaire takes flight from Toronto, December 12, 2023, www.westjet.ca
22. Porter celebrates first flight to Miami, December 12, 2023, www.flyporter.ca
23. Air Canada Cargo Certifies Opticooler Containers from DoKaSch Temperature Solutions, Dec. 13, 2023, www.aircanada.ca
24. Porter signs partnership deal with Alaska Airlines as expansion continues, December 13, 2023, www.financialpost.ca
25. Porter Airlines sees strong demand out of Ottawa, increases capacity on eight routes, December 14, 2023, www.flyporter.ca
26. Air Canada adds Tulum and Charleston to Global Network; Boosts Capacity on Key North American Markets in Summer 2024 as Airline Continues Strategic Network Growth, December 14, 2023, www.aircanada.ca
27. The Canadian Transportation Agency issues administrative monetary penalty to Air Canada for violations of the Accessible Transportation for Persons with Disabilities Regulations, December 13, 2023, www.cta-otc.gc.ca
28. September 2023 U.S. Airline Traffic Data Up 6.8% from the Same Month Last Year, December 14, 2023, www.bts.gov
29. IATA Rolls Out New Timatic Product to Support Contactless Travel, December 15, 2023, www.iata.org
30. Canadians to benefit from expanded air transport agreements with Ethiopia, Jordan and Türkiye, December 15, 2023, www.tc.gc.ca
31. Monthly civil aviation statistics, October 2023, December 19, 2023, www.statcan.gc.ca
32. Aircraft movement statistics: Major and select small airports, October 2023, December 19, 2023, www.statcan.gc.ca
33. US Airlines gain \$1.6 billion in third quarter 2023, a decrease over third quarter 2022, December 20, 2023, www.bts.gov
34. Emirates SkyCargo posts 7% increase in air freight growth, December 26, 2023, www.aircargo.com

gallons of fuel, 4.5% more fuel than in September 2023 (1.519 billion gallons) and 2.9% more than in pre-pandemic October 2019. The cost per gallon of fuel in October 2023 (\$3.12) was down 2.6 cents (0.8%) from September 2023 (\$3.14) and up \$1.15 (58.3%) from October 2019. Total October 2023 fuel expenditure (\$4.95B) was up 3.6% from September 2023 (\$4.78B) and up 63.0% from pre-pandemic October 2019. Year-over-year changes in fuel consumption and cost for October 2023 include 9.3% increase in domestic fuel consumption, 2.1% decrease in domestic fuel cost, and 10.4% decrease in cost per gallon. Domestic fuel consumption increased 6.6% from September 2023 to October 2023, while increasing 3.7% from October 2019. Increased fuel consumption reflects an increase in airline passenger travel over the same period.

9. Air Cargo Demand up 3.8% in October

The International Air Transport Association (IATA) released data for October 2023 global air cargo markets indicating the third consecutive month of stronger year-on-year demand. Global demand, measured in cargo tonne-kilometres (CTKs), increased by 3.8% compared to October 2022. For international operations, the demand lagged slightly at 3.5%. Capacity, measured in available cargo tonne-kilometres (ACTKs), was up 13.1% compared to October 2022 (11.1% for international operations). This was largely related to the growth in belly capacity. International belly capacity, for example, rose 30.5% year-on-year on the strength of passenger markets.

10. Air Canada Makes Europe Easier to Explore by Offering Customers Convenient New Air-to-Rail Connections

Air Canada on December 5, 2023 announced new air-to-rail booking options for customers to connect at European airports with four major passenger rail systems, making it convenient to explore the continent. Through new railway and distribution partnerships, Air Canada customers, when purchasing flights, can now also easily book onward rail trips to a multitude of destinations throughout France, Germany, Switzerland, and Austria to create a seamless travel itinerary. "As a leading global airline, Air Canada excels at flying, but we also know intermodal connections can enrich the travel experience through added convenience and by promoting sustainability. In offering easy onward airport connections with the national rail systems in France, Germany, Switzerland and Austria, we are creating intermodal hubs and opening the door for customers to reach stations at major cities and popular destinations throughout these countries. Moreover, by facilitating the use of rail for the short-haul segments of our customers' journeys, we can provide sustainable travel options when touring Europe," said Mark Galardo, Executive Vice President, Revenue and Network Planning, at Air Canada.

11. WestJet endorses Canadian production of sustainable aviation fuel

At the recent World Petroleum Congress in Calgary von Hoensbroech addressed the airline's ambitions to achieve net-zero emissions by 2050 and the vital role sustainable aviation fuel (SAF) plays in the future of decarbonizing aviation. With no current technological alternative for large commercial aircraft propulsion, airline reliance on sustainable jet fuel will be foundational to the decarbonization of the aviation industry, he said. With its abundant space to grow feedstock, a large oil and gas industry and robust federal sustainability goals, Canada holds the necessities to facilitate the large-scale production of SAF. He said Canada is an ideal location for the production of sustainable aviation fuel.

12. Passenger Demand Recovery Continues on Track in October

The International Air Transport Association (IATA) announced that the ongoing recovery in passenger demand continued in October. *Total traffic* in October 2023 (measured in revenue passenger kilometers or RPKs) rose 31.2% compared to October 2022. Globally, traffic is now at 98.2% of pre-COVID levels. *Domestic traffic* for October rose 33.7% versus October 2022, driven by the triple-digit percentage growth recorded in China, and was 4.8% above the October 2019 results. *International traffic* climbed 29.7% compared to the same month a year ago. All markets saw double-digit percentage gains year on year. International RPKs reached 94.4% of October 2019 levels. "October's strong result brings the industry ever closer to completing the post-pandemic traffic recovery. Domestic markets remain above pre-COVID levels. International demand is recovering, but more slowly. In particular, Asia Pacific carriers' international demand is 19.5% behind 2019. This could reflect the late lifting of COVID restrictions in parts of the region as well as commercial developments and political tensions," said Willie Walsh, IATA's Director General.

13. Airlines Set to Earn 2.7% Net Profit Margin on Record Revenues in 2024

The International Air Transport Association (IATA) announced strengthened profitability projections for airlines in 2023, which will then largely stabilize in 2024. However, net profitability at the global level is expected to be well below the cost of capital in both years. Very significant regional variations in financial performance remain. The highlight is: Airline industry net profits are expected to reach \$25.7 billion in 2024 (2.7% net profit margin). That will be a slight improvement over 2023 which is expected to show a \$23.3 billion net profit (2.6% net profit margin).

14. SAF Volumes Growing but Still Missing Opportunities

The International Air Transport Association (IATA) announced estimates for Sustainable Aviation Fuel (SAF) production. In 2023, SAF volumes reached over 600 million liters (0.5Mt), double the 300 million liters (0.25 Mt) produced in 2022. SAF accounted for 3% of all renewable fuels produced, with 97% of renewable fuel production

going to other sectors. In 2024 SAF production is expected to triple to 1.875 billion liters (1.5Mt), accounting for 0.53% of aviation's fuel need, and 6% of renewable fuel capacity. The small percentage of SAF output as a proportion of overall renewable fuel is primarily due to the new capacity coming online in 2023 being allocated to other renewable fuels. "The doubling of SAF production in 2023 was encouraging as is the expected tripling of production expected in 2024. But even with that impressive growth, SAF as a portion of all renewable fuel production will only grow from 3% this year to 6% in 2024. This allocation limits SAF supply and keeps prices high. Aviation needs between 25% and 30% of renewable fuel production capacity for SAF. At those levels aviation will be on the trajectory needed to reach net zero carbon emissions by 2050. Until such levels are reached, we will continue missing huge opportunities to advance aviation's decarbonization. It is government policy that will make the difference. Governments must prioritize policies to incentivize the scaling-up of SAF production and to diversify feedstocks with those available locally," said Willie Walsh, IATA's Director General.

15. Statement on Air Canada safety

There are media reports relating to a draft of an audit by the International Civil Aviation Organization (ICAO) of Transport Canada's implementation of ICAO's standards. It is important to note it was not an audit of the safe operation of Canadian aircraft. For Air Canada's part, we have our own rigid internal safety processes. These are evaluated and audited regularly by the International Air Transport Association, the global airline association consisting of 300 members. The IATA Operational Safety Audit (IOSA) is the gold standard for evaluating safety for airlines and passing it is a condition of membership. Our most recent IOSA audit was concluded in November and Air Canada passed with exemplary findings, well above the average. Additionally, Air Canada continually engage with other aviation organizations and authorities around the world to promote safety and to share best safety practices.

16. New Air Canada Holiday Spot Shares the Joy of Reuniting with Loved Ones this Festive Season

In keeping with tradition, Air Canada is again weaving festive magic into the hearts of Canadians this year with the launch of its latest holiday spot. Released on December 7, 2023, the 1:30 minute spot captures the joy of reuniting with loved ones at the most wonderful time of the year. "Once upon a Tree" is the story of two button-cute nutcracker bears who, after a year of being tucked away together, find themselves on separate sides of the tree. Distraught at the thought of spending the holidays apart, a series of heroic efforts to reconnect include zip-lining along a string of lights and collapsing a gingerbread house. With a little help from Air Canada, in a dramatic and final leap of faith, the tiny wooden bears reunite with a heartwarming embrace.

17. Air Canada tests jet de-icing strips to end blasts of glycol

As winter approaches in the Northern Hemisphere, airlines are wheeling their de-icing equipment out of storage, typically a heavy truck with a large tank and boom-mounted cannon that sprays ice-melting glycol onto an aircraft's wings and upper fuselage. What's been a routine process for decades can add half an hour or more to an aircraft's preparation for takeoff — a costly nuisance when quick turnarounds on the tarmac at congested airports are key. Last year in December (2022), Southwest Airlines Co. suffered severe travel disruptions during a massive winter storm, in part because it couldn't keep up with de-icing its jets. Air Canada is now exploring a novel concept to thaw its aircraft — one that does away with the hundreds of gallons of glycol and crew that spray it onto waiting jets. Instead, the airline will use heated tape strips to get the plane takeoff ready with just the flip of a switch.

18. Porter Airlines sees strength in East Coast, increases capacity on three Halifax routes

Porter Airlines is responding to strong East Coast demand by increasing capacity on three Halifax routes. Beginning March 31, 2024 service between St. John's, Montreal and Ottawa will be operated on the Embraer E195-E2. The Halifax-Ottawa route will have three daily, roundtrip flights. St. John's and Montreal will operate with two daily roundtrips, increasing to three daily in May 2024. The routes are currently operated with the 78-seat Dash 8-400. The Embraer E195-E2 seats 132 passengers in an all-economy cabin. With a two-by-two configuration on both aircraft types, there are no middle seats on any Porter flight.

19. U.S. Cargo and Passenger Airlines Gained 4,516 Jobs in October 2023; Employment Remains 8.8% Above Pre-Pandemic October 2019

U.S. airline industry (passenger and cargo airlines combined) employment increased to 812,381 workers in October 2023, 4,516 (0.56%) more workers than in September 2023 (807,865) and 65,835 (8.82%) more than in pre-pandemic October 2019 (746,546). U.S. scheduled-service passenger airlines employed 535,385 workers in October 2023 or 66% of the industry-wide total. Passenger airlines added 2,147 employees in October 2023 for a thirtieth consecutive month of job growth dating back to May 2021. United Air Lines led scheduled passenger carriers, adding 603 employees; Delta Airlines added 596, and Southwest added 488. U.S. cargo airlines employed 272,240 workers in October 2023, 34% of the industry total. Cargo carriers gained 2,370 employees in October 2023. FedEx, the leading air cargo employer, increased employment by 2,505 jobs.

20. Travel Like an Expert This Holiday Season with Air Canada's Top Tips for Travellers

Air Canada on December 12, 2023 released its top travel tips to help customers travel like an expert during the peak holiday period, which runs from mid-December until January 7, 2023. Five top tips are: 1. Download the Air Canada mobile app; 2. Check-in within 24 hours of departure; 3. Ensure travel documents are in order and your contact information is accurately updated; 4. Pack smartly, stay within your allowable limits; 5. Be at the airport by the recommended times. "This holiday season, more than 3.25 million customers are expected to travel with Air Canada and we are operating up to 1,200 Air Canada, Air Canada Rouge and Air Canada Express flights globally, every day. In addition to being operationally ready with staffing, equipment, and contingency plans, we're monitoring weather and other events, and will be adjusting as required to safely transport customers and their baggage to their final destinations," said Tom Stevens, Vice President, Customer Experience and Operations Strategy. "Being travel ready extends to the range of new digital self-serve and tracking tools we've launched in the Air Canada mobile app for our customers, to smooth the travel journey with information readily available at their fingertips. On behalf of the 38,000 people who work for Air Canada worldwide, and we wish all of our customers the very best of the season and look forward to welcoming you onboard."

21. WestJet service to shore diving destination, Bonaire takes flight from Toronto

WestJet on December 12, 2023 celebrated the commencement of service between the beautiful island of Bonaire and Toronto, with the departure of WS2550 at 10:10 ET. Growing Eastern Canada's leisure travel options, WestJet will be the only airline offering direct flights between the Canadian metropolis and the stunning Dutch Caribbean Island. The addition of Bonaire to WestJet's growing network furthers the airline's commitment to bolstering its presence in Eastern Canada through connectivity to popular sun and leisure destinations. Through the airline's winter schedule, WestJet will operate weekly service between Toronto and Bonaire.

22. Porter celebrates first flight to Miami

Porter Airlines is inaugurating daily, roundtrip service between Toronto Pearson International Airport (YYZ) and Miami International Airport (MIA), as the airline continues to expand its North American network. Miami marks the fifth new Florida destination that Porter has launched since the start of November 2023, following Tampa, Fort Myers, Orlando, Fort Lauderdale. Flights between Toronto Pearson and Miami are operated by the new Embraer E195-E2 aircraft. The 132-seat, all-economy aircraft has a two-by-two configuration with no middle seats.

23. Air Canada Cargo Certifies Opticooler Containers from DoKaSch Temperature Solutions

Shippers and forwarders using Air Canada Cargo can now rely on DoKaSch Temperature Solutions' Opticooler RKN anywhere serviced by Air Canada's widebody fleet or dedicated freighters following its certification by Air Canada Cargo. In addition, the Opticooler RAP is also available to shippers, providing reliable packaging of temperature-sensitive products such as vaccines and other pharmaceuticals. "We have always been focused on a strong cool chain integrity within our network because the supply of lifesaving medicines is absolutely crucial. Thanks to our global network, we can provide highly reliable and quick transport to a wide variety of destinations. The Opticoolers provided by DoKaSch Temperature Solutions meet our high standards and will help support our extensive cool chain network in the Americas and beyond," said Matthieu Casey, Managing Director, Commercial at Air Canada Cargo. "With Air Canada Cargo, we have found another important partner in North America who has now fully technically approved our Opticooler"

24. Porter signs partnership deal with Alaska Airlines as expansion continues

Porter Airlines has signed a new partnership deal with Alaska Airlines. The companies say the interline agreement means that travellers can now buy combined Porter-Alaska itineraries directly from the Porter website. [Porter Airlines](#) has signed a new partnership deal with Alaska Airlines, as the Canadian carrier looks to round out its rapid expansion across the continent. It opens access to 18 western U.S. cities via Alaska hubs in Los Angeles and San Francisco. Announced on December 13, 2023, the new interline agreement means travellers can now buy combined Porter-Alaska itineraries directly from Porter's website or via third-party agencies.

25. Porter Airlines sees strong demand out of Ottawa, increases capacity on eight routes

Porter Airlines is responding to strong demand in its Ottawa network by increasing capacity on eight routes connecting with key Canada and U.S. destinations for the spring and summer. Service to Vancouver, Edmonton and Calgary will increase to twice-daily service operated on the Embraer E195-E2. These additional flights are occurring less than a year after their respective launches. Porter is also doubling service from one daily roundtrip flight to two daily flights between Ottawa and Fredericton, Moncton, and Boston. Service to New York will increase to three daily roundtrip flights from two. These routes are operated on the 78-seat Dash 8-400. The popular Ottawa-Halifax route will see an increase in seat capacity when the route, currently operated with the Dash 8-400, swaps to the 132-seat Embraer E195-E2 in April 2024.

26. Air Canada adds Tulum and Charleston to Global Network; Boosts Capacity on Key North American Markets in Summer 2024 as Airline Continues Strategic Network Growth

Air Canada on December 14, 2023 announced it is boosting its North American network capacity for summer 2024 with the addition of two new destinations, five new routes, increased flight frequencies on key routes, and earlier resumption of popular seasonal routes in response to projected demand. Air Canada becomes the first Canadian airline to offer service to Tulum*, with flights from Toronto and Montreal to the newest airport in Mexico's Yucatan peninsula, and to Charleston, SC from Toronto. Seats are now available for purchase at aircanada.com, via the Air Canada app, Air Canada's contact centres and through travel agents. Flights to Tulum will be available for sale on December 15, 2023.

27. The Canadian Transportation Agency issues administrative monetary penalty to Air Canada for violations of the Accessible Transportation for Persons with Disabilities Regulations

On December 13, 2023, the Canadian Transportation Agency (CTA) has issued an administrative monetary penalty of \$52,500 against Air Canada for two violations of the Accessible Transportation for Persons with Disabilities Regulations (ATPDR) related to its obligations of providing services to persons with a disability. This penalty is for an incident that occurred in October 2023.

28. September 2023 U.S. Airline Traffic Data Up 6.8% from the Same Month Last Year

U.S. airlines carried 76.3 million systemwide (domestic and international) scheduled service passengers in September 2023, according to the Bureau of Transportation Statistics (BTS). When adjusted for seasonality, September 2023 enplanements are up 2.6% from August 2023 and down 1.4% from the all-time high reached in January 2020. BTS reported 66.9 million domestic passengers and 9.4 million international passengers on U.S. airlines flights in September 2023, not adjusting for seasonality. U.S. airline traffic reports are filed monthly with BTS. See the tables that accompany this release on the BTS website for summary data since 2016 and complete data since 2000.

29. IATA Rolls Out New Timatic Product to Support Contactless Travel

The International Air Transport Association (IATA) has rolled out the next generation travel documentation and verification system which supports contactless travel and enhances the passenger experience. To achieve this, [Timatic](#) has undergone a complete redesign, setting a new benchmark in travel compliance solutions. Building on the success of its predecessor, [Timatic AutoCheck](#) offers a streamlined and interactive experience enabling travelers, airlines and travel professionals to easily access accurate and clearly worded immigration information. The entire document checking process has been automated with tailored instructions for each passenger. With passenger traffic set to double by 2040, the optimization and enhancement of airport processes will need to continue. Verifying passengers' travel documentation is one of the more time-consuming tasks which will benefit from further automation. Moreover, the new features of Timatic AutoCheck will also play an essential role in supporting the industry in the move towards contactless travel. IATA's most recent [Global Passenger Survey \(GPS\)](#) revealed that complex visa requirements deter travelers who want a convenient, digital online visa process. Moreover, many are willing to share their travel document information for faster airport immigration procedures.

30. Canadians to benefit from expanded air transport agreements with Ethiopia, Jordan and Türkiye

On December 15, 2023, the Minister of Transport, Pablo Rodriguez, announced that Canada has recently expanded its air transport agreements with Ethiopia, Jordan and Türkiye. 1. The expanded agreement with Ethiopia allows seven weekly passenger flights for each country, up from five. It will support growing bilateral ties and stronger connectivity with Ethiopia, and enhanced access to sub-Saharan Africa. 2. The expanded agreement with Jordan enables seven weekly passenger flights for each country, up from three. It will accommodate growing passenger demand between Canada and Jordan. 3. The expanded agreement with Türkiye increases the number of weekly all-cargo flights to seven for each country, up from three. The new rights under these agreements are available for use by airlines immediately.

31. Monthly civil aviation statistics, October 2023

Major Canadian airlines carried 6.5 million passengers on scheduled and charter services in October 2023, up 9.0% from the same month in 2022. At 17.5 billion, passenger-kilometres in October 2023 reached pre-COVID-19 pandemic levels (compared with the same month of 2019) for the first time. As capacity was 20.6 billion available seat-kilometres, the passenger load factor was 84.8% in October 2023. Operating revenue earned in October exceeded the level from the same month of 2019, before the pandemic, for the 11th consecutive month.

32. Aircraft movement statistics: Major and select small airports, October 2023

In October 2023, Canada's major and select small airports recorded a total of 474,837 aircraft movements. This was down 1.6% from October 2022, representing the fourth year-over-year decline in the last five months. Total domestic movements declined 2.3% from October 2022. The number of international movements between Canada and countries other than the United States was up 10.8% year over year in October 2023, while movements to and from the United States increased 7.6%.

33. US Airlines gain \$1.6 billion in third quarter 2023, a decrease over third quarter 2022

U.S. scheduled passenger airlines reported a third-quarter 2023 after-tax net gain of \$1.6 billion and a pre-tax operating gain of \$3.3 billion. One year earlier, in the third quarter of 2022, the airlines reported an after-tax net gain of \$2.4 billion and a pre-tax operating gain of \$4.7 billion.

34. Emirates SkyCargo posts 7% increase in air freight growth

Emirates SkyCargo, the cargo arm of one of the world's largest international airlines, said it has concluded a year of growth and investment in both its current and future operations, by posting a 7% increase in air freight growth, compared to the previous year. By uplifting over 1,183,000 tonnes from January to mid-December 2023, it said, it has outperformed the market growth. The airline said it has made significant leaps towards its long-term strategic growth plans to double capacity in the next decade, and further cement its leading position in global air logistics. Nabil Sultan, Divisional Senior Vice President, Emirates SkyCargo said: "2023 was a pivotal year for Emirates SkyCargo. Despite ongoing fluctuations in air freight, long-term trends indicate that the industry is growing at a rate of 3 – 5% year-on-year. "Emirates SkyCargo, however, continues to outperform the market growth, uplifting over 1,183,000 tonnes from January to mid-December, a solid 7% increase compared to last year. Looking to the future, we are well-positioned to steadily scale up operations in 2024, continuing our strategic growth to ensure we lead the industry in solutions that are fast, reliable, flexible, and efficient."

WATER TRANSPORTATION

1. No reservation at Panama Canal? Prepare for a long wait

Panama Canal disruptions are worsening. Wait times for vessels without reservations have surged this month. In response to drought conditions, the Panama Canal Authority (ACP) cut the number of daily reservation slots from 32 at the beginning of November to 24 currently. Slots will drop to 22 on Friday, then to 18 by Feb. 1, 2024. If enough ships don't divert from the Panama Canal to offset the drop in reservation slots, the number of ships without reservations rises — as does wait time. The average wait time for ships without a reservation for Atlantic-to-Pacific (southbound) transits was 2.1 days at the beginning of November. As of November 29, 2023, it was over five times that — 11.4 days — according to ACP data. The maximum wait on for southbound transits hit 22.8 days on Sunday, triple the maximum wait at the beginning of the month.

2. THE Alliance diverts ships through Suez ahead of Panama Canal transit cuts

Ocean carriers of THE Alliance will halt Panama Canal transits through February 2024 for ships on three of its weekly container services between the US and Asia, opting instead for longer sea routes through the Suez Canal. The move comes as the Panama Canal Authority (ACP) puts severe limits on ship transits in response to the ongoing drought in the region, which is already causing mounting delays for vessels. Those limits are due to get even tighter in the coming months. Hapag-Lloyd is also doing the same.

3. Drewes Logistics moves biggest cargo to ever make passage through the St. Lawrence Seaway

In May 2023, XLP member Drewes Logistics moved 2 empty bilope tanks from Gijon in Spain to Sturgeon Bay in Michigan. The tanks measured 45 meters in length, 16.8 meters in width, and 16.4 meters in height and weighed 519 metric tons each. Drewes Logistics had been planning this shipment for over 2 years. The first challenge was that the delivery to the port by the supplier had to be timed exactly with the loading date of the vessel. This was more challenging than it looked at first glance as due to the very limited draft at the load out quay of supplier there are only 2 windows of 5 days each month for a pontoon to berth during high tide, load out the tanks, and move them to the commercial port of Gijon before the tide drops. The next and biggest challenge was that this load was the biggest ever to pass through the St. Lawrence Seaway into the Great Lakes. As there are certain aircraft restrictions in order to pass the many locks, raised bridges, power lines, and other overhead obstacles on this route Drewes had to do a maritime route survey outlining how the transport envelope of the vessel and cargo could move through each of the locks and below all obstacles. This involved

WATER TRANSPORTATION

Canada

1. No reservation at Panama Canal? Prepare for a long wait, November 29, 2023, www.freightwaves.com
2. THE Alliance diverts ships through Suez ahead of Panama Canal transit cuts, July 1, 2023, www.joc.com
3. Drewes Logistics moves biggest cargo to ever make passage through the St. Lawrence Seaway, December 4, 2023, www.ajot.com
4. Sails and satellite navigation could cut shipping industry's emissions by up to a third, December 5, 2023, www.insidelogistics.ca
5. Ridley Energy Export Facility Project to Begin Early Works, December 5, 2023, www.rupertport.ca
6. Congressmen push FMC to form national advisory committee on port matters, December 5, 2023, www.joc.com
7. Prince Rupert Port Authority Signs Global Memorandum of Understanding on Multi-Port Multi-Jurisdiction Green Shipping Corridors, December 6, 2023, www.rupertport.com
8. DP World joins the ITF Corporate Partnership Board, December 6, 2023, www.oecd-ity.org
9. Container shipping outlook 2024: Rising risk of delays, disruptions, December 7, 2023, www.freightwaves.com
10. Canadian shippers urge Ottawa to act as Montreal port talks hit impasse, December 8, 2023, www.joc.com
11. CSL leads maritime industry in biofuel adoption, achieving milestones in decarbonization efforts, December 8, 2023, www.ajot.com
12. Cold storage group to reassess temperature standards, December 12, 2023, www.insidelogistics.ca
13. Saguenay Port Authority receives \$111.2 million to support conveyor planning, December 12, 2023, www.tc.gc.ca
14. The Government of Canada invites Indigenous groups to apply for projects to address underwater vessel noise in British Columbia, December 13, 2023, www.tc.gc.ca
15. Billions Committed in Historic Decade of Investment Aimed at Growing the Economy, Creating Jobs, and Enhancing Shipping on the

passing some of the locks in the opposite direction of usual traffic, turning the cranes at many points to make the aircraft lower and tilting the vessel on other occasions. But finally, approval was granted and the bilope tanks safely arrived to Sturgeon Bay on 18th of May 2023.

4. Sails and satellite navigation could cut shipping industry's emissions by up to a third

In the vast expanse of the world's oceans, a transformation is underway. The international shipping sector, made up of thousands of massive cargo ships laden with many of the goods we buy, emits carbon dioxide (CO₂) roughly equivalent to the entire country of Germany. Our research emphasizes the need for immediate action. Reducing shipping emissions by 34 percent by 2030 is necessary to stay on course with the Paris Agreement's 1.5°C goal. But with low-carbon fuel pipelines unlikely to be available at the necessary scale until at least the 2030s, how can the industry meet its short-term target? Enter a new solution with ancient origins: sails. Not the billowing canvases of centuries past but high-tech systems capable of harnessing renewable wind energy to supplement the propulsion from a ship's engine.

5. Ridley Energy Export Facility Project to Begin Early Works

Following permit authorization granted by the Prince Rupert Port Authority (PRPA), the Ridley Energy Export Facility (REEF) project is beginning early works this week (December 4, 2023) on Ridley Island. Under the Port Authorities Operations Regulations established under the Canada Marine Act, PRPA has granted an approval for the REEF project to proceed with vegetation removal as a first phase of the development. The approval grants permission to commence clearing, grubbing, timber salvaging and wood waste disposal for the project area subject to the implementation of environmental mitigation measures which were defined during the environmental review process. The work will take place within the 190-acre site leased to the REEF partnership by PRPA.

6. Congressmen push FMC to form national advisory committee on port matters

Two members of Congress are urging the US Federal Maritime Commission (FMC) to create a committee that would advise regulators on port-related and regulation. Giving a national port advisory committee access to the FMC would level the playing field with the National Shipping Advisory Committee (NSAC), matters of national interest, similar to an existing group of shippers who have the FMC's ear on issues linked to policy according to Reps. Jake Auchincloss (D-Mass.) and Mike Ezell (R-Miss.), members of the House Transportation and Infrastructure Committee. NSAC has met regularly for the past two years after its formation in 2021.

7. Prince Rupert Port Authority Signs Global Memorandum of Understanding on Multi-Port Multi-Jurisdiction Green Shipping Corridors

The Prince Rupert Port Authority (PRPA) signed the Global Memorandum of Understanding on Multi-Port Multi-Jurisdiction Green Shipping Corridors (MOU) to establish international green shipping corridors from Canada's west coast to Asia and the Middle East. Signed on December 6, 2023 in Dubai, United Arab Emirates, during the 28th Conference of the Parties to the UN Framework Convention on Climate Change (COP28), the MOU will support the establishment of a West Coast Green Shipping Corridor. It will connect Edmonton to Prince Rupert to ports in Asia and the Middle East, and build on PRPA's ongoing commitment to reduce greenhouse gas emissions from international shipping through the Port of Prince Rupert. "Together with our port industry, Indigenous, and local community partners, we are committed to realizing a shared vision of a thriving and sustainable trade gateway that ensures a vibrant future for western Canada and we are taking concrete action to address climate change and reduce the impacts of port activity," said Shaun Stevenson, President and CEO, Prince Rupert Port Authority. "Today's MOU reinforces Prince Rupert's continued leadership role in helping Canada's marine transportation sector reduce its environmental impact and adapt to global climate priorities."

8. DP World joins the ITF Corporate Partnership Board

The International Transport Forum (ITF) is pleased to welcome DP World, a global leader in supply chain solutions, as a member of the ITF Corporate Partnership Board where it will help drive global transport policies to improve peoples'

Great Lakes St. Lawrence Seaway System, December 13, 2023, www.dot.gov
16. Trade up at Port of Long Beach in November, December 14, 2023, www.ajot.com
17. Minister of Transport announces new training opportunities to strengthen Canada's world-class marine sector, December 15, 2023, www.tc.gc.ca
18. MSC ships turn away from Red Sea as trade disruptions mount, December 17, 2023, www.ajot.com
19. Shipping lines stop entering Red Sea after attacks, Dec. 18, 2023, www.insidelogistics.ca
20. Brace for increased shipping rates as lines avoid Red Sea, December 19, 2023, www.insidelogistics.ca
21. Transport Canada funds innovative research to prevent spread of invasive species in Great Lakes and St. Lawrence River, December 20, 2023, www.tc.gc.ca
22. U.S.-led coalition aims to restore safe shipping in Red Sea, December 19, 2023, www.insidelogistics.ca
23. Port of Prince Rupert: Accumulated Container Traffic November 2023, December 26, 2023, www.ruperport.ca
24. Port of Metro Vancouver: Accumulated Container Traffic November 2023, December 26, 2023, www.ruperport.ca
25. Top ocean shipping stories of 2023: War, drought and detours, December 26, 2023, www.freightwaves.com
26. Maersk prepares to return to Red Sea under US-led protection, December 24, 2023, www.ajot.com
27. MSC ship becomes latest targeted in Red Sea attack, December 26, 2023, www.joc.com
28. Minister of Transport announces amendments to the Vessel Operation Restriction Regulations, December 21, 2023, www.tc.gc.ca
29. Hapag-Lloyd says Red Sea route still too dangerous, December 27, 2023, www.ajot.com

lives. DP World operates across ports and terminals, marine services and logistics in more than 75 countries, handling approximately 10% of global containerized trade. Welcoming DP World as a new member of the ITF Corporate Partnership Board, ITF Secretary-General Young Tae Kim said: “I am thrilled to extend a warm welcome to DP World as the latest addition to ITF’s Corporate Partnership Board. As a global leader in logistics, with a commitment to driving sustainable change, their influence reaches far and wide. We look forward to working with DP World on creating more sustainable logistics chains.”

9. Container shipping outlook 2024: Rising risk of delays, disruptions

The supply chain crisis is long over, but America’s importers still have a lot to keep them up at night as they plan for 2024. Two key container shipping “chokepoints” — the Panama Canal and the Bab-el-Mandeb Strait in the Red Sea — are simultaneously under threat. Container-line financials are under severe pressure, forcing ever more vessel sailings to be cancelled. The dockworkers union serving East and Gulf Coast ports is threatening to strike next October. While freight rates are low, concerns over delays in import shipments are high. For an overview of the disruption risks in the year ahead, and advice on how U.S. importers can mitigate those threats, *FreightWaves* spoke in-depth with Nerijus Poskus, global head of ocean procurement for freight forwarder and supply chain logistics platform Flexport.

10. Canadian shippers urge Ottawa to act as Montreal port talks hit impasse

The potential for another port strike in Montreal has Canadian shippers pleading with Parliament to take a more active role in labor talks. Contract talks involving longshore workers at the Port of Montreal appear stalled after the union’s chief negotiator said maritime employers have yet to make an offer on a new pay package. With a looming deadline before dockworkers could walk off the job, shippers are urging the federal government to act now to avoid yet another strike at Canada’s second-busiest port. Michel Murray, the national representative for Local 375 of the Canadian Union of Public Employees (CUPE), which represents Montreal’s dockworkers, told a panel of Canadian Parliamentarians Thursday that a negotiation period overseen by the government has ended without a new...

11. CSL leads maritime industry in biofuel adoption, achieving milestones in decarbonization efforts

The CSL Group (“CSL”), a global leader in responsible marine transportation services, proudly announces a significant milestone in its Great Lakes biofuel program – one of the longest-running initiatives of its kind in the maritime industry. With a cumulative 75,000 running hours on B100 biofuel over the past four years, CSL ships have made significant strides in supporting decarbonization efforts by replacing 55,000 metric tonnes of fossil fuel with biodiesel and avoiding 156,000 metric tonnes of CO₂. “Unlike other shipping companies that are just getting started with their biofuel initiatives, we have moved past the testing phase and are running biodiesel as part of our business – just one of the many ways we are reducing carbon in our operations,” said Louis Martel, CSL President and CEO. “In 2023, our biofuel fleet set a new record by using 16,400 metric tonnes of B100 biodiesel in a single season, marking our highest consumption to date. This translates into an 80% to 90% reduction in greenhouse gas (GHG) emissions, leading to the avoidance of 50,000 metric tonnes of CO₂ across our Great Lakes fleet.”

12. Cold storage group to reassess temperature standards

New research suggests that cold chain participants can warm up storage without compromising food safety. Research backed by DP World shows that increasing the temperature of frozen food by three degrees, from -18°C to -15°C, could save the equivalent emissions of 3.8 million cars without affecting the food. Experts from the Paris-based International Institute of Refrigeration, the University of Birmingham and London South Bank University, among others, found that the small change could save 17.7 million metric tons of carbon dioxide per year, and create energy savings of around 25 terawatt-hours (TWh), the equivalent to 8.63 percent of the UK’s annual energy consumption. This could end up saving at least five percent in supply chain costs, and up to 12 percent in some areas.

13. Saguenay Port Authority receives \$111.2 million to support conveyor planning

The governments of Canada and Quebec are providing \$111.2 million to the Saguenay Port Authority for constructing a Mechanized Multi-User Bulk Transport System. This conveyor, run entirely by electricity, will connect the Port to industrial storage spaces and rail yards located in Saguenay’s industrial port zone (IP zone). It is anticipated to be in service in 2025. The Minister of Economy, Innovation and Energy and the Minister Responsible for the Metropolis and the Montréal Region, Pierre Fitzgibbon, made the announcement today, along with the Minister of Municipal Affairs and the Minister Responsible for the Saguenay–Lac-Saint-Jean Region, Andrée Laforest, and the member for Dubuc and Parliamentary Assistant to the Minister of Tourism, François Tremblay. The Government of Canada contributed \$55.2 million to the Saguenay Port Authority. The Government of Quebec, meanwhile, offered a loan, repayable through fees, of a maximum of \$36.8 million from the Department of Economy, Innovation and Energy, as well as \$19.2 million in financial aid from the Department of Transport and Sustainable Mobility.

14. The Government of Canada invites Indigenous groups to apply for projects to address underwater vessel noise in British Columbia

On December 13, 2023, the Minister of Transport, Pablo Rodriguez, announced that up to \$2.3 million is now available through the Quiet Vessel Initiative to 29 Indigenous groups whose traditional territories are adjacent to the Trans

Mountain Expansion project marine shipping route. This funding will support projects and activities that address the impacts of underwater vessel noise on the marine environment and vulnerable marine mammals, including the Southern Resident killer whale. The deadline for project proposals is April 10, 2024, and all projects are to be completed by March 31, 2026. Examples of eligible activities include Indigenous-led/Indigenous-participation in research or testing projects aimed at evaluating quiet vessel technologies; supporting capacity to monitor the marine environment for underwater noise in traditional territories; and supporting the development of territorial noise monitoring and management plans.

15. Billions Committed in Historic Decade of Investment Aimed at Growing the Economy, Creating Jobs, and Enhancing Shipping on the Great Lakes St. Lawrence Seaway System

On, December 13, 2023, the Great Lakes St. Lawrence Seaway Development Corporation (GLS) announced the release of an independent survey of public and private infrastructure investments to enhance marine shipping on the Great Lakes St. Lawrence Seaway System. These investments sustain 241,286 U.S. and Canadian jobs and help contribute to the safe, efficient, and sustainable movement of the 135.7 million metric tons of cargo that moves along the Great Lakes St. Lawrence Seaway. The survey conservatively estimates that \$8.4 billion has been or is committed to be spent on Great Lakes/Seaway infrastructure investments between 2018-2027.

16. Trade up at Port of Long Beach in November

Shippers continued to reposition cargo back to West Coast seaports in November 2023, lifting trade for a third consecutive month at the Port of Long Beach. Dockworkers and terminal operators moved 731,033 twenty-foot equivalent units (TEUs) last month, a 24.2% increase from November 2022. Imports rose 37% to 355,339 TEUs and exports declined 13% to 108,798 TEUs. Empty containers moved through the Port were up 30.6% to 266,896 TEUs. “We are recapturing market share, online shopping is on the rise and retailers are keeping the shelves stocked to meet rising consumer demand for the holidays,” said Port of Long Beach CEO Mario Cordero. “We remain optimistic as cargo returns to this critical gateway for trans-Pacific trade.” “We appreciate the outstanding work of our waterfront workforce and terminal operators who are moving goods to ensure consumers are able to purchase gifts during the holiday season,” said Long Beach Harbor Commission President Bobby Olvera Jr. “We plan to continue delivering top-notch customer service and building for a sustainable future into the new year.” The Port has moved 7,308,848 TEUs during the first 11 months of 2023, down 14.9% from the same period last year. Cargo flows this year have been approximately on pace with pre-pandemic levels, when the Port of Long Beach moved more than 6.96 million TEUs through November 2019.

17. Minister of Transport announces new training opportunities to strengthen Canada’s world-class marine sector

On December 15, 2023, the Minister of Transport, Pablo Rodriguez, announced the expansion of the Marine Training Program to the Western Arctic Marine Training Consortium (WAMTC) in Hay River, Northwest Territories. WAMTC will launch its inaugural program in January 2024, offering local residents the skills and qualifications to gain meaningful employment in the marine industry and serve the needs of their community.

18. MSC ships turn away from Red Sea as trade disruptions mount

MSC Mediterranean Shipping Co. SA, the world’s largest container line, joined competitors in diverting ships away from the Red Sea to avoid the threat of attacks on commercial cargo carriers by Houthi rebels operating in Yemen. The MSC Palatium III was attacked on December 15, 2023 in the Red Sea, the company said in a statement on its website, confirming earlier reports. There were no injuries among the crew of the container ship, though there was “limited fire damage” and the vessel has been taken out of service. “Due to this incident and to protect the lives and safety of our seafarers, until the Red Sea passage is safe, MSC ships will not transit the Suez Canal eastbound and westbound,” the company said in its statement. “Some services will be rerouted to go via the Cape of Good Hope instead,” it said, referring to the southern tip of Africa. UK naval forces shot down a suspected attack drone that was targeting merchant ships in the Red Sea, Defense Secretary Grant Shapps said in a post on X on Saturday. The HMS Diamond used a Sea Viper missile to down the target, he said, without giving more details.

19. Shipping lines stop entering Red Sea after attacks

The world’s major shipping lines have both suspended sailings that would pass through the strait at the south end of the Red Sea. The screen capture from Vesselfinder.com shows ships in Red Sea and Gulf of Aden on December 18, 2023. Yellow triangles represent cargo ships, orange triangles are tankers. Maersk, Hapag Lloyd, MSC and CMA CGM all announced they were suspending transits for vessels bound for the Bab al-Mandab Strait and the Suez Canal to pause their journey until further notice. Maersk made the announcement on Friday, followed closely by the other lines. Maersk said in a customer bulletin that the decision was made following a near-miss incident involving *Maersk Gibraltar* on December 14, 2023, and yet another attack on a container vessel the following day. Crisis24, a security monitoring service, said the attackers launched a ballistic missile, which narrowly missed the ship.

20. Brace for increased shipping rates as lines avoid Red Sea

Recent missile attacks by Houthi militants in the Red Sea have prompted leading shipping entities like CMA CGM, Hapag-Lloyd, Maersk, and Mediterranean Shipping Co. to temporarily halt transits through the Suez Canal. Additionally, the Panama Canal has been effectively closed to MPV (multipurpose) shipping until at least May 2024, leading carriers to explore alternative routes via the Cape of Good Hope and the Strait of Magellan. Four of the top five largest container carriers will be avoiding the Red Sea and the Suez Canal until security is restored to the waterway. Together with ZIM who was already diverting their Red Sea traffic, these carriers represent 56 percent of global capacity, meaning an estimated 17 percent of global volumes will be taking a longer, more expensive route from Asia around the southern coast of Africa. Container diversions will take an extra seven to 14 days in transit time depending on the lane, and mean a 15 to 20 percent increase in costs for carriers. In addition to longer voyages and higher costs, disruptions to scheduled arrival times could cause congestion at destination ports and some equipment shortages as empty containers take longer to get back to origin ports.

21. Transport Canada funds innovative research to prevent spread of invasive species in Great Lakes and St. Lawrence River

On December 20, 2023, the Minister of Transport, Pablo Rodriguez, announced investments of up to \$10.9 million for four projects through the Oceans Protection Plan (OPP) to improve ballast water management systems in the Great Lakes and St. Lawrence River region to combat aquatic invasive species. The four selected projects, funded through the OPP's Ballast Water Innovation Program (BWIP), will advance industry-led solutions to assess and address technical challenges related to the installation, operation, and maintenance of ballast water management systems in the Great Lakes and St. Lawrence River region. Ballast water management systems reduce the risk of introducing or spreading invasive species when ballast water is unloaded. The organizations receiving funding are: 1. Albion Marine Solutions Ltd. 2. Algoma Central Corporation. 3. Armateurs du Saint-Laurent. 4. Mouawad Consulting Canada LP

22. U.S.-led coalition aims to restore safe shipping in Red Sea

The United States has taken the lead in an operation to restore the security of shipping in the Red Sea. Operation Prosperity Guardian is bringing together the U.S., the United Kingdom, Bahrain, Canada, France, Italy, Netherlands, Norway, Seychelles and Spain, to jointly address security challenges in the southern Red Sea and the Gulf of Aden. The goal, according to a US defence department statement is “ensuring freedom of navigation for all countries and bolstering regional security and prosperity.” During a trip to the Middle East, U.S. defence secretary Lloyd Austin convened a virtual meeting with ministers, chiefs of defence, and senior representatives from 43 countries, as well as the European Union and NATO, to discuss the increased threat to maritime security in the Red Sea.

23. Port of Prince Rupert: Accumulated Container Traffic November 2023

The Port of Prince Rupert Authority released its accumulated container traffic for November 2023. Total container traffic in TEUs for the period January to November 2023 was 646,222 down 32% compared to 948,877 for the same period in 2022. Total imports for the same period was 337,247 down 32% compared to 492,924 for same period in 2022. Total exports for the same period was 308,975 down 32% compared to 455,953 for same period in 2022.

24. Port of Metro Vancouver: Accumulated Container Traffic November 2023

The Port of Metro Vancouver released its accumulated container traffic for November 2023. Total container traffic in TEUs for the period January to November 2023 was 2,852,236 down 14.9% compared to 1,597,865 for the same period in 2022. Total imports for the same period was 1,472,717 down 15.6% compared to 830,593 for same period in 2022. Total exports for the same period was 1,379,519 down 14% compared to 767,272 for same period in 2022.

25. Top ocean shipping stories of 2023: War, drought and detours

This article takes a look back at a year when shipping had to repeatedly change course. Ocean shipping routes are always in flux, but 2023 took it to a whole new level. Trade routes were blocked or impeded by geopolitics, labor and weather. The major disrupters were: 1. sanctions on Russia; 2. U.S.-China tensions; 3. dockworker union unrest; 4. drought-driven cuts at the Panama Canal, and 5. attacks on ships in the Red Sea. Ocean trade detoured around each obstacle. When vessels divert in large numbers, it makes headlines, but that flexibility is one of ocean shipping's greatest strengths.

26. Maersk prepares to return to Red Sea under US-led protection

A.P. Moller-Maersk A/S, the world's second-largest container line, said it's preparing to resume shipping through the Red Sea, thanks to a new multi-national maritime task force to protect vessels from attacks by Houthi rebels from Yemen. “We are currently working on plans for the first vessels to make the transit and for this to happen as soon as operationally possible,” the company said on December 24, 2023 in an advisory. “While doing so, ensuring the safety of our employees is of the utmost importance and our number one priority in handling the challenging situation in the Red Sea/Gulf of Aden area.” The announcement came just two days after the Copenhagen-based company said it envisions chaos in the Red Sea — caused by drone attacks from Houthis over the Israel-Hamas war — to continue for months.

27. MSC ship becomes latest targeted in Red Sea attack

A Mediterranean Shipping Co. (MSC) container ship on December 26, 2023 became the latest commercial vessel attacked in the Red Sea, just days after its 2M Alliance partner Maersk said it would consider resuming transits through the Red Sea and Suez Canal due to the creation of an international naval task force meant to protect shipping in the region. MSC said in a statement that the MSC United VIII was attacked in the early afternoon local time while it was en route from Saudi Arabia's King Abdullah Port to Karachi, Pakistan. The ship is not on a regular service. The world's largest container shipping line said it will still reroute vessels via the Cape of Good Hope due to the security situation in the Red Sea.

28. Minister of Transport announces amendments to the Vessel Operation Restriction Regulations

On December 21, 2023, the Minister of Transport, Pablo Rodriguez, announced amendments to the Vessel Operation Restriction Regulations to incorporate requests received in fall 2021. In total, 21 new vessel operation restrictions have been introduced for six waterways in Ontario, Quebec, and Manitoba. These new restrictions apply to Big Tub Harbour, Ontario; Richelieu River, Quebec; St-Maurice River, Quebec; Duhamel Lake, Quebec; and Pinawa Channel and Lee River, Manitoba. Changes affect engine power limits, exemptions, technical requirements on signage, wake surfing, designation authorities, and administrative corrections.

29. Hapag-Lloyd says Red Sea route still too dangerous

Shipping giant Hapag-Lloyd AG said it will keep its vessels away from the Red Sea even after the launch of a US-led taskforce to protect the key trade route from militant attacks. The container liner said it will continue to reroute its vessels via the Cape of Good Hope, a detour of several thousand miles. It follows a spate of attacks on merchant ships — by Yemeni rebels acting in support of the Palestinians — on a route that handles about 12% of global trade. The incidents have struck everything from oil tankers to container vessels, pushing shipowners to avoid the route. That means delays and extra costs that could ultimately hit consumers. Spot rates for container shipping have jumped 26% over the past four weeks and “are likely to remain in a heightened state” as long as voyages continue to be diverted, according to a Bloomberg Intelligence research note on December 27, 2023. Oil prices have risen since the attacks stepped up, though traders are still not pricing in major disruptions.

RAIL TRANSPORTATION

1. Freight Rail Services Price Index, November 2023

Data for November for the Freight Rail Services Price Index (2018=100) are now available on Statistics Canada website. For November 2023 it is 131.7 compared to 130.8 in October 2023 and 128.1 in November 2022.

2. UP boosts intermodal service with new Houston connections, Phoenix ramp

Union Pacific Railroad (UP) is expanding its capacity to handle intermodal containers moving through ports along the Gulf and West coasts with the launch of a Midwest rail service from Houston and a new ramp in Arizona for goods moving from Southern California. UP, in a statement on November 28, 2023, said it will add four inland terminals to its daily on-dock rail service from Houston's Barbours Cut marine terminal starting Dec. 1 — its Global 4 terminal in Chicago, and terminals in Kansas City, Memphis and Laredo in south Texas. The new service is in addition to the five intermodal terminals along the West.

3. AAR: U.S. Rail Traffic Uptick Continues in Week 47

For the week ending Nov. 25, 2023 (Week 47), total U.S. rail traffic was 415,332 carloads and intermodal units, rising 2.4% from the prior-year period, the Association of American Railroads (AAR) reported Nov. 29, 2023. It is the third consecutive week of gains for carloads and intermodal containers and trailers combined. Total rail traffic for the week ending Nov. 25, 2023, comprised 195,948 carloads, down 2.5% from the same week last year, and 219,384 intermodal units, up 7.1% from 2022, according to the AAR. Canadian railroads reported 91,357 carloads for the week ending Nov. 25, 2023, a 4.5% drop-off, and 69,360 intermodal units, a 0.5% rise from the 2022 period. For the first 47 weeks of 2023, they reported cumulative rail traffic volume of 7,500,788 carloads, containers and trailers, down 3.3%.

4. Union Pacific to open new intermodal terminal in heart of Phoenix

Union Pacific Railroad plans to open a new international intermodal terminal in the heart of Phoenix, providing

RAIL TRANSPORTATION

Canada

1. Freight Rail Services Price Index, November 2023, November 29, 2023, www.statcan.gc.ca
2. UP boosts intermodal service with new Houston connections, Phoenix ramp, November 29, 2023, www.joc.com
3. AAR: U.S. Rail Traffic Uptick Continues in Week 47, Nov. 29, 2023, www.railwayage.com
4. Union Pacific to open new intermodal terminal in heart of Phoenix, December 1, 2023, www.ajot.com
5. Now On Line: Railway Age December 2023 Digital Edition, December 4, 2023, www.railwayage.com
6. Brighter Days Ahead, December 4, 2023, www.railwayage.com
7. VIA rail reaches over 100,000 bookings with its new reservation system, which allows for a simplified, more convenient, accessible and autonomous experience, December 6, 2023, www.viarail.ca
8. CN to Acquire Iowa Northern Railway, December 6, 2023, www.cn.ca
9. AAR: Volumes Up for Third Consecutive Month in November, December 6, 2023, www.railwayage.com
10. Biden will award \$8.2 billion to boost rail in key 2024 states, December 6, 2023, www.ajot.com
11. U.S., Canada Provide Statement on Taking Action to Reduce Rail Sector Emissions, December 7, 2023, www.railwayage.com

customers a sustainable rail option between ocean ports in the Los Angeles Basin and the nation's fast-growing Southwest region. The new terminal will be owned and operated by Union Pacific and is expected to open in the first quarter of 2024. It will be located in Union Pacific's downtown rail yard and will have the capacity to grow to meet customer demand. "We are excited to offer regional shippers and receivers in Arizona a fast, sustainable rail option to move product into and out of Southern California that is cost competitive and removes trucks from our nation's congested highways, with an ability to expand offerings and grow in the future," said Kenny Rocker, executive vice president-Marketing and Sales for Union Pacific. The new facility will open with drayage support provided by Duncan & Son Lines, a family-owned logistics firm in Buckeye, Arizona, that primarily focuses on international container drayage from the ports of Long Beach and Los Angeles.

5. Now On Line: Railway Age December 2023 Digital Edition

"For the first time in a long time, high-level executives are taking a sober look at service levels, supply chain visibility and overall customer experience," *Railway Age's* Wall Street Contributing Editor Jason Seidl writes in the annual outlook article. "Indeed, we are hearing encouraging language from the C-Suite, and it reminds me of a time 20 years ago when Matt Rose took over at BNSF and started uttering unheard phrases like 'we must earn our cost of capital.'" But Railway Supply Institute President Patty Long warns of the "troubling schism in some Congressional circles that lauds privately owned and funded freight rail for its economic and environmental benefits while disparaging passenger rail as a wasteful use of taxpayer dollars." In doing so, she notes, "I fear that our 'friends' on the Hill are throwing the baby out with the bath water." *Railway Age's* December 2023 issue is now available digitally, featuring the 2024 Freight Rail Outlook that predicts "brighter days ahead."

6. Brighter Days Ahead

In more ways than one, 2023 was marked by a few dark clouds. In 2024, look for them to scatter, pushed by warmer prevailing winds. *Resiliency* is "the capacity to withstand or to recover quickly from difficulties; toughness." *Resilience*, a closely related word, is "the process and outcome of successfully adapting to difficult or challenging life experiences." Both words describe the railroad industry for the past few years, perhaps especially so for the past 12 months, given all the problems we've had to spend considerable time and resources solving. Some may prefer to use *challenges*, a softer word than *problems*, but I feel compelled to point out that problems are *solved*, while challenges are *addressed*. This is hard work that actually never stops, and is never easy. We're talking about operating safely. Growing market share. Competing, while cooperating to better the industry as a whole. Providing excellent customer service. Taking care of our employees. Leveraging advanced technology. Earning a decent return on investment. Improving public confidence in, and understanding of, the important things we do for the global economy. Keeping regulators and politicians off our backs. Call me an optimist, because 2024 could very well be the year in which significant strides are made in all these areas. [Despite its hardships, 2023 laid the foundation and as such, on balance, was a very good year.](#) We've hopefully learned from our mistakes and emerged from some very tough circumstances with knowledge and insight. A new resolve.

7. VIA rail reaches over 100,000 bookings with its new reservation system, which allows for a simplified, more convenient, accessible and autonomous experience

VIA Rail Canada (VIA Rail) recently reached its 100,000th booking with its new reservation system which offers passengers an easy and intuitive booking process and a wide range of new functionalities. The scope of this key modernization project goes far beyond the update of a reservation

12. Government of Canada improves railway freight and passenger train brake inspection and safety rules, December 8, 2023, www.tc.gc.ca

13. CPKC named to 2023 Dow Jones Sustainability World and North America Indices, December 11, 2023, www.cpkc.ca

14. CN Acknowledges Historical Colonial Role as it Continues its Reconciliation Journey, December 11, 2023, www.cn.ca

15. Rail System Looking Good, December 12, 2023, www.railwayage.com

16. Viterro Weyburn and Elbow Lake Co-op Grain win CPKC 2022-2023 Elevator of the Year Award, December 12, 2023, www.cpkc.ca

17. Union Pacific invests in alternative materials for railroad ties, December 12, 2023, www.ajot.com

18. CN's Indigenous Advisory Board quits, December 13, 2023, www.insidelogistics.ca

19. CN Recognized for Sustainability Leadership and Listed on the Dow Jones Sustainability World Index for 12th Straight Year, December 13, 2023, www.cn.ca

20. North American Rail Volume Decline Continues Through Week 49: AAR, December 13, 2023, www.railwayage.com

21. The Canadian Transportation Agency issues an administrative monetary penalty to the Canadian Pacific Railway Company for failure to comply with an Agency decision, December 14, 2023, www.cta-otc.gc.ca

22. Shippers should look to intermodal to reduce transport emissions, NACFE says, December 14, 2023, www.insidelogistics.ca

23. Railway carloadings, October 2023, December 18, 2023, www.railwayage.ca

24. Can intermodal rail increase its market share by 25% by 2030?, December 15, 2023, www.freightwaves.com

25. Railroads urge border officials to reopen US-Mexico crossings, Dec. 18, 2023, www.ajot.com

26. TSB: Railcar Structural Failure Led to 2019 CN Tunnel Derailment, December 19, 2023, www.railwayage.com

27. A Look Back at 2023, December 19, 2023, www.railwayage.com

28. Derailment, safety, partnerships among rail's big issues in 2023, December 21, 2023, www.freightwaves.com

29. AAR: North American Rail Volume Down Through Week 50, December 20, 2023, www.railwayage.com

30. Minister of Transport announces proposed changes to the Transportation of Dangerous Goods Regulations to enhance safety for transportation of dangerous goods across Canada, December 20, 2023, www.tc.gc.ca

31. Maximum Grain Revenue Entitlements for Crop Year 2022-2023, December 21, 2023, www.cta-otc.gc.ca

32. RAC Releases Rail Trends 2023 Report, December 21, 2023, www.railwayage.com

system as the Corporation completely replaced the booking platform and carried out a full overhaul of all related infrastructure and systems (such as the loyalty program and Point-of-Sale systems) along with the integration in other existing systems. Knowing that it was such a complex and large-scale endeavour, VIA Rail is pleased to report that there were very few disruptions for its passengers. Any issues raised were addressed quickly and VIA Rail continues to closely monitor the system's behaviour.

8. CN to Acquire Iowa Northern Railway

CN on December 6, 2023 announced that it has signed and closed an agreement to acquire Iowa Northern Railway (IANR), which operates approximately 275 track miles in Iowa connecting to CN's U.S. rail network. The transaction closed into an independent voting trust pending regulatory review of the transaction by the U.S. Surface Transportation Board (STB). IANR serves upper Midwest agricultural and industrial markets covering many goods, including biofuels and grain. This transaction represents a meaningful opportunity to support the growth of local business by creating single-line service to North American destinations, while preserving access to existing carrier options. Acquisition will provide options for shipping to and from Iowa.

9. AAR: Volumes Up for Third Consecutive Month in November

Total year-over-year carload and intermodal volumes for U.S. railroads rose for the third consecutive month in November 2023, the Association of American Railroads (AAR) reported Dec. 6, 2023. "U.S. intermodal volume rose 5.0% in November, its third straight year-over-year gain after 18 straight declines and the biggest year-over-year percentage gain for intermodal in 29 months. Overall, the last week of November had the highest carload plus intermodal volumes in two years," said [AAR](#) Senior Vice President John T. Gray. "Much will depend on how the broader economy continues to evolve, but railroads are hopeful November will provide much-needed momentum for the rest of 2023 and into 2024." U.S. Class I railroads hauled a total of 2,408,479 carloads and intermodal units in November 2023, up 2.6%, or 60,384 carloads and intermodal units, compared with the same month in 2022, according to AAR's latest rail traffic report covering November and the week ending Dec. 2, 2023. For the week ending Dec. 2, 2023, Canadian railroads reported 97,615 carloads, up 3.2%, and 71,079 intermodal units, up 0.1% compared with the same week in 2022. For the first 48 weeks of 2023, Canadian railroads reported cumulative rail traffic volume of 7,669,482 carloads, containers and trailers, down 3.2%.

10. Biden will award \$8.2 billion to boost rail in key 2024 states

President Joe Biden will announce \$8.2 billion in additional railway funds this week, according to a person familiar with the matter, boosting potential projects — including a high-speed line to Las Vegas — in important states for the 2024 election. Biden, an avowed rail aficionado who earned the nickname "Amtrak Joe" during his decades as a Delaware senator, is planning to travel to Nevada on December 8, 2023 to announce funds for 10 passenger rail projects, according to the person, who spoke on condition of anonymity to discuss the plans. The projects include up to \$3 billion for the Brightline West high-speed rail effort backed by Fortress Investment Group, which aims to link Las Vegas with southern California. Another \$3 billion project involves a rail line in central California celebrated by former House Speaker Nancy Pelosi, a long time Biden ally. The administration is also announcing support for studying other potential routes, including four in Ohio and one between New York City and Biden's hometown of Scranton, Pennsylvania. The moves were announced this week by Democratic senators Bob Casey of Pennsylvania and Sherrod Brown of Ohio, both of whom who are up for re-election in 2024.

11. U.S., Canada Provide Statement on Taking Action to Reduce Rail Sector Emissions

Canada's Minister of Transport Pablo Rodriguez, U.S. Transportation Secretary Pete Buttigieg and U.S. Secretary of Energy Jennifer M. Granholm on Dec. 6, 2023 issued a joint statement, on the margins of [COP28](#), addressing the "urgent global challenge of climate change." "The governments of the United States and Canada share a strong commitment to addressing the urgent global challenge of climate change," they wrote. "Recognizing the important role transportation plays in reducing greenhouse gas emissions, the United States and Canada have created a Rail Decarbonization Task Force to develop a common vision to reduce emissions from the rail sector. "Together, we intend to: 1. "Establish a joint research agenda to test the safe integration of emerging technologies, including hydrogen-powered and battery-electric locomotives. 2. "Coordinate strategies to accelerate the rail sector's safe transition from diesel-powered locomotives to zero-emission technologies to ensure a net-zero rail sector by no later than 2050. 3. "Collaborate on the development of a U.S.-Canada rail sector net-zero climate model by 2025.

12. Government of Canada improves railway freight and passenger train brake inspection and safety rules

On December 8, 2023, the Minister of Transport, Pablo Rodriguez, announced changes to the *Railway Freight and Passenger Train Brake Inspection and Safety Rules* that will come into force on December 1, 2025. These rules specify safety requirements for the safe operation of train brakes on all freight and passenger trains. New changes will require railway companies to: 1. Strengthen air brake inspections by ensuring that heavy trains operating on a steep grade in

33. 25th Annual CPKC Holiday Train program raises a record \$1.8 million and collects more than 160,000 pounds of food in 2023, December 22, 2023, www.cpkc.ca

34. US-Mexico border railroad crossings reopen after five days, December 22, 2023, www.ajot.com

35. Transport Canada and Railway Association of Canada join forces to further reduce emissions in Canada's rail transportation sector, December 21, 2023, www.tc.gc.ca

cold weather undergo more robust air brake inspections; 2. Develop and submit procedures related to the inspection requirements to Transport Canada; and 3. Strengthen requirements for periodic maintenance of air brake cylinders. These new changes are the second part of a 2022 Ministerial Order to strengthen brake performance during cold weather, particularly on steep descending grades. Initial changes to strengthen regular air brake inspection requirements and to introduce requirements for a Train Brake Winter Operating Plan were approved in January 2023, and came into force on May 31, 2023.

13. CPKC named to 2023 Dow Jones Sustainability World and North America Indices

Canadian Pacific Kansas City (CPKC) is proud to announce, that in its first year as a combined company, it has been named to the Dow Jones Sustainability World Index (DJSI World) and to the North America Index (DJSI North America) for 2023. “We are incredibly proud that CPKC’s efforts in sustainability and climate action have been recognized with our inclusion in the DJSI World and North America Indices,” said Keith Creel, CPKC President and Chief Executive Officer. “This has been a transformational year for our new, combined company and we remain committed to being an industry leader with our sustainability commitments as we grow our business for the future.”

14. CN Acknowledges Historical Colonial Role as it Continues its Reconciliation Journey

On December 11, 2023, CN published a formal Acknowledgement of the historical role railways played as instruments of colonial policies, as well as the intergenerational economic, cultural, and social effects that these policies have had on Indigenous communities. CN is grateful for the privilege of operating within or adjacent to more than 220 reserve lands of nearly 130 First Nations and Métis Communities. CN accepted the resignation of the members of the Indigenous Advisory Council (IAC), an independent body that provided insight and advice to CN in its ongoing Reconciliation journey. Reconciliation is about establishing and maintaining mutually respectful relationships, which starts with awareness of the past.

15. Rail System Looking Good

On Dec. 4, 2023 Railway Age highlighted the strong operational recovery that has taken hold at Union Pacific, and we’re now in a position where most of the industry is running well. At this point, it’s only Norfolk Southern that needs to rediscover its A-Game, but we believe the pieces are in place. The industry also just received the last of its four big operational accelerators during the year, in the form of the volume-light Thanksgiving week (the others are Memorial Day, Fourth of July and Labor Day). The reprieve in volume pressure and associated ability to reposition power and crews will typically slingshot network velocity higher again in the following week, and that’s exactly what happened. In fact, it was this Thanksgiving slingshot effect last year that inflected UP’s operation and put it on the recovery path it just completed.

16. Viterra Weyburn and Elbow Lake Co-op Grain win CPKC 2022-2023 Elevator of the Year Award

Canadian Pacific Kansas City (CPKC) is proud to announce its winners for Elevator of the Year for the 2022-2023 crop year: Viterra Weyburn (Canada) and Elbow Lake Co-op Grain (U.S.). CPKC presents this award annually to grain elevators that achieve high volumes from a single loading point while consistently demonstrating efficient railcar loading and a strong commitment to safety.

17. Union Pacific invests in alternative materials for railroad ties

Rail ties are the backbone of the railroad, holding rail in place. As part of its work to strengthen its infrastructure and protect communities, Union Pacific Engineering employees have replaced over 3 million rail ties this year alone. Many of the ties being replaced will be used for decades, thanks to a recent investment in recyclable rail ties made from composite materials. Union Pacific is focused on improving sustainability efforts and reducing its climate impact. By partnering with composite tie manufacturers, Union Pacific will reduce CO2 and potential methane emissions, reduce landfill volumes, and improve infrastructure standards. One partner is Evertrak, a Missouri-based company that produces composite ties made from recycled plastic and glass fiber. These composite ties are being installed in areas where the average wood tie lifespan is eight to 15 years due to decay associated with heat, humidity and subgrade, compared to other areas of the railroad where wood tie life averages 25 years. Vendors manufacture composite ties to meet Union Pacific’s specifications, which are designed to achieve a 50-year lifespan. “Unlike wood ties, composite ties have the option to be recycled or repurposed at the end of their lifespan,” said Dave Bozarth, senior manager-Engineering Method & Research. “Next year, Union Pacific is looking to double the number of composite ties installations in 2023 and continue evaluating long-lasting products.”

18. CN’s Indigenous Advisory Board quits

A 12-member advisory board set up by CN in 2021 has submitted their resignation as a group. The resignation of all 12 members of the CN Indigenous Advisory Council (IAC) was submitted to CN’s Board of Directors and is effective December 31, 2023. Through engagement with Indigenous communities nationwide, the Council’s mandate was to help the organization bridge understanding and build connections and was committed to transparently outlining future steps for CN’s reconciliation efforts. In response, CN published a formal Acknowledgement of the historical role railways played as instruments of colonial policies, as well as the intergenerational economic, cultural, and social

effects that these policies have had on Indigenous communities. CN operates within or adjacent to more than 220 reserve lands of nearly 130 First Nations and Métis Communities.

19. CN Recognized for Sustainability Leadership and Listed on the Dow Jones Sustainability World Index for 12th Straight Year

CN is pleased to announce that it has again earned a place on the World and North American Dow Jones Sustainability Indices (DJSI World and DJSI North America), for the 12th and 15th consecutive year respectively.

20. North American Rail Volume Decline Continues Through Week 49: AAR

Through the first 49 weeks of 2023 (ending Dec. 9), total North American carload and intermodal traffic fell 2.8% from the same period last year, the Association of American Railroads (AAR) reported Dec. 13, 2023. The U.S. and Canada saw declines, while Mexico experienced a gain. North American rail volume for the first 49 weeks of this year (ending Dec. 9) on 12 reporting U.S., Canadian and Mexican railroads came in at 32,202,281 carloads and intermodal containers and trailers. Cumulative volume in the U.S. was 23,009,059 carloads and intermodal units, down 3.0% from 2022; in Canada, 7,833,834 carloads and intermodal units, down 3.1%; and in Mexico, 1,359,388 carloads and intermodal units, up 2.6%. For the week ending Dec. 9, 2023, Canadian railroads reported 93,684 carloads, up 1.0%, and 70,668 intermodal units, down 1.3% compared with the same point last year.

21. The Canadian Transportation Agency issues an administrative monetary penalty to the Canadian Pacific Railway Company for failure to comply with an Agency decision

On December 14, 2023, the Canadian Transportation Agency (CTA) has issued an administrative monetary penalty of \$75,000 against the Canadian Pacific Railway Company (CP) for failure to comply with CTA Decision n° 66-R-2014. This penalty is for incidents that occurred in May and November 2023.

22. Shippers should look to intermodal to reduce transport emissions, NACFE says

As new technologies enter production, such as battery electric and fuel cell electric powertrains, there is a significant potential to improve the environmental impact of both rail and truck transport, says NACFE (the North America Council for Freight Efficiency) in new research it released this week. NACFE has released a new Guidance Report, *Intermodal & Drayage: An Opportunity To Reduce Freight Emission*. It focuses on the need for a partnership between rail and truck to optimize freight movement and make use of zero-emission technology. Intermodal/drayage is an early market segment of electrification if the two modes work together. Interim energy solutions such as renewable natural gas, renewable diesel, and green hydrogen may also keep vehicles moving on internal combustion engines, while concurrently reducing the impact of their emissions as technologies and regulations evolve.

23. Railway carloadings, October 2023

In October 2023, the volume of freight carried by Canadian railways amounted to 32.6 million tonnes, down 1.3% from October 2022 levels, marking the sixth straight month of year-over-year decline. Increases in loadings of potash and some energy products helped to offset a steep decline in grain shipments. Despite the overall decline, total freight carried approached the five-year average of 33.3 million tonnes for October 2023. To further explore current and historical data in an interactive format, please visit the "Monthly Railway Carloadings: Interactive Dashboard" on Statistics Canada website. The decline in total freight carried in October 2023 reflected a lower volume of domestic traffic, both non-intermodal loadings (mainly commodities) and intermodal loadings (mainly containers).

24. Can intermodal rail increase its market share by 25% by 2030?

A report from Supply Chain Ecology and commissioned by the Environmental Defense Fund looks on how intermodal rail can meaningfully gain market share. Despite U.S. intermodal containers traffic trending lower on a cumulative basis in 2023, intermodal rail is still a viable way to not only compete against the trucking market but also to support the long-term growth of the North American freight rail industry — provided that the industry and its stakeholders be willing to take some risks to ensure the success of rail, according to a report from consulting firm Supply Chain Ecology and commissioned by environmental group Environmental Defense Fund (EDF). The report indicates that the use short-line railroads will grow US network for intermodal. The report, *Decarbonizing Long Haul Freight: A study on intermodal rail as a viable option for freight decarbonization*, sought out a number of industry experts and came up with five recommendations: 1. Integrate short-line railroads into the Class I railroads' network via haulage agreements. 2. Develop more intermodal hubs, which can be used by short lines to enable more rail-to-truck transfers. 3. Utilize advancements in freight technology, including autonomous rail cars and technology that promotes improved traffic management. 4. Develop freight intelligence tools that enable shippers to see service reliability and costs-related data. 5. Update service standards via measures such as allowing the Surface Transportation Board to define the common carrier obligation.

25. Railroads urge border officials to reopen US-Mexico crossings

Railroads are calling for US Customs and Border Protection to reopen US-Mexico rail crossings at El Paso and Eagle Pass, Texas. The CBP temporarily closed the crossings on December 18, 2023 morning and is moving more personnel to the areas after "observing a recent resurgence of smuggling organizations moving migrants through Mexico via

freight trains,” according to a CBP statement on December 17, 2023. “The urgency of reopening these crossings and restoring rail service between the two nations cannot be overstated,” Ian Jefferies, president of the Association of America Railroads, said in a statement. Union Pacific Corp. operates trains at both crossings and BNSF Railway Co., a unit of Berkshire Hathaway Inc., moves trains through El Paso. The two carriers combined run 24 trains a day through the crossings that carry agriculture products, automotive parts, chemicals and other goods, the association said. Union Pacific said the crossings represent 45% of its operations between the US and Mexico, and that it doesn’t have enough capacity to reroute the train traffic. For every day the crossings are closed almost 4,500 rail cars are delayed, which has ripple effects across the network.

26. TSB: Railcar Structural Failure Led to 2019 CN Tunnel Derailment

The Transportation Safety Board of Canada (TSB) on Dec. 18 reported that structural failure of a bathtub gondola car led to the 2019 derailment of a CN train proceeding through the CN Paul M. Tellier Tunnel en route from Sarnia, Ontario, to Port Huron, Mich. At the time of the accident, “there was no industry or regulatory requirement to periodically conduct a full inspection of the car to ensure it maintained its structural integrity,” the TSB reported. “As a result, its structural integrity deteriorated and this was not identified. ...”

27. A Look Back at 2023

Despite its rough patches, 2023 was on balance a very good year for the rail industry. “In 2023, the freight rail industry celebrated its 194th year of operation, American Association of Railway noted. “The year witnessed substantial investments, totaling billions of dollars, aimed at elevating safety, enhancing service and advancing sustainability initiatives. Railroads expanded main line trackage, modernized infrastructure, diversified service offerings, grew intermodal yards, integrated AI into operations and continued exploring renewable energy solutions.”

28. Derailment, safety, partnerships among rail’s big issues in 2023

2023 seemed to kick off quietly for U.S. freight railroads: The industry had seen the resolution of the labor contract impasse between craft unions and U.S. Class I railroads in December 2022, while rail service was steadily improving after some struggles earlier in the year. However, the February derailment of a Norfolk Southern train in East Palestine, Ohio, brought an unanticipated and sometimes harsh spotlight on rail safety, with congressional lawmakers and other public officials scrutinizing the industry’s safety record and calling for reforms to bolster safety standards. Other unanticipated events, such as partnerships that arose in the intermodal space following the finalization of the merger between Canadian Pacific and Kansas City Southern, also played out throughout the year and some heated topics from 2023 are likely to carry into 2024. Here are some of the key events and happenings in the freight rail industry in 2023: 1. Government, general public raise concerns about rail safety. 2. Union and carriers reach agreement on sick leave agreement but other union concerns remain. 3. Final decision on reciprocal switching looms. 4. California Air Resources Board sees future in zero-emissions locomotive configurations. 5. Intermodal partnership follow CP-KCS merger.

29. AAR: North American Rail Volume Down Through Week 50

North American rail volume for the first 50 weeks of this year (ending Dec. 16) on 12 reporting U.S., Canadian and Mexican railroads came in at 32,902,626 carloads and intermodal containers and trailers. Cumulative volume in the U.S. was 23,511,642 carloads and intermodal units, down 2.8% from 2022; in Canada, 8,004,143 carloads and intermodal units, down 3.0%; and in Mexico, 1,386,841 carloads and intermodal units, up 2.3%. For the week ending Dec. 16, 2023, U.S. Class I railroads hauled a total of 502,583 carloads and intermodal units, rising 7.6% from the prior-year period, according to [AAR](#). This comprises 234,449 carloads, up 6.5% from 2022, and 268,134 containers and trailers, up 8.6% compared with last year. All of the ten group of commodities posted an increase for the week. For the week ending Dec. 16, 2023, Canadian railroads reported 97,399 carloads, up 4.3%, and 72,910 intermodal units, up 2.4% compared with the same point last year.

30. Minister of Transport announces proposed changes to the Transportation of Dangerous Goods Regulations to enhance safety for transportation of dangerous goods across Canada

On December 20, 2023, the Minister of Transport, Pablo Rodriguez, announced that Transport Canada is proposing to introduce changes to the *Transportation of Dangerous Goods Regulations*, which will further improve the safety of Canada’s transportation system and reduce the risk of accidents across the country. The proposed amendments to the Transportation of Dangerous Goods Regulations, are aimed at: 1. enhancing buffer car requirements; 2. strengthening emergency response assistance plan requirements for the transport of agricultural anhydrous ammonia on public roads; 3. aligning our regulations with other federal rules on transporting dangerous goods; 4. introducing new rules to match international codes; and 5. referencing and incorporating two new standards.

31. Maximum Grain Revenue Entitlements for Crop Year 2022–2023

In a determination issued on December 21, 2023, the Canadian Transportation Agency (CTA) ruled that revenues of both the Canadian National Railway Company (CN) and the Canadian Pacific Kansas City Railway Company (CPKC) were above their respective maximum grain revenue entitlements for the crop year 2022–2023. 1. CN’s grain revenue

of \$1,079,522,039 was \$3,457,939 above its entitlement of \$1,076,064,100. 2. CPKC's grain revenue of \$943,886,400 was \$3,369,407 above its entitlement of \$940,516,993. CN and CPKC now have 30 days to pay the amount they exceeded their 2022–2023 revenue entitlements, in addition to a five percent penalty of \$3,630,836 for CN and \$3,537,877 for CPKC. Regulations require these payments to go to the Western Grains Research Foundation. In the 2022–2023 crop year, 45,303,841 tonnes of Western grain were moved. This represents a 60 percent increase in volumes compared to the last crop year, which saw 28.4 million tonnes transported. The increase in the volume of grain was due mainly to improved growing conditions following the drought experienced in Western Canada during the 2021–2022 growing season.

32. RAC Releases Rail Trends 2023 Report

The 31st edition of the report is a compendium of Canadian rail data up to Dec. 30, 2022. Data is reported by **RAC** member companies, including Class I and short line railways, as well as tourist, intercity and commuter passenger railways. Highlights of *Rail Trends 2023* include: 1. “Railways invested \$2.4 billion to improve safety, efficiency, capacity, and supply chain fluidity. 2. “Railways paid a record \$2.2 billion in taxes to Canadian governments—supporting social programs we all rely on. 3. “Industry employment increased by 3.2% and average wages increased by 2.2% to \$104,443. 4. “Freight fuel efficiency improved to 711 revenue ton-miles per gallon—setting another consecutive record.” “Canada’s railways are pulling for Canada—and this report confirms that they are the backbone of our economy. Day in, day out, more than 35,000 dedicated railroaders work tirelessly to move more than \$380 billion dollars in goods and getting tens of millions of passengers where they need to be,” said RAC President and CEO Marc Brazeau, adding that “Canada’s freight railways continue to be standout supply chain performers, as the safest, most environmental, and reliable, all at virtually the lowest cost anywhere in the world.”

33. 25th Annual CPKC Holiday Train program raises a record \$1.8 million and collects more than 160,000 pounds of food in 2023

Canadian Pacific Kansas City (CPKC) on December 22, 2023 proudly announced that the 2023 CPKC Holiday Train program raised a record \$1.8 million and collected more than 160,000 pounds of food for local food banks and food programs in the United States and Canada over the last four weeks. Completing its 25th year, the CPKC Holiday Train has raised more than \$24.3 million and collected approximately 5.3 million pounds of food for community food banks in Canada and the United States since its inaugural journey back in 1999. Additionally, the CPKC Holiday Express train this year visited 20 communities in Louisiana, Texas and Mississippi raising US\$200,000 for the Salvation Army.

34. US-Mexico border railroad crossings reopen after five days

The US railroad crossings at the Mexico border have reopened after an influx of immigrants caused Customs and Border Protection to shut the international crossings for five days. The Biden administration acted in response to calls from the rail industry and shippers, the Association of American Railroads said Friday in a statement. The rail closings at El Paso and Eagle Pass in Texas had disrupted entire supply chains and crimped trade between the US and Mexico. “In the face of the unprecedented humanitarian crisis, CBP has been working under exceptionally difficult circumstances, but these ill-advised closures were a blunt force tool that did nothing to bolster law enforcement capacity,” said Ian Jefferies, chief executive officer of the AAR, in the statement. Union Pacific Corp. and BNSF Railway Co., a unit of Berkshire Hathaway Inc., move about 24 trains a day through the crossings carrying beer, grain, autos and auto parts, chemicals and other goods, the association said. “These crossings are critical gateways for international commerce, and the closures had real-world impacts for families, businesses, and our customers on both sides of the border,” Union Pacific said in a separate statement. “We will restore normal operations as quickly as possible as we work through the five-day backlog of shipments.” CBP announced that the crossings would reopen at 2 pm New York time, and explained in a statement why the influx of migrants forced them to transfer personnel from processing trains to helping their colleagues.

35. Transport Canada and Railway Association of Canada join forces to further reduce emissions in Canada’s rail transportation sector

On December 21, 2023, the Minister of Transport, Pablo Rodriguez, and the President and Chief Executive Officer of the Railway Association of Canada, Marc Brazeau, jointly announced a renewed Memorandum of Understanding (MOU). This MOU reflects a shared vision of working toward net-zero emissions by 2050 and builds upon the meaningful progress made to date by the Canadian rail sector. Transport Canada and Railway Association of Canada members will work together to: 1. advance low-carbon fuel use; 2. move more goods and people by rail where possible, and 3. accelerate the development of advanced net-zero solutions for locomotives. The renewed MOU enhances collaboration and information-sharing to address emerging challenges, to exchange best practices, and to encourage investments in innovation and new technologies. Canada’s railways have lowered emissions and proactively set science-based emissions targets. This work aligns with global climate objectives.

HIGHWAY TRANSPORTATION

1. Canada Cartage to acquire GTI Group, expand into U.S.

Canada Cartage has acquired Montreal-based GTI Group, moving into the U.S. market and potentially becoming a \$1-billion revenue company. GTI provides brokerage, transportation management, freight forwarding, drayage, intermodal, warehousing and oversize trucking services in Canada and the U.S. While financial details weren't disclosed, Canada Cartage said in a release it expects to generate more than \$1 billion in annual revenue with the addition of GTI. The acquisition marks Canada Cartage's first foray into the U.S. market, where GTI has offices in Houston, Texas, Des Moines, Iowa, and Franklin, Tenn.

2. For-hire Motor Carrier Freight Services Price Index, third quarter 2023

The For-hire Motor Carrier Freight Services Price Index (2021=100) is now available for the third quarter is available on Statistics Canada website. The truck index was 121 for the third quarter of 2023 arose from the second quarter of 2023 of 120.1 The index was down from the third quarter of 2022 of 126.0. The index for September 2023 was 121.7.

3. Feds open doors for foreign transport professionals

The first round of invitations for transport occupations through category-based selection in Canada's Express Entry program has taken place. This focus on candidates with experience in the transport sector—including commercial truck drivers, pilots and aircraft assembly workers—will help the sector attract the skilled talent it needs across the country. On May 31, Immigration, Refugees and Citizenship Canada announced changes to Express Entry through category-based selection. These changes will help address labour shortages by inviting candidates with specific work experience or French language ability to apply for permanent residence.

4. 30% of crash-related tows include predatory billing: ATRI

An American Transportation Research Institute (ATRI) study of carrier invoices has found that 30% of all crash-related tows in the U.S. include some form of predatory billing. The research — published in Causes and Countermeasures of Predatory Towing — involved examining carrier invoices from 2021 to 2023, and considered situations where towing and recovery (T&R) providers overcharge, illegally seize equipment, damage assets by using the wrong equipment, or withhold assets that should be released. Even if insurers pay the lion's share of such invoices, the costs are still passed on to carriers in the form of higher premiums. "Predatory towing is a costly issue for motor carriers as well as compliant towing companies, and it has been overlooked for too long," said Shawn R. Brown, Cargo Transporters' vice-president of safety, in a press release.

5. Forum Mobility announces new charging depot for electric drayage trucks in the Port of Long Beach

Forum Mobility, a leading freight electrification provider, announced a new heavy-duty truck charging depot in the Port of Long Beach. This new depot will provide high-speed charging infrastructure for hundreds of drayage trucks per day, supporting the transition of the state's drayage fleet to zero-emission. Forward thinking drayage carriers are already reserving chargers because of the strategic location, adjacent to terminals. "Forum is building dedicated infrastructure for heavy-duty trucks to transition from diesel to electricity. With the support of the Port of Long Beach, the FM Harbor depot will provide drayage truckers a turn-key solution to comply with California Air Resource Board regulations. At Forum Mobility facilities like this one, fleets can make the transition simply and without using their own capital," said Matt LeDucq, CEO and co-founder of Forum Mobility. "Forum is building a network of charging depots at the ports, along freight

HIGHWAY TRANSPORTATION

Canada

1. Canada Cartage to acquire GTI Group, expand into U.S., Nov 29, 2023, www.todaystrucking.ca
2. For-hire Motor Carrier Freight Services Price Index, third quarter 2023, November 30, 2023, www.statcan.gc.ca
3. Feds open doors for foreign transport professionals, November 30, 2023, www.insidelogistics.ca
4. 30% of crash-related tows include predatory billing: ATRI, November 30, 2023, www.todaystrucking.ca
5. Forum Mobility announces new charging depot for electric drayage trucks in the Port of Long Beach, November 30, 2023, www.ajot.com
6. Ontario Making Progress on Yonge North Subway Extension, December 1, 2023, www.mto.on.gc.ca
7. ATRI: 30% of US Crash-Related Truck Tows are Predatory, December 1, 2023, www.cantruck.ca
8. U.S. sees increased parking availability, a symptom of a slowing market, December 4, 2023, www.todaystrucking.ca
9. Biden-Harris Administration Awards \$110 Million in Grants to Improve Safety on America's Roadways by Preventing Deadly Wildlife-Vehicle Crashes, December 5, 2023, www.dot.gov
10. Kuehne +Nagel picks up Farrow, December 6, 2023, www.insidelogistics.ca
11. New Kicking Horse Canyon road opens, December 8, 2023, www.insidelogistics.ca
12. Torc Robotics teams up with Uber Freight, December 7, 2023, www.todaystrucking.ca
13. Car carrier class action suit settled, December 8, 2023, www.insidelogistics.ca
14. Truckers Want More Training for Future Drivers: TT Survey, December 8, 2023, www.ontruck.ca
15. Minister of Transport and Quebec Minister of Transport and Sustainable Mobility announce a joint investment in Outaouais roads, December 11, 2023, www.tc.gc.ca
16. Biden-Harris Administration Announces \$645 million to Help Meet Rural Transportation and Mobility Needs, December 12, 2023, www.dot.gov
17. Electric drayage vehicles, terminal tractors can make intermodal cleaner shipping option, December 12, 2023, www.todaystrucking.ca
18. U.S. Department of Transportation Announces New Rural Autonomous Vehicle Research Program, December 13, 2023, www.dot.gov
19. Biden-Harris Administration Investing in Hundreds of American Communities to Improve Safety and Prevent Roadway Deaths, December 13, 2023, www.dot.gov
20. Government of Canada issues call for proposals to support safer roads and highways, December 14, 2023, www.tc.gc.ca
21. Urban public transit, October 2023, December 14, 2023, www.statcan.gc.ca
22. The Top 10 trucking innovations of 2023, December 14, 2023, www.todaystrucking.ca
23. More investment needed to meet electric truck charging requirements, December 12, 2023,

corridors and near distribution centers to serve owner-operators and carriers of all sizes. " said Emmanuel Carrillo, Talon Chief Executive Officer.

6. Ontario Making Progress on Yonge North Subway Extension

The Ontario government is taking another step forward to get shovels in the ground on the Yonge North Subway Extension by issuing a Request for Proposals (RFP) for the contract to design and build the subway's tunnels. The Yonge North Subway Extension is one of Ontario's four priority subway projects for the Greater Toronto Area (GTA) and will deliver much-needed rapid transit between York Region and Toronto. The RFP release is the next critical step in our government's plan to extend subway service.

7. ATRI: 30% of US Crash-Related Truck Tows are Predatory

The American Transportation Research Institute (ATRI) found that 30% of all crash-related tows in the U.S. include some form of predatory billing. The research — published in an ATRI report titled Causes and Countermeasures of Predatory Towing — was based on carrier invoices and examined situations where towing and recovery providers overcharge, illegally seize equipment, damage assets by using the wrong equipment, or withhold assets that should be released, reports Trucknews.com. Even if insurers pay the lion's share of such invoices, the costs are still passed on to carriers in the form of higher premiums. "Predatory towing is a costly issue for motor carriers as well as compliant towing companies, and it has been overlooked for too long," said Shawn R. Brown, Cargo Transporters' vice-president of safety, in a press release.

8. U.S. sees increased parking availability, a symptom of a slowing market

More parking space is available in the U.S. now compared to two years ago, found Trucker Path, makers of an app that helps truckers find parking spots, in its recent survey. The national average for available parking spots in the U.S. has increased by almost 20% this year compared to late 2021. On average, surveyed truckers said there were 'many spaces' available 64% of the time at noon and 38% of the time at night. But in 2021, on average, more than half of the time truckers were not able to find a parking spot at night, and more than 16% could not park during the day. This suggest that the market is slowing down.

9. Biden-Harris Administration Awards \$110 Million in Grants to Improve Safety on America's Roadways by Preventing Deadly Wildlife-Vehicle Crashes

The U.S. Department of Transportation's Federal Highway Administration (FHWA) on December 5, 2023 announced \$110 million in grants for 19 wildlife crossing projects in 17 states, including four Indian Tribes. The funding is made possible by a new program in President Biden's Bipartisan Infrastructure Law (BIL) and can support projects that construct wildlife crossings over and below busy roads, add fencing, acquire tracking and mapping tools, and more. Overall, BIL makes a total of \$350 million available over five years under the Wildlife Crossings Pilot Program.

10. Kuehne +Nagel picks up Farrow

Kuehne+Nagel Group is buying Farrow. Farrow is one of the largest private and family-owned customs brokerage, trade consulting, and logistical services providers in North America. Completion of the transaction is expected in the first quarter of 2024, as the acquisition is subject to approval from applicable regulatory authorities. Farrow's company name, leadership team, and staff will remain intact under the leadership of chairman Rick Farrow. "We have been looking for just the right fit for the next step in our company's journey, and although many companies expressed interest, only one made sense – Kuehne+Nagel – as they are committed to upholding Farrow's legacy and doing right by its valued colleagues and clients," Farrow said.

11. New Kicking Horse Canyon road opens

People travelling the Trans-Canada Highway through the Kicking Horse Canyon are now using a wider, safer, four-lane divided highway, with the opening of the new westbound lanes through Phase 4 of the project. The opening of all four lanes on November 30, 2023, marked substantial completion of Phase 4 of the Kicking Horse Canyon project. The Kicking Horse Canyon, located just east of Golden, BC, is one of the most rugged and scenic sections to be found on the Trans-Canada Highway. As a tourist and commercial transportation corridor, the highway carries more than 10,000

www.insidelogistics.ca

24. Traffic Flow Dashboard, December 15, 2023,

www.statcan.gc.ca

25. Biden-Harris Administration Celebrates Opening of Nation's First NEVI-Funded EV Charging Stations in Ohio and New York, December 15, 2023, www.dot.gov

26. U.S. Department of Transportation announces \$88.3 million loan for Louisiana to build critical connector project, December 18, 2023, www.dot.gov

27. BC cracking down on truckers who hit infrastructure, December 15, 2023, www.insidelogistics.ca

28. Ontario Takes Next Step to Build the Eglinton Crosstown West Extension, December 15, 2023, www.mto.gov.on.ca

29. The Top 10 Canadian trucking issues of 2023, Dec. 18, 2023, www.insidelogistics.ca

30. Trucking Industry Invests \$14B in Safety: Study, December 15, 2023, www.ontruck.ca

31. ATA Truck Tonnage Index decreased 1% in November, December 19, 2023, www.ajot.com

32. Government freezes Confederation Bridge toll rates for 2024, December 21, 2023, www.todaystrucking.ca

33. Dealmakers expect M&A to ramp up in '24, even in 'uncertain' environment, December 21, 2023, www.todaystrucking.ca

34. Ontario Expands Highway 401 in Cambridge, December 22, 2023, www.mto.gov.on.ca

35. TTC Approves C\$2.6B 2024 Operating Budget, Dec. 22, 2023, www.railwavage.com

36. 2024 Trucking Outlook: Transpro Freight Systems, Dec. 26, 2023, www.insidelogistics.ca

37. Canadian trucker TFI to buy Daseke for \$1.1 billion, December 26, 2023, www.ajot.com

38. 2024 Trucking Outlook: Alchemist Specialty Carriers, December 28, 2023, www.todaystrucking.com

vehicles daily during the summer. While the mix varies by season, up to 30 percent of the traffic consists of commercial vehicles moving millions of dollars in goods to serve interprovincial and international trade.

12. Torc Robotics teams up with Uber Freight

Torc Robotics — an independent Daimler Truck subsidiary that’s developing autonomous vehicles —announced a strategic partnership with Uber Freight. Through this agreement, Torc will leverage Uber Freight’s logistics network, representing US\$18 billion in active freight under management and more than 100,000 digitally enabled carriers, to unlock insights and learnings regarding the future deployment of autonomous trucks. Uber Freight’s marketplace and insights will be used to inform Torc’s autonomous freight network design and expansion strategy, the companies say. These insights include which lanes are optimal for deployment, how to prioritize the rollout of lanes and various on-dock deliveries, balancing supply and demand across supply chains with autonomous trucks, and the management of autonomous loads with transfer hubs.

13. Car carrier class action suit settled

A \$7 million settlement has been reached in class action lawsuits in Ontario, Quebec and British Columbia with four companies that offer Vehicle Carrier Services. The four companies, Mitsui O.S.K., Ltd., Mitsui O.S.K. Shipping (U.S.A.), Inc., Nissan Motor Carrier Co. Ltd. and World Logistics Service (USA) Inc. (together the “Settling Defendants”) allegedly conspired with other defendants to the class action to fix, raise, maintain or stabilize prices of Vehicle Carrier Services in Canada between February 1, 1997 and December 31, 2012. These allegations have not been proven in Court, and the four companies have not admitted to any wrongdoing.

14. Truckers Want More Training for Future Drivers: TT Survey

Canadian truck drivers say they want to see new entrants to undergo substantially more training than they currently do, according to the monthly Pulse survey of [Today’s Trucking readers](#). Almost half expressed opinion that current mandatory entry-level training (MELT) requirements are not enough to improve the quality of entry-level truck drivers. Provinces have agreed to set minimum standards at 103.5 hours of driver training, and 8.5 hours for air brake endorsements, although several jurisdictions have set higher benchmarks. Saskatchewan and Alberta, for example, require 121.5 hours of training, and B.C. requires 140 hours. About three in every four (74%) respondents said the activities of newly licensed tractor-trailer drivers should be restricted by a graduated licensing system, and 82% said newly licensed tractor-trailer drivers should need to complete formal apprenticeships.

15. Minister of Transport and Quebec Minister of Transport and Sustainable Mobility announce a joint investment in Outaouais roads

On December 11, 2023, Canada’s Transport Minister and Quebec Lieutenant, Pablo Rodriguez, along with Geneviève Guilbault, Deputy Premier and Minister of Transport and Sustainable Mobility; Mathieu Lacombe, Minister of Culture and Communications, Minister Responsible for Youth and Minister responsible for the Outaouais region; Whip and MP for Gatineau, Steven MacKinnon, MP for Chapleau and Deputy House Leader, Mathieu Lévesque, MP for Pontiac, Sophie Chatel; and Suzanne Tremblay, Member of the National Assembly for Hull, announced a joint investment of \$70.4 million to support road projects in the Outaouais region. This funding is provided under the Agreement between the Government of Quebec and the National Capital Commission on Highway Improvements in the Quebec Area of the National Capital Region (Agreement). It will support the widening of Pink Road and the preparation and completion of the widening of La Vérendrye Boulevard.

16. Biden-Harris Administration Announces \$645 million to Help Meet Rural Transportation and Mobility Needs

On December 12, 2023, the U.S. Department of Transportation announced that the Biden-Harris Administration has awarded \$645.3 million from the Rural Surface Transportation Grant Program (Rural) to help communities around the United States complete transportation projects that will increase mobility, improve safety, and generate regional economic growth in rural areas. Rural roads face a disproportionately high rate of fatalities, and a significant proportion of rural roads and bridges are in poor condition. Today’s awards will improve the safety and reliability of movement of people and freight, as well as improve quality of life for rural residents, through investment in critical roads, bridges, and other transportation systems. The Rural Program represents a keystone of the Administration’s commitment to repairing and improving rural transportation systems. President Biden’s infrastructure law made more than \$44 billion available to help rural communities repair and improve their roads, bridges, airports, ports, and transit systems.

17. Electric drayage vehicles, terminal tractors can make intermodal cleaner shipping option

A new report from the North American Council for Freight Efficiency (NACFE) highlights opportunities to slash transportation emissions through the increased use of intermodal. Supplementing rail with zero-emission drayage vehicles and terminal tractors can make this mode even greener, the organization says. “Intermodal involves using a combination of transportation methods to get goods delivered,” says Rick Mihelic, NACFE’s director of emerging technologies and the lead author of the report. “However, a partnership between truck and rail is necessary to improve and optimize freight movement and to make use of zero-emission technology.” “This is an early market segment for

electrification,” adds Mike Roeth, NACFE’s executive director, “but it is more complicated and complex than it seems at first glance.” The report suggests that rail and trucking are intertwined freight segments that compete with, and complement, each other. But together truck and rail can reduce freight emissions significantly compared to longhaul shipping by truck.”

18. U.S. Department of Transportation Announces New Rural Autonomous Vehicle Research Program

On December 13, 2023, the U.S. Department of Transportation (U.S. DOT or the Department) announced a \$25 million funding opportunity for its Rural Autonomous Vehicle research program. Accredited universities are eligible to apply for this competitive, six-year cooperative agreement program. Recipients will use RAV program funding to conduct research regarding the benefits and responsible application of automated vehicles and associated mobility technologies in rural and Tribal communities. One \$15 million award will focus on passenger transportation, and a separate \$10 million award will focus on movement of freight to support and enable automated freight and delivery vehicles serving rural areas.

19. Biden-Harris Administration Investing in Hundreds of American Communities to Improve Safety and Prevent Roadway Deaths

On December 13, 2023, the U.S. Department of Transportation announced \$817 million from President Biden’s Bipartisan Infrastructure Law for 385 Safe Streets and Roads for All (SS4A) grants. The SS4A program grants go directly to regional, local, and Tribal communities for implementation, planning, and demonstration projects driven at the local level to improve safety and help prevent deaths and serious injuries on the nation’s roadways. The funding helps communities address roadway safety through a comprehensive approach that uses all types of interventions, which aligns with DOT’s National Roadway Safety Strategy. These funds will help tackle the preventable crisis of deaths on the nation’s roads through safer people, roads, and vehicles, appropriate vehicle speeds, and improved post-crash care. This first-of-its-kind program was created by the President’s infrastructure law and is a part of the more than \$14 billion in the law dedicated to roadway safety.

20. Government of Canada issues call for proposals to support safer roads and highways

On December 14, 2023, the Minister of Transport, Pablo Rodriguez, announced a new call for proposals under the Enhanced Road Safety Transfer Payment Program. The call is open to private sector enterprises, academia, safety organizations, non-governmental organizations, or other orders of government in Canada. There are three priority focus areas: 1. projects that address the leading causes of road collisions and fatalities, including impaired, distracted, and aggressive driving and excessive speed; 2. projects that provide opportunities to invest in initiatives that promote innovative design, testing, and integration of Connected and Automated Vehicles; and 3. projects that contribute to the education, training, testing, and enhancement of Advanced Driver Assistance Systems technologies.

21. Urban public transit, October 2023

In October 2023, Canada's urban transit ridership reached 136.0 million trips (up 16.3% or +19.1 million rides from October 2022), the highest monthly level since before the COVID-19 pandemic. Total ridership in October 2023 was over four-fifths (80.4%) of the pre-pandemic level from October 2019. Despite little change in Canada's employment during October 2023, public transit ridership reached its highest monthly total since the pandemic, but the recovery rate appears to have slowed since reaching 82.3% in September 2023.

22. The Top 10 trucking innovations of 2023

Sluggish freight volumes, rising costs, ongoing parts shortages and supply chain disruptions, and falling rates resulting from excess capacity defined the trucking industry in 2023. But if you’re looking for a more positive recap of the year that was, then you’ve come to the right place. Innovation was abundant in 2023. Technological advances are coming quickly, and many of them with the promise to address one of trucking’s most pressing challenges – decarbonization. Here we review the Top 10 trucking technologies that caught our eye in 2023. 1. Mack’s Truck-as-a-Service; 2. ZF’s electric motor, minus the rare earth metals; 3. Affordable wireless charging for EVs; 4. A smarter fifth wheel; 5. A smarter kingpin; 6. Preventing wheel-end fires; 7. Simplifying wheel-end installations; 8. Intelligent Emergency Road Dispatch; 9. A truck guard that costs less. 10. Cooler thematic from Thermo King.

23. More investment needed to meet electric truck charging requirements

Canada’s ambitious timelines to decarbonize the nation’s medium- and heavy-duty trucks is achievable, but will require the fast deployment of charging infrastructure and much more investment than has been allocated to date. So says a report from the Pembina Institute, in a report titled *Zero-emission MHDVs in Canada and required charging infrastructure*. The report recognizes the need to decarbonize the goods transport sector, as medium- and heavy-duty trucks account for 37% of overall transportation-related GHG emissions. The segment is expected to surpass the GHG output of smaller vehicles by 2030. Yet, the federal government’s investment in providing electric charging infrastructure for medium- and heavy-duty trucks lags what’s needed. The Pembina Institute says that to date, the feds have committed only \$1 billion of the \$5 billion needed to support the anticipated number of electric trucks on the road by 2030.

24. Traffic Flow Dashboard

Statistics Canada has launched the Traffic Flow Dashboard as a source of experimental statistics to provide information on the traffic flow on selected road segments in the cities of Calgary and Toronto.

25. Biden-Harris Administration Celebrates Opening of Nation's First NEVI-Funded EV Charging Stations in Ohio and New York

On December 15, 2023, the Biden-Harris Administration applauds Ohio and New York for opening America's first electric vehicle (EV) fast charging stations funded through the National Electric Vehicle Infrastructure (NEVI) Formula Program. A critical component of President Biden's Investing in America agenda, the Bipartisan Infrastructure Law invests \$5 billion over five years to create good-paying American jobs building out reliable EV charging infrastructure with locations at least every 50 miles on highways. Since President Biden took office, EV sales have tripled, private investment has grown exponentially, and the number of publicly available charging ports has grown by 70%. The momentum is putting America ahead of schedule to reach the Biden-Harris Administration's goal of building a national network of 500,000 public EV charging ports by 2030.

26. U.S. Department of Transportation announces \$88.3 million loan for Louisiana to build critical connector project

On December 18, 2023, the U.S. Department of Transportation announced that its Build America Bureau has provided a \$88.3 million loan to the Louisiana State Bond Commission for the benefit of the Louisiana Department of Transportation and Development (LADOTD) to build the LA 415 Connector, a new link between LA 1 and LA 415 at Interstate 10 (I-10) in the City of Port Allen in Baton Rouge Parish. By providing Transportation Infrastructure Finance and Innovation Act (TIFIA) and Railroad Rehabilitation & Improvement Financing (RRIF) loans and other financing, the Bureau helps communities expedite infrastructure projects and reduce project costs.

27. BC cracking down on truckers who hit infrastructure

BC is taking action is being taken to deter truckers from crashing into highway infrastructure. Trucking companies involved in infrastructure crashes will see stronger consequences that escalate for repeat offences. In cases where a company has a history of non-compliance, including previous infrastructure crashes, enforcement measures will become increasingly severe. This includes potential suspension and possible cancellation of a company's carrier safety certificate, essentially preventing their operation in B.C.

28. Ontario Takes Next Step to Build the Eglinton Crosstown West Extension

The Ontario government is awarding a contract to construct the elevated portion of the Eglinton Crosstown West Extension, marking a major milestone in the province's plan to deliver faster and better transit that connects communities from Toronto to Mississauga. The new extension will connect more people to jobs and rapid transit in Toronto and Mississauga.

29. The Top 10 Canadian trucking issues of 2023

It's been a year. And for many, 2023 was one to forget. After record rate increases, driver wage increases and freight availability in 2022, this past year reminded one that we work in a cyclical industry. But looking back on some of our top headlines of the past year and the themes that persisted through the year, there was also plenty to be excited about. The adoption of new technologies, the deployment of zero-emission trucks, heightened driver training standards, and the arrival of AI also rose to the forefront as more upbeat themes from 2023. Here's a list of the top ten stories that dominated news coverage over the past year: 1. Freight recession. 2. Driver Inc. 3. ELD mandate takes effect. 4. Yellow bankruptcy. 5. Municipal issues. 6. M&A deals. 7. Higher standards for training. 8. EV adoption accelerates. 9. Cybersecurity and fraud. 10. Artificial Intelligence.

30. Trucking Industry Invests \$14B in Safety: Study

The trucking industry in the US invests \$14 billion annually in technology, training and other expenditures to improve highway safety, The American Trucking Associations reports. "The trucking industry's highest commitment is to keep our roads, drivers and the entire motoring public safe," Chris Spear, president and CEO of ATA, said. "This report clearly demonstrates that safety isn't just a slogan for our industry, it is our mission. While others talk about their commitment to safety, the trucking industry is doing the work and investing in life-saving technology and training every day." According to ATA's Safety Spend Survey, the industry invested \$14 billion in 2022 — more than 40% higher than ATA's last survey conducted in 2015. ATA surveyed a variety of motor carriers — from fleets with just a few trucks to carriers with more than 10,000 power units on the road, running the full breadth of the industry. In total, companies responding to the survey accounted for almost 170,000 drivers and nearly 160,000 trucks.

31. ATA Truck Tonnage Index decreased 1% in November

American Trucking Associations' advanced seasonally adjusted (SA) For-Hire Truck Tonnage Index decreased 1% in November 2023 after increasing 0.8% in October 2023. In November 2023, the index equaled 113.7 (2015=100) compared with 114.9 in October 2023. "We continued to see a choppy 2023 for truck tonnage into November," said ATA Chief Economist Bob Costello. "It seems like every time freight improves, it takes a step back the following

month. While year-over-year comparisons are improving, unfortunately, the freight market remains in a recession. Looking ahead, with retail inventories falling, we should see less of a headwind for retail freight, but I'm also not expecting a surge in freight levels in the coming months." October's gain was revised down slightly from our November 21 press release. Compared with November 2022, the SA index fell 1.2%, which was the ninth straight year-over-year decrease. In October 2023, the index was down 2.4% from a year earlier.

32. Government freezes Confederation Bridge toll rates for 2024

Minister of Transport Pablo Rodriguez announced that the federal government is freezing tolls for a second year, at current rates, for the Confederation Bridge. The span links Prince Edward Island with the mainland province of New Brunswick. The bridge operator, Strait Crossing Bridge Limited (SCBL), will receive funding from Transport Canada to avoid increases in tolls related to high inflation. Freezing tolls will support bridge users, in particular P.E.I. residents and businesses who have been hit hard by high inflation, especially during a period of economic rebuilding and recovery, according to a news release.

33. Dealmakers expect M&A to ramp up in '24, even in 'uncertain' environment

When Charles Dickens wrote in *A Tale of Two Cities*, "It was the best of times, it was the worst of times," he could've been writing about the last two years in the trucking industry. He wasn't. But, he could've been. Trucking companies who enjoyed record profitability amid strong freight demand and limited capacity just one short year ago have seen their fortunes come crashing back to earth as a sudden tightening in freight availability coincided with an increase in capacity and rising costs to create a challenging environment in 2023. Margins were squeezed, profitability crushed, and spot market volumes evaporated. What a difference a year makes. Those conditions have merger and acquisition experts adapting to a new reality when trying to place valuations on businesses that are up for sale. This could see M&A activity increase.

34. Ontario Expands Highway 401 in Cambridge

The Ontario government has completed expansion of Highway 401 in Cambridge with eight kilometres of new lanes from Highway 8 to Townline Road now open. The additional lanes are part of the government's plan to reduce gridlock and keep goods and people moving across the Greater Golden Horseshoe. Prabmeet Sarkaria, Minister of Transportation said "Highway 401 is the busiest and most congested highway in North America with up to 150,000 vehicles travelling between Highway 8 and Townline Road every day."

35. TTC Approves C\$2.6B 2024 Operating Budget

The Toronto Transit Commission (TTC) Board on Dec. 20 approved a 2024 C\$2.6 billion (\$1.95 billion) operating budget that "freezes fares, continues to increase service, and invests millions of dollars in system safety and cleanliness." According to **TTC**, the C\$2.6 billion combines operating budgets for both conventional and Wheel-Trans services and represents a 7.5% increase over the approved 2023 budget.

36. 2024 Trucking Outlook: Transpro Freight Systems

As 2023 winds down Inside Logistics surveyed several Canadian fleet executives to find out what they feel 2024 has in store. The most likely path to a healthy freight market in 2024 is going to include capacity exiting the market. Exactly when this happens depends on the pain tolerance and bank account balances of those hurting the worst. "The market can remain irrational longer than you can remain solvent". If one sits and waits for better times, that could result in failure. To ensure success, one must adjust to life in the current market. One company has used this downturn to refine their processes for efficiency and to ensure quality. One must be fanatical about costs and only do what is profitable. When the market does improve a company will be more prepared to take advantage of every opportunity.

37. Canadian trucker TFI to buy Daseke for \$1.1 billion

TFI International Inc., a Canadian trucker that has been growing through acquisitions, agreed to purchase Daseke Inc. for \$1.1 billion including debt. TFI will pay \$8.30 a share in cash for Daseke, a Texas-based operator with 4,900 large trucks and 11,000 flatbed and specialized trailers, according to a statement released on December 22, 2023. That's a premium of 69% from the closing share price of the previous day. Prior to the announcement of the deal, Daseke's shares had fallen 48% over the past two years amid a prolonged freight recession. TFI said it will consider splitting into two publicly traded companies following the purchase of Daseke — one dedicated to long-haul trucking, known as truckload, and another with all its other trucking assets, including less-than-truckload. TFI became a large less-than-truckload carrier after purchasing the trucking unit of United Parcel Service Inc. in 2021 for \$800 million. It has been growing through such acquisitions, snapping up six trucking operations in 2023 alone prior to the Daseke deal, according to Bloomberg data.

38. 2024 Trucking Outlook: Alchemist Specialty Carriers

As 2023 winds down we surveyed several Canadian fleet executives to find out what they feel 2024 has in store. On December 28, 2023, *Today's Trucking* turned our attention to the west coast and ask Glen Parsons, owner of Alchemist Specialty Carriers what he sees in store in the year ahead. What is your outlook for freight and business conditions in the Canadian transportation sector in 2024? "If we are looking at all aspects of this industry I think we have a long road

ahead. Most of our industry is consumer-driven and I think spending has not been the same as in the past year and once we hit the January blues people will start to tighten their belts. Some of the interest rate issues, and higher cost of living has not hit us fully and once it does I think we will see a pullback in spending even more. I have spoken to some colleagues that I know and they have not seen the Christmas rush they have seen in the past, so that makes me feel we are in for some slow times ahead. Some of this industry that is not as consumer-driven will do better but it is still a drive to survive with pressures on rates and the overlap of additional equipment and high cost of borrowing we encountered over the last year. This part of the transportation and logistics industry should see a quicker return to stability since it is more resourced based and are hauling necessities not consumables that consumers require.”

GENERAL TRANSPORTATION

Canada

1. Biden-Harris Administration Announces \$1.5 Billion Available through the 2024 RAISE Grant Program

The U.S. Department of Transportation has published a Notice of Funding Opportunity (NOFO) for \$1.5 billion in grant funding through the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) discretionary grant program for 2024. The popular program helps communities around the country carry out projects with significant local or regional impact.

2. Message from the Chair for International Day of Persons with Disabilities - 2023

The International Day of Persons with Disabilities (IDPD) is marked every year on December 3rd, to promote the integration and access to economic, social and political life of persons with disabilities. This year’s theme, *Beyond the stigma: Building an inclusive Canada*, represents the kind of environment that we’re striving for, one where no one faces barriers or discrimination based on their abilities. Protecting the human right of persons with disabilities to an accessible transportation network is a core mandate of the Canadian Transportation Agency (CTA), one that the Chair and CEO, France Pegeot takes very seriously. France Pegeot wants to highlight some of my aspirations for accessible transportation, and how the CTA will continue to contribute to a Canada without barriers and to be a model accessible workplace. As a regulator and a tribunal, the CTA has played an important role in establishing and implementing Canada’s transportation accessibility regime, and in rendering decisions that have been pivotal in shaping accessible transportation services for Canadians. For additional details visit the Agency’s website.

3. Roundtable at COP28 to address logistics emissions

Pledge and Smart Freight Centre are hosting a round table in Dubai, UAE, during COP28, the United Nations climate conference, to bring together carriers, freight forwarders, and shippers to share best practices and exchange ideas that can help companies meet their net-zero targets. “The OECD has predicted that global logistics emissions are set to increase 42 percent by 2050 – the same year the Paris Agreement has tasked the EU to achieve net zero carbon,” said David de Picciotto, CEO and co-founder of Pledge, a provider of software that helps freight forwarders support their customers in meeting their sustainability goals. “If we’re going to meet this challenging goal, the industry needs to come together and collaborate.”

4. Canadian international trade in services, October 2023 and Canadian international merchandise trade, October 2023

Canada’s monthly international trade in services deficit narrowed from \$1.4 billion in September to \$1.3 billion in October. Overall, imports of services were down 0.5% to \$17.7 billion, while exports of services edged up 0.3% to \$16.4 billion. In October 2023, Canada’s merchandise imports fell 2.8%, while exports edged up 0.1%. As a result, Canada’s merchandise trade surplus with the world widened from \$1.1 b. in Sept. 2023 to \$3.0 billion in October 2023.

GENERAL TRANSPORTATION

Canada

1. Biden-Harris Administration Announces \$1.5 Billion Available through the 2024 RAISE Grant Program, November 30, 2023, www.dot.gov
2. Message from the Chair for International Day of Persons with Disabilities – 2023, December 1, 2023, www.cta-otc.gc.ca
3. Roundtable at COP28 to address logistics emissions, December 4, 2023, www.insidelogistics.ca
4. Canadian international trade in services, October 2023 and Canadian international merchandise trade, October 2023, December 6, 2023, www.statcan.gc.ca
5. US, Canada to form task force to get locomotive emissions to net zero, December 6, 2023, www.freightwaves.com
6. October 2023 Freight Transportation Services Index (TSI) Up 0.1% from the Previous Month and Down 0.9% from the Same Month Last Year, December 6, 2023, www.bts.gov
7. November 2023 U.S. Transportation Sector Unemployment (4.5%) Falls Below the November 2022 Level (4.6%) But Rises Above the Pre-Pandemic November 2019 Level (3.3%), December 8, 2023, www.bts.gov
8. More than 10% of Quebec’s labour could be on strike by next week, December 8, 2023, www.nationalpost.ca
9. Leading indicator of international arrivals to Canada, November 2023, December 11, 2023, www.statcan.gc.ca
10. Global trade to drop 5% this year amid geopolitical headwinds, December 12, 2023, www.ajot.com
11. Top US-Canada supply chain stories of 2023, December 15, 2023, www.freightwaves.com
12. Parliamentary Secretary to the Minister of Transport announces improvements to Canada’s supply chain by alleviating key corridor bottlenecks, December 20, 2023, www.tc.gc.ca
13. Biden-Harris Administration Opens Applications for Over \$9 Billion in Funding to Modernize Nation’s Bridges, December 20, 2023, www.dot.gov
14. Travel between Canada and other countries, October 2023, Dec. 21, 2023, www.statcan.gc.ca
15. Europe welcomes new world-class supercomputer, December 21, 2023, www.europa.eu
16. Mexico’s booming exports expected to boost cross-border trade in 2024, December 27, 2023, www.freightwaves.com

5. US, Canada to form task force to get locomotive emissions to net zero

Transportation leaders from the U.S. and Canadian governments have agreed to create a joint task force on reducing the railway sector's emissions to net zero. The U.S. and Canadian governments plan to work together to reduce the railway sector's greenhouse gas emissions via a task force that will explore accelerating the use of zero-emissions locomotive technologies, leaders from both countries announced at the COP28 United Nations climate change conference in Dubai. The Rail Decarbonization Task Force will have three goals, according to a December 6, 2023 joint statement from U.S. Energy Secretary Jennifer M. Granholm, U.S. Transportation Secretary Pete Buttigieg and Canadian Minister of Transport Pablo Rodriguez: 1. Establish a joint research agenda looking at integrating technologies such as battery-electric locomotives and hydrogen-powered locomotives. 2. Determine strategies to accelerate the use of zero-emission technologies so that the rail sector can achieve net-zero carbon emissions by 2050. 3. Collaborate on developing a U.S.-Canada rail sector net-zero climate model by 2025.

6. October 2023 Freight Transportation Services Index (TSI) Up 0.1% from the Previous Month and Down 0.9% from the Same Month Last Year

The Freight Transportation Services Index (TSI), which is based on the amount of freight carried by the for-hire transportation industry, rose 0.1% in October 2023 from September 2023, rising marginally after remaining at the same level for two consecutive months, according to the U.S. Department of Transportation's Bureau of Transportation Statistics' (BTS). From October 2022 to October 2023 the index fell 0.9%.

7. November 2023 U.S. Transportation Sector Unemployment (4.5%) Falls Below the November 2022 Level (4.6%) But Rises Above the Pre-Pandemic November 2019 Level (3.3%)

The unemployment rate in the U.S. transportation sector was 4.5% (not seasonally adjusted) in November 2023 according to Bureau of Labor Statistics (BLS). These data have been updated on the Bureau of Transportation Statistics' (BTS) Unemployment in Transportation dashboard. In November 2023, the transportation sector unemployment rate fell 0.1 percentage points from 4.6% in November 2022 but was above the pre-pandemic November 2019 level of 3.3%. Unemployment in the transportation sector reached its highest level during the COVID-19 pandemic (15.7%) in May 2020 and July 2020.

8. More than 10% of Quebec's labour could be on strike by next week

Quebec public-sector workers rallied in Montreal on Nov. 23, 2023, on the third day of a short-term planned job action by the Front Commun. On Dec. 8, 2023 the alliance of public sector unions started a seven-day strike. As many as 600,000 public workers are in position to go on strike in Quebec, leading to school closures and service disruptions in hospitals across Canada's second-most populous province. An alliance of unions representing 420,000 public sector workers in education, health care and social services already walked off the job December 8, 2023 morning, beginning a planned seven-day strike. It will be the longest walkout of provincial government workers Quebec has seen in 50 years if no agreement is reached to end it early.

9. Leading indicator of international arrivals to Canada, November 2023

In November 2023, the number of international arrivals to Canada, including non-resident trips and Canadian-resident return trips, increased from November 2022. However, when compared with pre-COVID-19 pandemic levels, the recovery rates of some indicators were trending down. The number of non-resident arrivals at Canadian airports equipped with electronic sensors totalled 504,100 in November 2023, up 19.5% from November 2022. Meanwhile, the number of Canadian-resident return trips from abroad reached 1.4 million, a 12.9% increase from November 2022. In November 2023, US residents took 783,500 trips to Canada through land ports with electronic sensors, up 18.2% from the same month in 2022. Moreover, the number of Canadian-resident return trips from the United States via the same land ports rose 22.9% year over year to 1.7 million trips in November 2023.

10. Global trade to drop 5% this year amid geopolitical headwinds

Global trade will decline in 2023 by about 5% from last year's record as high borrowing costs weigh on economies, US-China tensions redirect supply chains and more policies restricting cross-border commerce emerge, a UN agency said. The value of goods and services trade will reach \$30.7 trillion compared with \$32.2 trillion in 2022, according to the Geneva-based United Nations Conference on Trade and Development. A \$2 trillion, or 8%, slump in merchandise trade is the main reason. Services trade this year will increase by \$500 billion, or about 7%, from a year ago, UNCTAD said in a report Monday. Lower costs for goods affected by high inflation a year ago is also a reason for the decline. "Even though the value of traded goods decreased in 2023, the slightly positive trend in the volume of international trade suggests a resilient global demand for imported products," the report said. UNCTAD noted how countries aligned geopolitically are trading more with each other while those in disagreement are trading less bilaterally. That divergence among several issues clouding the outlook for next year, the agency said.

11. Top US-Canada supply chain stories of 2023

In 2023, the Canadian commercial transportation industry witnessed everything from strikes at ports in British Columbia to protests from truck drivers fighting for unpaid wages to one of the biggest railroad mergers in North

American history. With 2023 coming to an end, *FreightWaves* has compiled the five biggest stories that shaped the Canadian transportation industry this year. These stories are: 1. Canadian Pacific's \$31 billion acquisition of Kansas City Southern approved by regulators. 2. Dockworkers at Canada's West Coast ports launch strike. 3. Canadian trucking officials call for an end to Driver Inc. 'scam'. 4. Canadian cities create laws to crack down on illegal truck parking. 5. Canada adds millions in federal funding to train, recruit new truckers.

12. Parliamentary Secretary to the Minister of Transport announces improvements to Canada's supply chain by alleviating key corridor bottlenecks

On December 20, 2023, on behalf of the Minister of Transport, Pablo Rodriguez, Vance Badawey, Parliamentary Secretary to the Minister of Transport and Member of Parliament for Niagara Centre, announced an investment of over \$12 million through the National Trade Corridors Fund. The six projects that received funding will improve Canadian supply chain efficiency by alleviating bottlenecks in key corridors. The Government of Canada will contribute up to: 1. \$5 million to the Buffalo and Fort Erie Public Bridge Authority to install non-intrusive inspection technologies for commercial vehicles that will facilitate more efficient processing and reduced wait-times for trucks entering the U.S. 2. \$4.2 million to the St. John's Port Authority for the wharf redevelopment at Pier 20 West and Pier 21 to address the growing demand for servicing inshore fishing vessels. 3. \$2 million to BlueNode Inc. to introduce an artificial intelligence platform that will improve supply chain visibility at Canadian ports and support greater collaboration among supply chain players through intermodal interfaces. 4. \$675,000 to the Province of British Columbia to conduct a study of the Moray Bridge to improve the efficient movement of goods and people, increase the capacity and reliability of transportation and trade networks and address the projected impacts of climate change on key infrastructure. 5. \$75,000 to the Corporation of the City of North Bay to conduct a feasibility study to identify and assess the options available to enhance the capacity of North Bay's trade corridor. 6. \$74,500 to the City of Toronto's Economic Development Program to assess the condition of old dockwalls at the Port of Toronto, resulting in a work plan to repair and upgrade the dockwalls to modern standards.

13. Biden-Harris Administration Opens Applications for Over \$9 Billion in Funding to Modernize Nation's Bridges

The U.S. Department of Transportation's Federal Highway Administration (FHWA) announced on December 20, 2023 that it has opened applications for \$9.7 billion in multi-year funding, which was announced in September 2023, to improve the nation's bridges through the competitive Bridge Investment Program's "Planning" and "Bridge Project" categories, which fund bridge planning, repair and replacement projects under \$100 million.

14. Travel between Canada and other countries, October 2023

In October 2023, the number of non-resident visitors to Canada accounted for 88.3% of the number observed in October 2019, before the COVID-19 pandemic. Meanwhile, the number of returning Canadian residents reached 90.8% of the level recorded in October 2019. Residents of overseas countries took 509,800 trips to Canada in October 2023, and US residents took 1.6 million trips. At the same time, Canadian residents returned from 3.9 million trips abroad. Although the cruise ship season in Canada has come to an end, cruise vacations recorded another monthly high with 162,100 total arrivals in Canada by cruise ships in October 2023. To further explore current and historical data in an interactive format, please visit the [Frontier Counts: Interactive Dashboard](#).

15. Europe welcomes new world-class supercomputer

A supercomputer that can make 314 million billion calculations per second has been inaugurated at the Barcelona Supercomputing Center, Spain. Owned by the European High Performance Computing Joint Undertaking, MareNostrum 5 is also the greenest supercomputer in Europe. MareNostrum 5 is a pre-exascale supercomputer based on the Bull Sequana XH3000 solution supplied by Eviden and Lenovo ThinkSystem architectures with a peak performance of 314 Petaflops, or 314 million billion calculations per second. The system is hosted and operated by the Barcelona Supercomputing Center.

16. Mexico's booming exports expected to boost cross-border trade in 2024

As more global supply chains shift manufacturing to Mexico, cross-border operators said nearshoring will be a key economic driver for the North American freight economy in 2024. Nearshoring — the relocation of production and manufacturing operations from one country to another to be closer to end consumers — has fueled manufacturing growth across Mexico as shippers look for supply chains that are closer, cheaper and more favorable to doing business with the U.S. One of the largest nearshoring projects headed to Mexico will be Tesla's \$5 billion automotive factory in Monterrey, which is scheduled to be completed within the next two years. The increased focus on bringing supply chains back to North America helped Mexico replace China as the top U.S. trading partner in 2023. Mexico has been the top U.S. trading partner since the beginning of the year, reporting \$656 billion in two-way trade from January through November, according to the U.S. Census Bureau. US-Mexico freight volume is expected to increase next year, experts predict as foreign investment is still pouring into Mexico