

# Transportation Information Update\*

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Editor: Joseph Monteiro\*

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Associate Editor: Gerald Robertson\*

## AIR TRANSPORTATION

### 1. Government of Canada announces funding to improve international connections at Halifax Stanfield International Airport

On June 26, 2024, the Minister of Housing, Infrastructure and Communities, Sean Fraser, on behalf of the Minister of Transport, Pablo Rodriguez, announced a new investment of up to \$8.3 million for a project at Halifax Stanfield International Airport, to increase the number of international and domestic passenger flights. The project consists of building a new international connections facility at Halifax Stanfield International Airport.

### 2. Canada's WestJet cancels more flights as strike roils travel

Canada's WestJet Airlines Ltd. said it was awaiting urgent assistance from the government as a mechanics strike stretched on for a third day, forcing the cancellation of hundreds of flights over the busy Canada Day holiday weekend. More than 800 total flights have been canceled since Friday, June 28, 2024 disrupting travel for thousands of people. The federal government stepped in on June 27, 2024 to prevent a strike by the Aircraft Mechanics Fraternal Association, with Labor Minister Seamus O'Regan directing the Canada Industrial Relations Board to impose final binding arbitration to resolve issues between WestJet and the union over labor talks. WestJet is controlled by Toronto-based private equity firm Onex Corp. Despite the effort, the mechanics started striking Friday at 7:30 p.m. Toronto time, with the union citing a June 28 decision by the industrial relations board for permitting the labor action. "We continue to hold our view that the current strike serves no purpose other than to inflict maximum damage to our airline and the country," the airline's president, Diederik Pen, said in a statement on Sunday.

### 3. WestJet confirms end to AMFA strike

WestJet confirms that as of June 30, 2024 at 10:30 p.m. MT, the Aircraft Mechanics Fraternal Association (AMFA) are withdrawing their strike action. AMFA members will return to work as scheduled to immediately start work to restore the network. The airline and AMFA resumed talks earlier on June 30, for the first time since Thursday, June 27, despite a stalemate on the intent of the Minister's order for binding arbitration. They did so to reach a tentative agreement and prevent further damage to the Canadian public.

### 4. Biden-Harris Administration Announces \$123 Million in Grants to Improve Airports

The U.S. Department of Transportation's Federal Aviation Administration (FAA) on June 28, 2024 announced more than \$123 million for airfield, safety and other improvement projects at 235 airports in 35 states and the District of Columbia. "The Biden-Harris Administration continues to make our aviation system safer, more accessible, and more resilient through initiatives like the Airport Improvement Program," said U.S. Transportation Secretary Pete Buttigieg. "The grants we're announcing today will help modernize hundreds of airports across the country and better meet the current and future demands of the flying public."

## AIR TRANSPORTATION Canada

1. Government of Canada announces funding to improve international connections at Halifax Stanfield International Airport, June 26, 2024, [www.tc.gc.ca](http://www.tc.gc.ca)
2. Canada's WestJet cancels more flights as strike roils travel, June 30, 2024, [www.ajot.com](http://www.ajot.com)
3. WestJet confirms end to AMFA strike, June 30, 2024, [www.westjet.ca](http://www.westjet.ca)
4. Biden-Harris Administration Announces \$123 Million in Grants to Improve Airports, June 28, 2024, [www.dot.gov](http://www.dot.gov)
5. INVESTING IN AMERICA: Biden-Harris Administration Announces Major Airport Investments Amid Record-Breaking Air Travel Season, July 1, 2024, [www.dot.gov](http://www.dot.gov)
6. Strong Air Cargo Demand Continues in May, July 2, 2024, [www.iata.org](http://www.iata.org)
7. Air Canada To Receive Eight Boeing 737-8 Aircraft, July 2, 2024, [www.aircanada.ca](http://www.aircanada.ca)
8. 'Frustration takes over': How arbitration plans went awry in WestJet mechanics strike, July 2, 2024, [www.financialpost.ca](http://www.financialpost.ca)
9. Summer Travel 2024: Record Air Travel, Fewer Cancellations, Better Airports, More Passenger Protections, July 2, 2024, [www.dot.gov](http://www.dot.gov)
10. Passenger Demand Up 10.7% in May, July 3, 2024, [www.iata.org](http://www.iata.org)
11. Short sellers target Air Canada as costs rise, travel demand weakens, July 4, 2024, [www.ajot.com](http://www.ajot.com)
12. Airport activity, 2023, July 4, 2024, [www.statcan.gc.ca](http://www.statcan.gc.ca)
13. IATA and ASF to Develop Standard Cabin Waste Composition Audit Program, July 4, 2024, [www.iata.org](http://www.iata.org)
14. Boeing to plead guilty to avoid trial over fatal 737 Max crashes, July 5, 2024, [www.cargonews.com](http://www.cargonews.com)
15. Aeroplan marks 40th Anniversary by Rolling out our Biggest-Ever Points Giveaway and 10 days of Exciting Member Offers, July 8, 2024, [www.aircanada.ca](http://www.aircanada.ca)
16. Global volumes rise again in June as market indicates a 'hot Q4' for air cargo rates, July 8, 2024, [www.ajot.com](http://www.ajot.com)
17. WestJet Cargo launches Campus'Air, July 9, 2024, [www.westjet.ca](http://www.westjet.ca)
18. Air cargo demand and rates hit new high, July 11, 2024, [www.insidelogistics.ca](http://www.insidelogistics.ca)
19. U.S. Airlines' May 2024 Fuel Cost per Gallon down 3.8% from April 2024; Aviation

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

## 5. INVESTING IN AMERICA: Biden-Harris Administration Announces Major Airport Investments Amid Record-Breaking Air Travel Season

On July 1, 2024, The U.S. Department of Transportation's Federal Aviation Administration (FAA) is announcing a seventh round of Airport Infrastructure Grants (AIG) totalling \$289 million to 129 airports across 40 states, improving the safety and efficiency of air travel. The projects are funded under President Biden's Bipartisan Infrastructure Law's AIG program, part of the \$25 billion in total funding for airport improvements such as terminal expansions, baggage system upgrades, runway safety enhancements, and air traffic infrastructure improvements.

## 6. Strong Air Cargo Demand Continues in May

The International Air Transport Association (IATA) released data for May 2024 global air cargo markets showing continuing strong annual growth in demand. Total demand, measured in cargo tonne-kilometers (CTKs), rose by 14.7% compared to May 2023 levels (15.5% for international operations). This is the sixth consecutive month of double-digit year-on-year growth. Capacity, measured in available cargo tonne-kilometers (ACTKs), increased by 6.7% compared to May 2023 (10.2% for international operations). "Air cargo demand moved sharply upwards in May across all regions. The sector benefitted from trade growth, booming e-commerce and capacity constraints on maritime shipping. The outlook remains largely positive with purchasing managers showing expectations for future growth. Some dampening, however, could come as the US imposes stricter conditions on e-commerce deliveries from China. Increased costs and transit times for shipments under \$800 may deter US consumers and pose significant challenges for growth on the Asia-North America trade lane—the world's biggest," said Willie Walsh, IATA Director General.

## 7. Air Canada To Receive Eight Boeing 737-8 Aircraft

Air Canada announced on July 2, 2024 an agreement with BOC Aviation Limited ("BOC Aviation") for the placement of eight Boeing 737-8 aircraft. Michael Rousseau, President and Chief Executive Officer of Air Canada said "We look forward to these aircraft entering into service next year, upon the completion of some required modifications. These eight, brand-new, fuel- and cost-efficient 737-8s will provide more fleet flexibility and additional capacity while supporting one of our sustainability goals of mitigating emissions." The eight aircraft are scheduled for delivery in 2024 and will undergo required modifications before entering service in 2025. The aircraft will initially operate with a single Economy class layout until they are reconfigured to fully match the onboard experience our customers enjoy in Air Canada's narrow-body, two-cabin standard at a later date. All eight aircraft will be powered by CFM LEAP-1B engines.

## 8. 'Frustration takes over': How arbitration plans went awry in WestJet mechanics strike

Arbitration doesn't typically spur a strike. If anything, the reverse occurs. But on Thursday, June 27, 2024, a directive for binding arbitration from Labour Minister Seamus O'Regan was met with job action by WestJet Airlines Ltd. plane mechanics just one day after it was issued, catching the airline and the government off guard and marking a turbulent start to one of the busiest travel weekends of the summer. The work stoppage, which ended late Sunday night, raises questions about a dispute resolution process that pushed tensions to the breaking point and how consumers should respond to the threat of an airline strike. Given the minister's broad authority "to secure industrial peace" under the Canada Labour Code, O'Regan had the power to bar a strike in a directive to the country's labour tribunal that imposes binding

Fuel Consumption up 4.0% from Pre-Pandemic May 2019, July 9, 2024, [www.bts.gov](http://www.bts.gov)

20. WestJet and AMFA agreement ratified, July 12, 2024, [www.westjet.ca](http://www.westjet.ca)

21. Statement on Dutch Supreme Court Decision Concerning Schiphol Airport, July 12, 2024, [www.iata.org](http://www.iata.org)

22. Statscan says airfares continue to rise from last year – and soar above pre-pandemic levels, July 16, 2024, [www.globeandmail.ca](http://www.globeandmail.ca)

23. Investors bet against airlines despite summer travel boom, July 16, 2024, [www.financialpost.ca](http://www.financialpost.ca)

24. Accessible Transportation for Persons with Disabilities Regulations, July 17, 2024, [www.cta-otc.gc.ca](http://www.cta-otc.gc.ca)

25. Air Canada Foundation Launches 2023 Impact Report Detailing Programs and Partnerships in Support of, July 17, 2024, [www.aircanada.ca](http://www.aircanada.ca)

26. Air Canada's Best and Complete Content Now Available Through Sabre NDC, July 17, 2024, [www.aircanada.ca](http://www.aircanada.ca)

27. New Air Canada Paris 2024 Spot Celebrates How One Canadian Dream Can Inspire Another, July 17, 2024, [www.aircanada.ca](http://www.aircanada.ca)

28. Air Travel Consumer Report: April 2024 Numbers, July 18, 2024, [www.dot.gov](http://www.dot.gov)

29. WestJet service update: Crowstrike outage, July 19, 2024, [www.westjet.ca](http://www.westjet.ca)

30. Air Canada Provides Second Quarter 2024 Preliminary Results and Updates Full Year 2024 Guidance, July 22, 2024, [www.aircanada.ca](http://www.aircanada.ca); and Air Canada cuts 2024

core profit forecast as over-capacity impacts prices, July 22, 2024, [www.globeandmail.ca](http://www.globeandmail.ca)

31. Boeing sees 20-year commercial jetliner market almost doubling, July 21, 2024, [www.ajot.com](http://www.ajot.com)

32. CrowdStrike, Microsoft continue to address global IT outage, July 22, 2024, [www.insidelogistics.ca](http://www.insidelogistics.ca)

33. The WestJet Group unveils expansive winter schedule, enhancing connectivity across Canada to sun and beyond, July 22, 2024, [www.westjet.ca](http://www.westjet.ca)

34. Commission publishes new guidelines for more clarity on air passenger rights, July 22, 2024, [www.europa.eu](http://www.europa.eu)

35. WestJet and TELUS form partnership to revolutionize guest experience, including free inflight Wi-Fi, delivered by Starlink, July 24, 2024, [www.westjet.ca](http://www.westjet.ca)

36. Air Canada joins the Cadence team for the HFR project, July 24, 2024, [www.aircanada.ca](http://www.aircanada.ca)

37. Cargojet retains Quality Standard Accreditation, July 24, 2024, [www.insidelogistics.ca](http://www.insidelogistics.ca)

38. Air Canada Brings Canadian Fans Together to Celebrate The Country's Best at Paris 2024 Olympic and Paralympic Games, July 25, 2024, [www.aircanada.ca](http://www.aircanada.ca)

39. WestJet announces new daily service between Kelowna and Seattle beginning this winter, July 26, 2024, [www.ajot.com](http://www.ajot.com)

40. Minister Rodriguez and Minister

arbitration, said a union official and aviation experts. In their public statements last week, both the airline and the federal government seemed to presume a strike was off the table after the order, but a ruling Friday by the Canada Industrial Relations Board said the union's 680 WestJet workers could still walk off the job because the directive had not explicitly suspended that right. The decision forced WestJet to call off more than 1,100 flights affecting roughly 150,000 travellers — many of whom received less than a day's notice — according to figures from the Calgary-based company and tracking service FlightAware.

### **9. Summer Travel 2024: Record Air Travel, Fewer Cancellations, Better Airports, More Passenger Protections**

passengers when owed. 2. Created a new rule to protect consumers from costly surprise airline junk fees. 3. Launched the flightrightsgov dashboard. 4. Secured nearly \$4 billion in refunds and reimbursements owed to airline passengers. 5. Issued nearly \$170 million in penalties against airlines for consumer protection violations. 6. Set up a system to expand the Department's capacity to review air travel service complaints.

### **10. Passenger Demand Up 10.7% in May**

The International Air Transport Association (IATA) released data for May 2024 global passenger demand with the following highlights: **Total demand**, measured in revenue passenger kilometers (RPKs), was up 10.7% compared to May 2023. Total capacity, measured in available seat kilometers (ASK), was up 8.5% year-on-year. The May load factor was 83.4% (+1.7ppt compared to May 2023), a record high for May. **International demand** rose 14.6% compared to May 2023. Capacity was up 14.1% year-on-year and the load factor improved to 82.8% (+0.3ppt on May 2023). **Domestic demand** rose 4.7% compared to May 2023; capacity was up 0.1% year-on-year and the load factor was 84.5% (+3.8ppt compared to May 2023). "Strong demand for travel continues with airlines...."

### **11. Short sellers target Air Canada as costs rise, travel demand weakens**

Short sellers are targeting Canada's biggest publicly traded airline as investors expect rising operational costs and weaker post-pandemic consumer demand to weigh on growth. Air Canada's short interest as a percentage of float — a metric that measures how many traders sold shares compared to the total amount of stock available to trade — stood at nearly 19% in early July 2024, according to financial data firm S3 Partners LLC. This is more than double the 7.4% rate a year earlier, signaling that investors expect shares to come under further pressure as Canadians allocate more of their pay to cover higher costs of living. It's also the highest rate recorded since December 2021 when additional COVID-19 travel restrictions were imposed, sending the rate to nearly 21%. Shares of the Canadian airline operator are trading 4.7% lower this year as economic and industry headwinds have taken their toll. The stock is also trading far below its pre-pandemic range, hitting a high of around C\$50.05 (\$36.74) in November 2019.

### **12. Airport activity, 2023**

In 2023, the number of passengers enplaned and deplaned at Canadian airports increased to 150.7 million. This number was 26.8% above that recorded in 2022 and represented 92.5% of the 2019 level, prior to the COVID-19 pandemic. Canada's largest airports saw similar gains in passenger traffic in 2023, with Toronto/Lester B. Pearson International, Vancouver International, Montréal/Pierre Elliott Trudeau International and Calgary International each reporting at least a 24% increase from 2022. Passengers returned to the skies in 2023, the first full year since 2019 without any pandemic-related government travel restrictions in place. This reflected an easing of both pandemic-induced labour and supply challenges, allowing the passenger airline industry to meet the growing demand for travel.

### **13. IATA and ASF to Develop Standard Cabin Waste Composition Audit Program**

The International Air Transport Association (IATA) is collaborating with the Aviation Sustainability Forum (ASF) to launch a standardized Cabin Waste Composition Audit (CWCA), with the ASF Cabin Waste Composition Auditing Platform to be launched in September 2024. CWCA audits have already been trialed in two waves, covering 25 flights (short, medium, and long-haul) at Singapore's Changi Airport in November 2023 and April 2024. ASF conducted the audits based on a methodology developed by IATA. Preliminary results indicate that the sector is generating over 3.6 million metric tonnes of cabin and catering waste annually, with 65% being food and beverage waste. Untouched meals account for 18% of all waste.

### **14. Boeing to plead guilty to avoid trial over fatal 737 Max crashes**

Boeing has agreed to plead guilty to fraud to avoid going on trial in the United States on charges stemming from two fatal crashes involving its 737 Max. Under the plea deal, Boeing would pay a fine of \$243.6m and be required to invest at least \$455m in its compliance and safety programmes, the US Department of Justice. "We can confirm that

Champagne promote Canada at the Farnborough International Airshow in the United Kingdom, July 24, 2024, [www.tc.gc.ca](http://www.tc.gc.ca)

41. Aircraft movement and civil aviation statistics, May 2024, July 25, 2024, [www.statcan.gc.ca](http://www.statcan.gc.ca)

42. Porter Airlines inaugurates new nonstop routes connecting Montreal and California, July 27, 2024, [www.flyporter.com](http://www.flyporter.com)

43. Biden-Harris Administration Announces More Than \$374 Million in Grants to Improve Airports, July 26, 2024, [www.dot.gov](http://www.dot.gov)

44. Competition Bureau officially launches study of competition in Canada's airlines industry, July 29, 2024, [www.competitionbureau.gc.ca](http://www.competitionbureau.gc.ca)

45. WestJet and Air North, Yukon's airline, announce interline agreement to bring critical air access to Canada's most remote communities, July 29, 2024, [www.westjet.ca](http://www.westjet.ca)

*we have reached an agreement in principle on terms of a resolution with the Justice Department, subject to the memorialisation and approval of specific terms," Boeing said in a statement.*

#### **15. Aeroplan marks 40th Anniversary by Rolling out our Biggest-Ever Points Giveaway and 10 days of Exciting Member Offers**

Aeroplan, Canada's leading travel loyalty program, is marking its 40th birthday with a special Aeroplan-niversary celebration and as special guests of honour, Aeroplan's 8 million+ members are being given a chance to win 1 of 40 prizes of 1 million Aeroplan points each, in addition to enjoying 10 days of exclusive offers to save big and earn more.

Aeroplan's 8 million+ members are being given a chance to win 1 of 40 prizes of 1 million Aeroplan points each, in addition to enjoying 10 days of exclusive offers to save big and earn more. "Thanks to our members, Aeroplan has become one of the best travel loyalty programs globally. To celebrate this achievement, we're excited to team up with our premier travel and everyday partners who help our members tap into their full earning and redemption potential across a wide range of flights, hotel stays and everyday purchases," said Scott O'Leary, Vice President, Loyalty and Product at Air Canada. "Whether a member for 1 year or for 40, our members can earn more points faster and can travel to more than 1,300+ destinations worldwide. Cheers to the next 40 years!"

#### **16. Global volumes rise again in June as market indicates a 'hot Q4' for air cargo rates**

The global air cargo market is heading towards a 'hot Q4' of rate increases after a sixth straight month of double-digit growth in June 2024, with a warning that shippers and forwarders ill-prepared for this year's peak season may find themselves 'at the mercy of the market,' according to the latest analysis by *Xeneta*. Demand in June 2024, measured in chargeable weight, was +13% year-on-year, continuing the upward trend seen throughout the first half of 2024. In contrast, cargo supply grew at its slowest pace in 2024, edging up only +3% year-on-year. As a result, the global air cargo dynamic load factor - *Xeneta's* measurement of capacity utilisation based on volume and weight of cargo flown alongside available capacity - increased by +4% pts year-on-year. While June's data, alongside previous months of annual growth, must be balanced against the weak comparison seen in the corresponding months of 2023, market players are now busy strategizing on the best ways to navigate the financial challenges and opportunities expected to present themselves in Q4.

#### **17. WestJet Cargo launches Campus'Air**

WestJet Cargo has launched its new Campus'Air service, designed to provide students and university staff with cost-effective shipping solutions for their personal effects. This initiative broadens WestJet Cargo's portfolio of services by specifically catering to the unique needs of the academic community, further enhancing its comprehensive shipping solutions. Campus'Air is part of WestJet Cargo's ongoing commitment to investing in the community and paving a brighter future for Canada. Under the Campus'Air program, students and employees of select Canadian universities will receive a 50 per cent discount on published freight rates applicable to domestic shipments of personal effects. This significant discount ensures that the service remains accessible and economical, helping students and faculty staff manage their shipping needs with ease.

#### **18. Air cargo demand and rates hit new high**

The global air cargo market is heading towards a "hot Q4" of rate increases after a sixth straight month of double-digit growth in June 2024, according to the latest analysis by *Xeneta*. *Xeneta's* report comes with a warning that shippers and forwarders ill-prepared for this year's peak season may find themselves "at the mercy of the market." Demand in June 2024, measured in chargeable weight, was up 13 per cent year-on-year, continuing the upward trend seen throughout the first half of 2024. In contrast, cargo supply grew at its slowest pace in 2024, edging up only three per cent year-on-year. As a result, the global air cargo dynamic load factor – *Xeneta's* measurement of capacity utilization based on volume and weight of cargo flown alongside available capacity – increased by four per cent year-on-year.

#### **19. U.S. Airlines' May 2024 Fuel Cost per Gallon down 3.8% from April 2024; Aviation Fuel Consumption up 4.0% from Pre-Pandemic May 2019**

The Department of Transportation's Bureau of Transportation Statistics (BTS) on July 9, 2024 released U.S. airlines' May 2024 fuel cost and consumption numbers indicating U.S. scheduled service airlines used 1.646 billion gallons of fuel, 5.1% more fuel than in April 2024 (1.567 billion gallons) and 4.0% more than in pre-pandemic May 2019. The cost per gallon of fuel in May 2024 (\$2.65) was down 10 cents (3.8%) from April 2024 (\$2.75) and up \$0.53 (25.2%) from May 2019. Total May 2024 fuel expenditure (\$4.36B) was up 1.1% from April 2024 (\$4.31B) and up 30.2% from pre-pandemic May 2019. Year-over-year changes in fuel consumption and cost for May 2024 includes a 4.7% increase in domestic fuel consumption, a 13.1% increase in domestic fuel cost, and an 8.0% increase in cost per gallon. Domestic fuel consumption increased 4.4% from April 2024 to May 2024, while increasing 4.2% from May 2019. Increased fuel consumption reflects an increase in airline passenger travel over the same period.

#### **20. WestJet and AMFA agreement ratified**

On July 12, 2024, the first collective bargaining agreement between WestJet and the Aircraft Mechanics Fraternal Association (AMFA), the certified union representing WestJet Aircraft Maintenance Engineers and other Technical

Operations employees was ratified. “Reaching this milestone is good news for our organization and our guests, solidifying a five-year agreement that provides stability to our business and reflects the instrumental value and contributions of our Aircraft Maintenance Engineers and other Technical Operations employees,” said Diederik Pen, President of WestJet Airlines and Group Chief Operating Officer. “While we are grateful to have achieved resolution with a clear path forward together as a unified team, we recognize that the unprecedented impact of the disruption over July long weekend is still concerning for our guests, the communities we serve and our people.”

#### **21. Statement on Dutch Supreme Court Decision Concerning Schiphol Airport**

The International Air Transport Association (IATA) responded to a judgement from the Supreme Court in the Netherlands, which has upheld the original decision from the Amsterdam District Court that the ‘experimental regulation’ to reduce Schiphol’s capacity was not in compliance with the Balanced Approach to noise management. “We welcome this decision from the Supreme Court, affirming the original decision of the Amsterdam District Court that the unilateral cuts to flight numbers at Schiphol were unlawful, and overturning the Court of Appeal. There is an internationally-agreed means of managing airport noise – the Balanced Approach – which protects the national and regional benefits of air connectivity while helping to mitigate noise impacts for local residents. We expect the new Dutch Government will respect today’s decision and proceed to apply the Balanced Approach, which is also enshrined in EU law and international treaties, with the utmost care with regards to Schiphol. Furthermore, we hope any other government thinking of disregarding the Balanced Approach will take note of this decision. It is a proven and successful process and should not be ignored,” said Willie Walsh, IATA’s Director General.

#### **22. Statscan says airfares continue to rise from last year – and soar above pre-pandemic levels**

Statistics Canada says airfares rose two per cent year-over-year in June 2024, and continued to soar above pre-pandemic levels. Figures from the consumer price index show the increase follows a 4.5 per cent year-over-year bump in May 2024 and a fairly flat April 2024. Prices also stood nearly 19 per cent above what travellers paid for their plane tickets in June 2019. The pricier fares stem partly from limited competition and flight capacity among airlines, which more than offset softening demand since the post-pandemic travel boom. National Bank analyst Cameron Doerksen says fares have risen for most of the year – including on key domestic routes – following an 11-month stretch of year-over-year declines, mainly in 2023.

#### **23. Investors bet against airlines despite summer travel boom**

Americans are flying in record numbers as the summer travel season kicks into gear, but traders are betting that airlines won’t be able to capitalize on it. Short interest in the US\$1.1-billion aviation industry exchange-traded fund US Global Jets (JETS) accounts for more than 27 per cent of the ETF’s free float after touching 30 per cent earlier this month, the highest in data going back to 2019, according to S3 Partners LLC. The lack of faith makes sense based on the performance of airline stocks. JETS was down 12.45 per cent over the past 12 months as of Monday, July 15, 2024 and the nine-member S&P supercomposite airlines index has plunged 19.7 per cent, compared with a 24.5 per cent surge in the S&P 500 index. Air Canada’s stock was down 31.4 per cent in the same timeframe. All this despite, the fact that airline profits are expected to rise to US\$30.5 billion in 2024, but there’s a sticky problem: margins.

#### **24. The Canadian Transportation Agency issues administrative monetary penalty to British Airways for violations of the Accessible Transportation for Persons with Disabilities Regulations**

On July 17, 2024, the Canadian Transportation Agency (CTA) has issued an administrative monetary penalty of \$75,000 against British Airways for two violations of the Accessible Transportation for Persons with Disabilities Regulations (ATPDR) related to providing services to persons with a disability. This penalty is for an incident that occurred in July 2022. On July 25, 2022, at Vancouver International Airport, British Airways failed to assist a passenger with a disability—without delay and in a manner that respected their dignity—with disembarking their flight as well as transferring between their passenger seat and a mobility aid upon the arrival of their flight. These contraventions relate to subsections 35(f) and 35(h) of the ATPDR. British Airways has 30 days to request a review before the Transportation Appeal Tribunal of Canada.

#### **25. Air Canada Foundation Launches 2023 Impact Report Detailing Programs and Partnerships in Support of**

The Air Canada Foundation has launched its 2023 Impact Report detailing programs and partnerships that made a difference in the lives of children across Canada. The report includes key programs, charitable partnerships, humanitarian relief and Air Canada employee volunteering initiatives. The Air Canada Foundation has launched its 2023 Impact Report detailing programs and partnerships that made a difference in the lives of children across Canada.

#### **26. Air Canada’s Best and Complete Content Now Available Through Sabre NDC**

Sabre Corporation, a leading software and technology provider that powers the global travel industry, and Air Canada, Canada’s largest airline, on July 17, 2024 announced the launch of Air Canada’s full content via NDC in Sabre’s travel marketplace. This launch empowers travel agencies to consume Air Canada’s expanded NDC offers and services, enabling them to provide a more personalized travel experience to the customers they serve. As of July 17, 2024, travel agents and other travel sellers can shop, book, and service Air Canada NDC offers alongside traditional EDIFACT

content and low-cost and ancillary XML options. NDC is now available in the following markets: Canada, Australia, Brazil, Denmark, France, Germany, Hong Kong, India, Ireland, Israel, Italy, Japan, Netherlands, Norway, Spain, Sweden, Switzerland, Taiwan, United Kingdom and the United States. Following the launch in these countries, focus will turn to activating new markets based on demand.

### **27. New Air Canada Paris 2024 Spot Celebrates How One Canadian Dream Can Inspire Another**

On July 17, 2024, Air Canada has launched *Ticket to Dream*, a powerful new [brand spot](#) celebrating Team Canada's heroic journey to the Paris 2024 Olympic and Paralympic Games. The spot will be released on Air Canada's social platforms on July 17 and premiere on TV, cinema and online on July 26, helping stoke excitement among Team Canada and its devoted fans during the official opening ceremony for the Games. *Ticket to Dream* stands as the centrepiece of Air Canada's wider Olympic and Paralympic campaign, which will champion Team Canada's pursuit of glory this summer and unite Canadian fans in Paris and at home, through exciting activations that proudly share the best of Canada with the world.

### **28. Air Travel Consumer Report: April 2024 Numbers**

The U.S. Department of Transportation (DOT) on July 18, 2024 released its Air Travel Consumer Report (ATCR) on airline operational data compiled for the month of April 2024 for on-time performance, mishandled baggage, and mishandled wheelchairs and scooters. *Flight cancellations:* For April 2024, 0.7% of flights were cancelled, lower than both the 1.7% cancellation rate for April 2023 and the 2.4% cancellation rate for pre-pandemic April 2019. *On time arrivals:* In April 2024, reporting marketing carriers posted an on-time arrival rate of 80.4%, up from both 78.7% in March 2024 and 75.7% in April 2023. The year-to-date on-time arrival rate for 2024 is 78.9%. *Complaints About Airline Service:* The submissions about air travel in calendar year 2023 are the highest number on record except for calendar year 2020. *Tarmac Delays:* In April 2024, airlines reported 12 tarmac delays of more than three hours on domestic flights, compared to six tarmac delays of more than three hours on domestic flights reported in March 2024. *Mishandled Baggage:* In April 2024, reporting marketing carriers handled 40.0 million bags and posted a mishandled baggage rate of 0.46%, lower than the rate of 0.52% in March 2024, and lower than the rate of 0.55% in April 2023. *Mishandled Wheelchairs and Scooters:* In April 2024, reporting marketing carriers reported checking 74,894 wheelchairs and scooters and mishandling 948 for a rate of 1.27% mishandled wheelchairs and scooters, lower than the rate of 1.31% mishandled in March 2024 and lower than the rate of 1.35% mishandled in April 2023. *Bumping/Oversales:* For the first quarter of 2024, the 10 U.S. reporting marketing carriers posted an involuntary denied boarding, or bumping, rate of 0.27 per 10,000 passengers, lower than both the rate of 0.29 in the first quarter of 2023 and higher than the rate of 0.20 in the fourth quarter of 2023. *Incidents involving Animals:* In April 2024, carriers reported zero incidents involving the death, injury, or loss of an animal while traveling by air, equal to the zero reports filed in both March 2024 and in April 2023.

### **29. WestJet service update: CrowdStrike outage**

WestJet stated on July 19, 2024 "We are aware of the CrowdStrike IT outage, impacting Microsoft products and services, and our IT team continues to monitor the evolving situation closely. At this time, there has been no direct impact to WestJet's IT systems or operations and any flight cancellations across our network are unrelated to the CrowdStrike outage. We are expecting there may be some delays across our network as we operate to and from airports that have been affected. Additionally, guests travelling via WestJet's network and connecting onwards with an alternative airline may be impacted."

### **30. Air Canada Provides Second Quarter 2024 Preliminary Results and Updates Full Year 2024 Guidance and Air Canada cuts 2024 core profit forecast as over-capacity impacts prices**

Air Canada on July 22, 2024 provided preliminary results for the second quarter of 2024 and updated its 2024 financial and capacity guidance. The highlights were as follows: 1. Operating revenues was about \$5.5 billion, on 6.5% increased operated capacity year-over-year, as compared to about \$5.4 billion in Q2 2023; 2. Operating income was \$466 million, with an operating margin of 8.4%, as compared to \$802 million in Q2 2023; 3. Adjusted EBITDA was \$914 million, as compared to about \$1.2 billion in Q2 2023. All 2024 second quarter figures reported in this news release are preliminary estimates. Air Canada cut its full-year core profit forecast on Monday, July 22, 2024 as over-capacity in certain markets and competition on international routes impacted its pricing power. A rush among carriers to cash in on summer travel demand has forced airlines to offer discounts on tickets to fill their planes. The updated forecast reflects the lower yield environment, less-than-expected load factors for the second half of the year and competitive pressures in international markets, Canada's largest carrier said on Monday. The airline now expects its 2024 adjusted earnings before interest, taxes, depreciation and amortization (EBITDA) to be in the range of C\$3.1 billion (\$2.26 billion) to C\$3.4 billion, compared with its previous forecast of C\$3.7 billion to C\$4.2 billion.

### **31. Boeing sees 20-year commercial jetliner market almost doubling**

Boeing Co. expects the number of jets flying commercially will double over the next two decades, with almost 44,000 aircraft entering the market as the aviation industry weathers factory bottlenecks and other short-term disruptions. The

US planemaker's annual study shows that the total number of aircraft needed is 3.2% higher than last year's forecast as air travel surged past pre-pandemic levels. Single-aisle jets are expected to account for about three-quarters of the new deliveries. But the planes won't necessarily sport the familiar tube-and-turbofan design that has defined the jet age, particularly those entering the market later in its' 20-year forecast. With investment flowing into greener fuels like hydrogen and open-fan engines, and pressure building to cut aviation emissions, Boeing has been studying various product scenarios, said Darren Hulst, a Boeing vice president of commercial marketing. The company expects the current generation of Boeing and Airbus SE jets to dominate for at least another decade, however. "I don't think we see a massive change in technology, but the door would be opened to seeing new products in the network," Hulst told reporters earlier this week.

### **32. CrowdStrike, Microsoft continue to address global IT outage**

The ripple effect of the global IT outage that hit Microsoft July 19, 2024 due to a software update from cybersecurity company CrowdStrike has spurred the company to release a new technique to accelerate impacted system remediation. "We're in the process of operationalizing an opt-in to this technique. Customers are encouraged to follow the tech alerts for latest updates as they happen and they will be notified when action is needed," CrowdStrike said in a release. "We have published a video outlining the steps required to self-remediate impacted remote Windows laptops. We will continue to provide updates here as information becomes available and new fixes are deployed." Several airlines, ports, hospitals, banks and other companies using the Microsoft platform were impacted on July 22, 2024 when a software update from CrowdStrike caused an IT outage, causing delays, cancellations and operational issues.

### **33. The WestJet Group unveils expansive winter schedule, enhancing connectivity across Canada to sun and beyond**

On July 22, 2024, the WestJet Group announced its complete 2024/2025 winter schedule further positioning the airline as Canada's number one choice for leisure travel with expanded service to popular sun, transborder and transoceanic destinations. Together the WestJet Group, WestJet and Sunwing Airlines will provide Canadians with access to 63 transborder and sun destinations this winter. "Our winter schedule is building on our ambitions to ensure Canadians benefit from a comprehensive network of affordable domestic air service, while providing seamless access to fulfill cold-weather escapes to the most popular sun destinations," said John Weatherill, WestJet Group, Executive Vice-President and Chief Commercial Officer. "As we bring more seats and affordable fares across our entire network, we are giving Canadians choice and flexibility this winter."

### **34. Commission publishes new guidelines for more clarity on air passenger rights**

On July 22, 2024, the Commission is publishing [revised interpretative guidelines on air passenger rights](#) that will facilitate compliance with regulations and harmonise enforcement by national bodies. Today's revision notably takes into account rulings by the Court of Justice since 2016 that clarify certain provisions, allowing for more effective and consistent enforcement of the rules. A new section on massive travel disruptions has also been added. [Revised interpretative guidelines on the rights of persons with disabilities and persons with reduced mobility when travelling by air](#) have also been published. Passenger rights defined at EU level are applied by transport providers and enforced by national bodies. Disparities between national practices can create confusion for passengers when they face challenges during their journey, especially if it spans EU borders. It can also be difficult for passengers to understand the necessary steps and find appropriate assistance. Today's guidelines will help improve implementation and complement the Commission's efforts to raise awareness of passenger rights, including through regular online awareness-raising campaigns, the [Your Europe](#) web pages and a [passenger rights mobile app](#).

### **35. WestJet and TELUS form partnership to revolutionize guest experience, including free inflight Wi-Fi, delivered by Starlink**

On July 24, 2024, WestJet and TELUS unveiled the first step in a multi-year strategic partnership that will transform the inflight experience for WestJet guests by providing industry-leading, fast and free internet, presented by TELUS and delivered by Starlink onboard WestJet aircraft. This announcement marks the beginning of a fully integrated partnership between WestJet and TELUS, and a significant leap forward for the airline's inflight connectivity. "Through our strategic partnership with TELUS, we are setting a new standard in the Canadian airline industry by offering Starlink's revolutionary inflight connectivity, and thanks to TELUS we are able to bring this inflight experience to WestJet Rewards guests for free," said John Weatherill, WestJet Group Executive Vice-President and Chief Commercial Officer.

### **36. Air Canada joins the Cadence team for the HFR project**

Air Canada confirmed on July 24, 2024 that it has joined the Cadence team, which has submitted a response to the request for proposals for the High Frequency Rail project, a new intercity rail network in the corridor between Windsor and Quebec City, a project of fundamental importance to Canada and Canadians. As Canada's flag carrier, Air Canada enables Canadians to travel at home and around the world. Connections with other modes of transport, such as rail or bus, are part of the solutions the company is already developing to offer the most relevant mobility option, responding in a sustainable way to the specific needs of each of its customers. In the longer term, the contribution of its expertise to

the Cadence team will enable the airline to contribute to the harmonious integration of a future intercity rail network with existing airport hubs in the Quebec-Windsor corridor, for the benefit of all travellers.

### **37. Cargojet retains Quality Standard Accreditation**

Cargojet Inc. has successfully retained its ISO 9001:2015 Quality Standard Accreditation for the 22<sup>nd</sup> consecutive year, the only air cargo carrier in Canada with this accreditation. “This accreditation reinforces Cargojet’s commitment to providing customers with high-quality, safe, reliable and timely service daily,” said Jamie Porteous, Cargojet co-CEO. “It involves reviewing the organization’s documented quality management system and conducting ongoing audits of our facilities to ensure that the quality management systems are effectively implemented.” “We have retained this certification thanks to the dedicated efforts of our team, who consistently exceed our customers’ expectations while upholding excellence in standards, processes and procedures,” added Pauline Dhillon, Cargojet co-CEO.

### **38. Air Canada Brings Canadian Fans Together to Celebrate The Country's Best at Paris 2024 Olympic and Paralympic Games**

On July 25, 2024, evening at Toronto Pearson International Airport, Air Canada hosted the official send-off celebration for Team Canada athletes and delegation members, now on their way to the 2024 Paris Olympic Games onboard a Boeing 777 complete with a special celebratory livery for Team Canada. In addition, plans are underway for the next send-off celebration, which will take place when the Team Canada athletes and delegation members for the Paralympic Games depart before the Opening Ceremony on August 28, 2024.

### **39. WestJet announces new daily service between Kelowna and Seattle beginning this winter**

WestJet on July 25, 2024 announced new daily service connecting Kelowna and Seattle beginning in January 2025. The route will unlock more seamless connectivity between the popular regions to a vast network of U.S. destinations through Seattle and beyond, through the airline's longstanding partnership with Delta Air Lines.

### **40. Minister Rodriguez and Minister Champagne promote Canada at the Farnborough International Airshow in the United Kingdom**

Earlier this week (i.e. the final week of July 2024), the Minister of Transport and Quebec Lieutenant Pablo Rodriguez, and the Minister of Innovation, Science and Industry, François-Philippe Champagne participated in the 2024 Farnborough International Airshow in the United Kingdom. They met with key industry players and stakeholders in the aerospace, space and defence sectors. Accompanied by a delegation of representatives from more than 30 Canadian companies, the Ministers took the opportunity to promote Canada as a premier destination for aerospace investments from around the world and highlight Canada as a green supplier of choice as the industry moves towards sustainable aviation and a greener supply chain.

### **41. Aircraft movement and civil aviation statistics, May 2024**

In May, Canada's major and select small airports recorded a total of 544,313 aircraft movements, down 1.6% from May 2023. Itinerant movements decreased 2.2% year over year to 373,928, while local movements declined 0.5% to 170,385. At the same time, major Canadian airlines flew 7.3 million passengers on scheduled and charter services in May 2024, with a passenger load factor of 84.5%. In May 2024, domestic movements declined 3.7% year over year to 320,787. In contrast, other international traffic (outside the United States) rose 13.0% to 15,528 from the previous year, while transborder traffic (to and from the United States) increased 6.5% to 37,613. Of these three sectors, other international remained the only one with monthly movements above the pre-COVID-19 pandemic level in May 2019.

### **42. Porter Airlines inaugurates new nonstop routes connecting Montreal and California**

Porter Airlines is launching two new seasonal, nonstop routes connecting Montréal-Trudeau International Airport (YUL) with Los Angeles International Airport (LAX) and San Francisco International Airport (SFO). The YUL-LAX route offers four-times weekly service beginning June 27, 2024 while the YUL-SFO route operates three-times weekly starting June 28, 2024.

### **43. Biden-Harris Administration Announces More Than \$374 Million in Grants to Improve Airports**

The U.S. Department of Transportation’s Federal Aviation Administration (FAA) on July 26, 2024 announced more than \$374 million for airfield, safety, and other improvement projects at 299 airports in 46 states and American Samoa. **U.S. Transportation Secretary Pete Buttigieg** said “The Biden-Harris Administration continues to modernize our aviation infrastructure to make it safer, more resilient, and more efficient. The funding we’re announcing today will allow hundreds of airports to make critical improvements that will benefit passengers for years to come.”

### **44. Competition Bureau officially launches study of competition in Canada’s airlines industry**

On July 29, 2024, the Competition Bureau is officially launching its market study of competition in domestic air passenger services. The launch of the market study follows the completion of the consultation on its scope, and the Minister of Innovation, Science and Industry’s approval of the final terms of reference. This market study will allow the Bureau to better understand what is driving the competition issues in the domestic airline industry. Specifically, the Bureau plans to examine three key topics: 1. the state of competition in Canada’s airline industry; 2. the barriers to entry and expansion that exist in the domestic industry; and 3. the impediments to Canadians seeking to make informed

choices for air travel. The Bureau will publish the results of the market study in a final report, which will make recommendations to improve competition for the benefit of Canadian air passengers, as well as the workers and entrepreneurs who enable these services.

#### **45. WestJet and Air North, Yukon’s airline, announce interline agreement to bring critical air access to Canada’s most remote communities**

WestJet and Air North, Yukon’s airline, on July 29, 2024 announced a new interline agreement directly connecting both carrier’s networks. Starting July 31, 2024 guests can book a single ticket with a connected itinerary between WestJet’s global network and the Yukon and Northwest Territories with single point check-in and through-checked bags for connecting itineraries. This new agreement is expected to make air travel more seamless and affordable for Northern Canadians, providing unmatched connectivity through WestJet’s network.

## **WATER TRANSPORTATION**

### **1. Minister of Transport announces a domestic ban on the use and carriage of heavy fuel oil in the Arctic**

On June 28, 2024, the Minister of Transport, Pablo Rodriguez, announced the Government of Canada is moving forward with a domestic ban on the use and carriage for use as fuel of heavy fuel oils in Arctic waters that will be implemented on July 1, 2024. The ban will be implemented through an Interim Order while the regulations are being amended. All double hulled ships will be exempted from the HFO ban until July 1, 2029, and ships involved in Arctic community resupply can apply for a waiver until July 1, 2026. Decarbonizing the marine sector is a key part of growing a clean net-zero economy.

### **2. Port of Trois-Rivières sees over four million metric tonnes of cargo traffic**

Over the past year, the Trois-Rivières Port Authority (TRPA) welcomed 272 vessels and recorded cargo traffic of 4.2 million metric tonnes, bringing net earnings to \$4.15 million. In a press release, Véronique Néron, chair of the board of directors, and Gaétan Boivin, president and CEO said: “For many years, collaboration has been at the heart of the Port of Trois-Rivières’ activities and development, and 2023 is no exception. Whether it’s with our handlers, who constantly surpass themselves to make the Port more competitive, our various partners, who make our major projects possible over the coming years, or with the Trois-Rivières and Mauricie communities, which we support annually, a lasting collaborative relationship unites us for the benefit of our community.”

### **3. Ocean Shipping Reform Act of 2022 (OSRA)**

Congress passed the [Ocean Shipping Reform Act of 2022 \(OSRA 22\) in June 2022](#). Section 16 of the congressional mandate requires the Bureau of Transportation Statistics to produce statistics on "the total street dwell time from all causes of marine containers and chassis and the average out of service percentage of chassis." OSRA 22 grants BTS authority to collect data from “each port, marine terminal operator, and chassis owner or provider with a fleet of over 50 chassis that supply chassis for a fee” as deemed necessary to produce statistics. The results from the initial data collection will be published by February 10, 2023, and every month thereafter until the sunset of the program in December 2026. At this time, due to data collection barriers that can’t be overcome without additional appropriations, the OSRA data collection is suspended until further notice. Any data submitted thus far will be archived and curated to be used when the effort is resumed.

### **4. Port of Long Beach again named ‘Best West Coast Seaport’**

The Port of Long Beach has been named the Best West Coast Seaport in North America for the sixth year in a row by readers of the shipping trade publication *Asia Cargo News*. The honor was announced during the Asian Freight, Logistics and Supply Chain Awards held June 25 in Shanghai. Asia

## **WATER TRANSPORTATION Canada**

1. Minister of Transport announces a domestic ban on the use and carriage of heavy fuel oil in the Arctic, June 28, 2024, [www.tc.gc.ca](#)
2. Port of Trois-Rivières sees over four million metric tonnes of cargo traffic, July 4, 2024, [www.insidelogistics.ca](#)
3. Ocean Shipping Reform Act of 2022 (OSRA), July 4, 2024, [www.bts.gov](#)
4. Port of Long Beach again named ‘Best West Coast Seaport’, July 4, 2024, [www.ajot.com](#)
5. Foremen at BC port give DP World Canada 72-hour strike notice, July 5, 2024, [www.ajot.com](#)
6. Red Sea attacks still taking toll on global chemical shipping industry, July 5, 2024, [www.freightwaves.com](#)
7. Container rates continue to climb with congestion at Asian ports, July 5, 2024, [www.insidelogistics.ca](#)
8. Minister of Transport announces the elimination of Marine Atlantic Inc.’s cost-recovery policy, July 5, 2024, [www.tc.gc.ca](#)
9. Strike action today by BC ship and dock foremen averted by “rescind” decision ordered by Canada Industrial Relations Board, July 8, 2024, [www.ajot.com](#)
10. The Port of NY and NJ secures nation’s top spot in May, July 9, 2024, [www.ajot.com](#)
11. Container Market Forecaster July 2024 by Container xChange, July 9, 2024, [www.ajot.com](#)
12. Improving the efficiency and resilience of Quebec’s supply chain, July 10, 2024, [www.ctl.com](#)
13. Biden-Harris Administration Announces Funding for 15 Small Shipyards in 12 States to Boost Productivity and Create Jobs, July 10, 2024, [www.dot.gov](#)
14. Port of Montreal completes rail improvement project, July 12, 2024, [www.insidelogistics.ca](#)
15. Port of Long Beach Data Project Receives \$7.875 million to speed, July 12, 2024, [www.ajot.com](#)
16. Spiralling ocean container shipping market set to peak, but will not bring an end to shippers’ problems, July 15, 2024, [www.ajot.com](#)
17. The impact of California’s Advanced Clean Fleets regulation, July 16, 2024, [www.ajot.com](#)
18. The Government of Canada invests in

Cargo News honors logistics industry members for demonstrating leadership and consistency in service quality, innovation, customer relationship management and reliability. Importers, exporters, and logistics and supply chain professionals judge the awards. “We are grateful to once again be bestowed this honor,” said Port of Long Beach CEO Mario Cordero. “We appreciate the recognition as we continue to offer operational excellence, and invest in Port infrastructure such as our Pier B rail facility and our many ongoing zero-emissions projects.”

#### **5. Foremen at BC port give DP World Canada 72-hour strike notice**

A union representing ship and dock foremen in British Columbia has issued a 72-hour strike notice against DP World Canada. ILWU Ship & Dock Foremen Local 514 provided formal, written notice to its employer for action to start on July 8, the BC Maritime Employers Association said in a statement late Friday, July 5, 2024. The notice comes despite the Canada Industrial Relations Board commencing a hearing this week to address complaints between the association and the union, the association said. The hearing is scheduled to continue next month. In June 2024, the International Longshore and Warehouse Union said that 99% of the 584 longshore foremen rejected the final offer from the employers association in a vote. DP World Canada put the union on notice in December 2023 that it would unilaterally introduce some automation at its rail intermodal yard at the Centerm port in Vancouver, Local 514 president Frank Morena said at the time. Another significant unresolved issue was improving retirement allowances and benefits, according to the union.

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#### **6. Red Sea attacks still taking toll on global chemical shipping industry**

Ocean freight rates for 40-foot containers from Asia to North Europe are currently over \$8,760. Houthi militants, who control about half of Yemen, have been targeting container ships traveling through the Red Sea since November 2023. Ongoing attacks on vessels in the Red Sea by Yemen’s Houthis continue to disrupt shipping lanes in the chemical industry’s supply chain, according to Al Greenwood, chemicals expert and deputy editor at ICIS. “It’s having an impact mainly in Europe and Asia. It’s rearranging routes because the rates for containers have really gone through the roof,” Greenwood told FreightWaves in an interview. ICIS is a London-based provider of chemical and energy intelligence with 15 offices worldwide. Greenwood said the Houthis are creating significant supply chain disruptions for chemical companies and governments. “The chemical industry uses containers to ship plastics such as polyethylene and polypropylene which are in pellets, put it in bags and ship it out. Some of the liquids are shipped in ISO tanks,” said Greenwood, who is based in ICIS’ Houston office. “We’ve seen for container ships and tankers a combination of higher rates, port congestion, vessels having to take longer routes — it’s causing all kinds of delays.”

#### **7. Container rates continue to climb with congestion at Asian ports**

Drewry’s World Container Index (WCI) shows a four per cent increase for the week of June 27, 2024 reaching US\$5,318 per 40-foot container, up 256 per cent from the same week last year. The latest Drewry WCI composite index is 49 per cent below the previous pandemic peak of US\$10,377 in September 2021, but it is 274 per cent more than average 2019 (pre-pandemic) rates of US\$1,420. The average composite index for the year-to-date is US\$3,579 per 40-

marine industry’s transition to green ship technology, July 16, 2024, [www.tc.gc.ca](http://www.tc.gc.ca)

19. Sustainability goals highlighted in Port of Halifax strategy, July 16, 2024, [www.insidelogistics.ca](http://www.insidelogistics.ca)

20. 2024 is the strongest June on record at Port of Long Beach, July 16, 2024, [www.ajot.com](http://www.ajot.com)

21. Strike becoming ‘more likely’ at U.S. Atlantic and Gulf port, July 17, 2024, [www.insidelogistics.com](http://www.insidelogistics.com)

22. Port of LA container volumes up 14% on strong trade activity, July 17, 2024, [www.ajot.com](http://www.ajot.com)

23. Container rates up over 300 per cent from pre-pandemic average, July 19, 2024, [www.insidelogistics.ca](http://www.insidelogistics.ca)

24. Port innovation hub adds to its membership, July 18, 2024, [www.insidelogistics.ca](http://www.insidelogistics.ca)

25. Ocean carriers face new FMC rules on dealing with US exporters, July 22, 2024, [www.joc.com](http://www.joc.com)

26. SC Ports Sees 7% Cargo Growth in June, July 22, 2024, [www.railwavage.com](http://www.railwavage.com)

27. Port of Corpus Christi announces second quarter 2024 volumes, July 23, 2024, [www.ajot.com](http://www.ajot.com)

28. Ottawa’s W.R. Davis Engineering awarded \$30M supply chain contract, July 24, 2024, [www.insidelogistics.ca](http://www.insidelogistics.ca)

29. West Coast ports say ready to handle peak season bump after front-loading surge, July 25, 2024, [www.joc.com](http://www.joc.com)

30. Passenger volumes at Port Authority airports take off with busiest first half of year, July 26, 2024, [www.ajot.com](http://www.ajot.com)

31. Container rates drop for first time since April, July 26, 2024, [www.insidelogistics.ca](http://www.insidelogistics.ca)

32. B.C. port employers say foremen’s union plans industry-wide strike vote, July 29, 2024, [www.financialpost.ca](http://www.financialpost.ca)

33. Port strike could have negative impact on Canadian and U.S. operations, says report, July 29, 2024, [www.insidelogistics.ca](http://www.insidelogistics.ca)

34. Port Houston surpasses 2M TEUs faster than ever total import TEUs jump 12% in June, July 29, 2024, [www.ajot.com](http://www.ajot.com)

ft container, which is US\$831 higher than the 10-year average rate of US\$2,748, which was inflated by the exceptional 2020-22 COVID-19 period. Freight rates from Shanghai to Rotterdam increased seven per cent or US\$455 to US\$7,322 per 40-ft container. Likewise, rates from Shanghai to Los Angeles and Shanghai to New York rose four per cent to US\$6,673 and US\$7,827 per 40-ft box respectively.

#### **8. Minister of Transport announces the elimination of Marine Atlantic Inc.'s cost-recovery policy**

On July 5, 2024, the Minister of Transport, Pablo Rodriguez, announced that the government is eliminating the policy that required Marine Atlantic Inc. to recover, through revenue, 65% percent of most of its operating expenses. By eliminating this cost-recovery policy, the government is keeping services affordable for residents, tourists, and businesses. Without the formal cost-recovery policy, Marine Atlantic Inc. is better able to respond to passenger needs, and ensure continued, safe, and reliable ferry services.

#### **9. Strike action today by BC ship and dock foremen averted by “rescind” decision ordered by Canada Industrial Relations Board**

A strike slated to start on July 8, 2024 by 600 unionized ship and dock foremen in British Columbia has been averted because of a decision announced Sunday, July 7, 2024 by the Canada Industrial Relations Board. The decision was qualified as “a spanking” by an industry source who asked to remain anonymous. Following a case management conference after the British Columbia Maritime Employers Association (BCMEA) requested urgent CIRB intervention to stop the International Longshore and Warehouse Union Local 514 (ILWU) from proceeding with the work stoppage, the CIRB ruled that the strike action contravened the Canada Labour Code and ordered it to be rescinded. Rapidly, the BCMEA withdrew its industry-wide lockout notice of “defensive action” for potential effect as of July 9, 2024. The deadlocked waterfront labour negotiations are being anxiously watched by Canadian business circles who do not want to see a repeat of the serious supply chain disruptions caused last July when 7,400 longshoremen went on strike. The conflict paralyzed cargo shipments through the ports of Vancouver and Prince Rupert – major Canadian Pacific gateways. An estimated C\$10 billion worth of Canadian trade was disrupted during the strike. In its ruling, the Board stated: “After consideration of the parties’ submissions filed in these matters, the Board has determined that the union has declared or authorized a strike in contravention of the Code. More specifically, the Board finds that, in the circumstances of this case, the union failed to bargain in good faith when it conducted a strike vote amongst the employees of only one member employer of the BCMEA and issued a strike notice based on that strike vote.” The “one member employer” referred to is DP World, which has been a special target of union concerns due to the automation plans for its significantly expanded Centerm container terminal in the Port of Vancouver.

#### **10. The Port of NY and NJ secures nation’s top spot in May**

For the third consecutive month, total volume at the Port of New York and New Jersey topped 700,000 TEUs, but that’s not the only impressive achievement. In May 2024, the port also soared to the number one spot in the country for total TEUs and total loaded TEUs. May’s total volume reached 790,758 TEUs (439,593 containers), a 16.9 percent increase from the 676,311 TEUs (376,449 containers) recorded in May 2023. This double-digit increase marked the sixth consecutive month of year-over-year volume growth and brought our year-through-May total to 3,501,676 TEUs (1,940,869 containers), making the Port of New York and New Jersey the second-busiest cargo port in the nation so far this year. Imports (TEUs) also posted impressive gains in May 2024, rising by 17.8 percent compared to the previous year. A total of 413,833 TEUs (230,108 containers) moved through the Port of New York and New Jersey in May 2024 versus 351,430 TEUs (195,708 containers) in May 2023. From January through May 2024, imported loads reached 1,791,956 TEUs (996,228 containers), a 14.1 percent increase from the 1,570,815 TEUs (875,044 containers) recorded in the same period of 2023. Exports (TEUs) increased 12.7 percent in May 2024 versus the previous year, totalling 124,801 TEUs (67,271 containers), compared to 110,695 TEUs (59,972 containers) in May 2023. From January through May 2024, the Port of New York and New Jersey exported 570,901 TEUs (306,219 containers), a 3.8 percent increase from the 549,823 TEUs (297,652 containers) posted the previous year.

#### **11. Container Market Forecaster July 2024 by Container xChange**

*Container xChange*, the leading digital marketplace for container trading and leasing, has released its mid-year container market forecaster. The analysis delves into container price developments in H1 2024 and offers a market outlook for H2 2024. “As we move into July, we’re seeing a continued rise in freight rates, container prices, and leasing rates, driven by ongoing geopolitical tensions and resulting supply chain disruptions. The diversions around the Cape of Good Hope and the resulting congestion in major ports have created a perfect storm, causing importers in the US and Europe to pull forward orders in H1 typically reserved for Q3. This has led to a notable supply-demand imbalance. While we might see a peak in July followed by a reduction in freight rates due to easing congestion and reduced demand, the ongoing conflict in the Middle East and potential new disruptions, such as labor strikes, could prolong these challenges. The container shipping industry remains on high alert, adapting to an ever-changing landscape” inferred Christian Roeloffs, cofounder and CEO, Container xChange. The highlights were: 1. Hong Kong and Vietnam witness the biggest month-on-month

spike in average container prices in June 2024; 2. China experiences the largest container price hike since Houthi attacks, up by 78% since October 2023; and 3. Market outlook for H2 indicates cooling of container rates.

#### **12. Improving the efficiency and resilience of Quebec's supply chain**

QSL, a Quebec-based supply chain company, is initiating the analysis of a business case to address the establishment of an efficient, green, resilient and better-integrated supply chain in the Quebec region. Logistics and transportation are considering a redevelopment of port activities in the Beauport sector to include a more important container handling vocation in a sequenced project intended to be respectful of surrounding communities. QSL says project would not encroach on the St. Lawrence River or impact aquatic habitat, and it could also reduce land traffic by encouraging intermodal transfer and significantly reduce greenhouse gas emissions. QSL says Quebec has all the assets to favour intermodality and make supply chains more efficient.

#### **13. Biden-Harris Administration Announces Funding for 15 Small Shipyards in 12 States to Boost Productivity and Create Jobs**

On July 10, 2024, the U.S. Department of Transportation's Maritime Administration (MARAD) announced \$8.75 million in grant awards to 15 small shipyards in 12 states through the Small Shipyard Grant Program. The funds will help shipyards modernize, increase productivity, and expand local job opportunities while competing in the global marketplace. "Small shipyards are integral to the strength of America's supply chains and the maritime industry" said U.S. Transportation Secretary Pete Buttigieg. "With the grants announced today, The Biden-Harris Administration is delivering funding that will create jobs in cities and towns across the country, strengthen our commercial fleet, and add power to our national economy."

#### **14. Port of Montreal completes rail improvement project**

The Montreal Port Authority (MPA) says it has completed an extensive project to optimize rail capacity, a flagship project to improve the performance and fluidity of its logistics services. Phased in over three years at a total cost of \$62.4 million, the project that extends from Bourbonnière Avenue to Panet Street, near the Jacques-Cartier Bridge, signals a major increase in the Port of Montreal's rail capacity. The Port of Montreal's intermodal transfers make it possible to reach a pool of 110 million consumers. Every year, the Port of Montreal's rail network moves 2,500 km of rail cars. About 45 per cent of the port's cargo is carried by rail at a rate of 60 to 80 trains per week. The project aims to strengthen and optimize this strategic infrastructure at the hub of Greater Montreal's supply chain.

#### **15. Port of Long Beach Data Project Receives \$7.875 million to speed**

The Governor's Office of Business and Economic Development (GO-Biz) announced a \$7.875 million grant for the Port's data system on July 12, 2024. Funding is expected to help build out a variety of functions including export and rail cargo visibility, user authentication and data security, the exchange of data between foreign ports, truck appointments and a number of future project enhancements that will enhance operational efficiency and customer service. The Supply Chain Information Highway will enable stakeholders to make scheduling, planning and operational decisions prior to cargo arrival, making the delivery of goods more efficient and cost effective. The cloud-based system is anticipated to be compatible with similar data-sharing platforms across the maritime logistics industry, including at major California ports, supporting improved supply chain resilience, goods movement efficiency, emissions reductions, and economic competitiveness.

#### **16. Spiralling ocean container shipping market set to peak, but will not bring an end to shippers' problems**

The dramatic spike in the ocean freight container shipping market is reaching its peak as importers push back against spiralling spot rates. Data released by Xeneta on Monday, July 15, 2024 shows average spot rates from the Far East to US East Coast increased by 3.7% on 15 July to stand at USD 10 045 per FEU (40ft equivalent shipping container). Into the US West Coast, spot rates increased by 2.0% to stand at USD 8,045 per FEU. While this means spot rates are up almost 150% on these trades since the end of April, the latest increases of 3.7% and 2.0% are far smaller compared to July 1, 2024 when rates rose by 22% into the US East Coast and 12% into the US West Coast. Emily Stausbøll, Xeneta Senior Shipping Analyst, said: "Xeneta data shows some ocean container carriers are still pushing spot rate increases in mid-July, but, for the first time in a long time, some carriers are offering lower spot rates. "Crucially, this suggests a growing level of available capacity in the market and shippers can once again start to play carriers off against each other - instead of feeling they need to pay whatever price they are offered to secure space. As the balance of negotiating power starts to swing back towards shippers, we should see spot rates start to come back down." The clearest indication of a peak being reached is found in the Xeneta market 'mid-high' data, which identifies the spot rates being paid by shippers in the 75th percentile of the market. On the trades from the Far East into US, the market mid-high (and high) spot rates have remained almost flat during July, indicating the high end of the market is no longer spiralling.

#### **17. The impact of California's Advanced Clean Fleets regulation**

The Advanced Clean Fleets (ACF) regulation in California, effective January 1, 2024, is a major initiative to cut emissions and encourage sustainable transportation. The goal is to transition medium- and heavy-duty trucks to zero-emission vehicles (ZEVs) by 2045, aligning with the state's broader environmental targets. This regulation

impacts [fleet operators](#), the environment, and future transportation. The ACF regulation complements the Advanced Clean Trucks (ACT) rule, mandating more ZEVs on California roads. It targets various fleets, including high-priority, drayage, and public fleets, ensuring all trucking sectors contribute to emission reduction goals.

#### **18. The Government of Canada invests in marine industry's transition to green ship technology**

On July 16, 2024, the Parliamentary Secretary to the Minister of Transport and Member of Parliament for Niagara Centre, Vance Badawey, on behalf of the Minister of Transport, Pablo Rodriguez, announced \$1.7 million for 14 projects under the Green Shipping Corridor Program's Clean Vessel Demonstration stream. This funding will: 1. help spur the launch of the next generation of clean ships; 2. invest in shore power technology; and 3. prioritize low-emission and low-noise vessels at ports. A clean, net-zero economy creates opportunities and good, well-paying jobs for Canadians. Through programs like the Green Shipping Corridor Program, Transport Canada is continuing to work with Indigenous groups, government, industry, and environmental stakeholders to protect the environment and achieve net-zero emissions by 2050. Decarbonizing the marine sector is a key part of the Government of Canada's climate action plan. It requires sector-wide collaboration and innovation to reduce the impact of shipping emissions on surrounding communities and ecosystems, while supporting economic growth.

#### **19. Sustainability goals highlighted in Port of Halifax strategy**

The Halifax Port Authority launched its 2024-30 sustainability strategy last month, underscoring such goals as an efficient supply chain, strong partnerships and safety. The strategy lays out our high-level sustainability commitments at the Halifax Port Authority (HPA) and will serve as a tool to help us plan for, assess and report on our work. The overall goals of the newly released strategy include the Port of Halifax aligning with partners to: deliver a cost competitive, transparent and efficient supply chain; build on the capability of its infrastructure, systems and people; strengthen partnerships with First Nations, community and stakeholders; develop financial capacity; and operate a safe, secure and sustainable port.

#### **20. 2024 is the strongest June on record at Port of Long Beach**

The Port of Long Beach achieved its busiest June 2024 on record, driven by vibrant consumer spending, potential tariff increases and ongoing labor contract negotiations at seaports on the East and Gulf coasts. Dockworkers and terminal operators moved 842,446 twenty-foot equivalent units in June 2024, up 41.1% from the same month last year and surpassing the previous record set in June 2022 by 7,034 TEUs. Imports jumped 53% to 419,698 TEUs, exports rose 4% to 98,300 TEUs, and empty containers moving through the Port increased 42.1% to 324,448 TEUs. "We are recapturing market share and consumer spending is driving cargo to our docks as we head into the peak shipping season," said Port of Long Beach CEO Mario Cordero. "I see modest growth for the second half of 2024 as we strengthen our competitiveness and continue to invest in our rail infrastructure projects that will maximize cargo velocity efficiently and sustainably for decades to come."

#### **21. Strike becoming 'more likely' at U.S. Atlantic and Gulf port**

The leader of the International Longshoremen's Association (ILA) says the threat of a strike at all U.S. Atlantic and Gulf Coast Ports is becoming more likely as time is growing short before the current contract expires Sept. 30, 2024. Harold J. Daggett, ILA president and the union's chief negotiator, said the employers represented by United States Maritime Alliance (USMX) are running out of time to negotiate a new master contract agreement and avoid a coastwide strike on Oct. 1, 2024. "Only 80 days remain before the end of our current contract and we are waiting on USMX," said Daggett. "The actions of violating our current master contract by some of their members caused us to cancel scheduled negotiations with USMX in early June."

#### **22. Port of LA container volumes up 14% on strong trade activity**

US West Coast ports are closing out the first half of the year with strong trade volumes, boosted by an early peak season, solid consumer spending, and threats of a labor strike at East and Gulf Coast ports. The Port of Los Angeles handled 4.7 million 20-foot container equivalent units in the first half of 2024, 14.4% more than the same period last year, according to data out on July 17, 2024. Imports ticked down 1.5% in June 2024 compared to the same month last year, while exports climbed more than 13% and empty container volumes fell 4.6%. Declining inflation, higher wages and a robust job market are fueling consumer spending that has resulted in steady cargo volumes, Port of LA Executive Director Gene Seroka said at a press conference. "I think we'll see this pattern continue as we move into the third quarter," Seroka said. Worries about more US tariffs on Chinese goods, and the threat of labor turmoil at East and Gulf Coast ports, are helping to bring on an earlier-than-usual peak season.

#### **23. Container rates up over 300 per cent from pre-pandemic average**

The Drewry World Container Composite Index (WCI) inched up one per cent to US\$5,937 per 40-ft container in the third week of July 2024 and has increased 286 per cent when compared with the same week in 2023. The latest WCI composite index of US\$5,937 per 40-ft container is 43 per cent below the previous pandemic peak of \$10,377 in September 2021, but remains 318 per cent higher than average 2019 (pre-pandemic) rates of US\$1,420. The average

composite index for the year-to-date is US\$3,820 per 40-ft container, which is US\$1,049 higher than the 10-year average rate of US\$2,770 (inflated by the exceptional 2020-22 COVID-19 period).

#### **24. Port innovation hub adds to its membership**

The Port Innovators Network (PIN), the first global network of port innovation hubs, welcomes Cubo Maritime & Port to the membership. PIN is a global network of innovation hubs for ports, which aims to drive innovation adoption in the global port system by connecting communities of innovation centers, such as startups, entrepreneurs, companies, researchers, universities, and investors, to share innovative ideas, project results, innovation experiences, methodologies and best practices. Established in October 2023 by the Port of Hamburg (homePORT), the Port of Halifax (The PIER) and the Port of Valencia (Opentop), PIN is connecting port innovation hubs around the world.

#### **25. Ocean carriers face new FMC rules on dealing with US exporters**

Ocean carriers will be required to document their policies for handling exports, notify shippers about schedule and service changes, and ensure adequate loading time for ships under new rules laid out by the US on July 22, 2024 by the Federal Maritime Commission (FMC) as the agency seeks to level the playing field between exporters and liner operators. The FMC published its final rule on situations in which it can investigate complaints brought by shippers alleging that an ocean carrier is unreasonably refusing to make cargo space available on a ship. The “refusal to deal” rulemaking stems from the Ocean Shipping Reform Act of 2022. US agriculture shippers have long complained that ocean carriers will not provide loaded export capacity due to prioritizing empty container returns.

#### **26. SC Ports Sees 7% Cargo Growth in June**

South Carolina (SC) Ports on July 17 announced that it finished Fiscal Year 2024 (FY24) with a 7% uptick in container volumes moving through the Port of Charleston in June 2024.

#### **27. Port of Corpus Christi announces second quarter 2024 volumes**

Port of Corpus Christi customers moved 50.1 million tons through the Corpus Christi Ship Channel in the second quarter of 2024, a 1.7 percent increase over the same period in 2023. In Q2 2024, the Port of Corpus Christi saw increases in crude oil, break bulk and agricultural commodity shipments through the Port’s infrastructure and customer facilities. Crude oil tonnage increased 4.8 percent from Q2 2023 to 32.6 million tons in Q2 2024, while break bulk and agricultural cargoes jumped 52 percent and 39.8 percent, respectively, during that period. During the first six months of 2024, the Port of Corpus Christi has moved 99.5 million tons, a slight increase from the same period in 2023. The leading commodities in Q2 2024 were crude oil, refined products (7.9 million tons) and liquefied natural gas (3.9 million tons).

#### **28. Ottawa’s W.R. Davis Engineering awarded \$30M supply chain contract**

Ottawa-based W.R. Davis Engineering Ltd. is the latest Canadian company to join Irving Shipbuilding’s supply chain and support the construction of the future Canadian Surface Combatants, now known as the River-class destroyers, being built for the Royal Canadian Navy. Irving Shipbuilding awarded W.R. Davis a contract of more than \$30 million to design and implement the full engine intake and exhaust system, as well as the infrared suppression devices for the exhaust. This contract will support jobs in the Ottawa-region and will be carried out on the first three destroyers.

#### **29. West Coast ports say ready to handle peak season bump after front-loading surge**

Container dwell times improved at North America’s major West Coast gateways in June 2024 despite strong volume growth amid front-loaded cargoes, and port managers say their marine terminals have both the capacity and fluidity needed to handle what’s expected to be a healthy peak season. Los Angeles, Long Beach, Oakland, Seattle-Tacoma and Vancouver registered double-digit percentage import growth in June, with volumes up 6% at Prince Rupert. US imports from Asia increased 13.4% in June 2024 compared to a year ago. In addition, rail container dwell times improved from the month before, port managers said, adding that rail networks leading to key inland destinations such as Chicago and Memphis are operating smoothly.

#### **30. Passenger volumes at Port Authority airports take off with busiest first half of year**

The Port Authority of New York and New Jersey on July 26, 2024 announced that the agency’s commercial airports soared to new heights over the first half of 2024, recording their busiest January-June first half ever. The period was capped by the busiest June on record for the region’s commercial airports. The Port of New York and New Jersey cemented its status as the nation’s second-busiest container port for loaded imports and exports, moving over 2.8 million loaded TEUs (twenty-foot equivalent units) in the first six months of the year, while traffic at the Port Authority’s vehicular crossings achieved strong volumes seen in prior years. The PATH commuter rail continued its steady recovery, hitting a post-pandemic high of 70 percent of pre-pandemic ridership levels. The highlights were: 1. Port of New York and New Jersey is the second busiest in the nation for loaded cargo over the first half of 2024, moving over 2.8 million loaded TEUs; 2. Bridges and tunnels continue to achieve strong pre-pandemic volumes for vehicular traffic; and 3. PATH Commuter rail continues steady recovery, hits post-pandemic high of 70% of pre-covid levels

#### **31. Container rates drop for first time since April**

Following a period of continuous increases since the end of April 2024, Drewry's World Container Index (WCI) has decreased two per cent to US\$5,806 per 40-ft container, with Drewry saying it believes spot rates have peaked. The latest Drewry WCI composite index of US\$5,806 per 40-ft container is 44 per cent below the previous pandemic peak of US\$10,377 in September 2021, but is 309 per cent higher than the average 2019 (pre-pandemic) rates of US\$1,420. The composite index has increased 268 per cent when compared with the same week last year. The average composite index for the year-to-date is US\$3,886 per 40-ft container, which is US\$1,108 higher than the 10-year average rate of US\$2,777, which was inflated by the exceptional 2020-22 COVID-19 period.

### **32. B.C. port employers say foremen's union plans industry-wide strike vote**

The BC Maritime Employers Association says it has been told by a lawyer for the foremen's union that an industry-wide strike vote will take place in coming weeks. The employers' group says the lawyer for ILWU Local 514 informed them of the vote this week after a case management meeting with the Canada Industrial Relations Board. No one could immediately be reached for comment from the ship and dock foreman's union, whose 730 members work at British Columbia's ports.

### **32. Port strike could have negative impact on Canadian and U.S. operations, says report**

ITS Logistics released its July 2024 forecast for the ITS Logistics U.S. Port/Rail Ramp Freight Index, saying the threat of an East and Gulf Coast ports strike could adversely affect U.S. and Canadian operations. This month, the index reveals that pre-retail-peak season shipping activity has brought moderate volume increases to most markets, but a lack of equipment has stressed import volumes at origin. In addition, due to the overseas import origin equipment shortages, shippers are having to book into new North American entry points outside of their current supply chain network. "Despite having a lack of equipment, North American inland transportation is still not experiencing significant operational challenges as a result," said Paul Brashier, vice-president of global supply chain for ITS Logistics. "That said, as it relates to North American entry points, the equipment shortages are causing shippers some moderate disruption this month. This is especially true in the last seven to 10 days of July. Volumes should increase as we move into August and peak volumes move from docks at import origin to the U.S."

### **33. Port Houston surpasses 2M TEUs faster than ever total import TEUs jump 12% in June**

Port Houston, the fifth-largest container port in the nation, has surpassed the two million TEU mark faster than ever. Through the first six months of the year, the Port has successfully handled 2,098,117 TEUs among its terminals, which represents a double-digit increase of 13% year-to-date compared to the first half of last year. For June 2024 specifically, 339,157 TEUs were managed at the Port's facilities, reflecting a 7% increase compared to June 2023. In June 2024, increased demand for goods and consumer spending on items such as furniture, hardware, retail goods, and food drove Port Houston's loaded import volumes up 5% compared to the same month last year. Loaded exports also increased significantly, up 11% this month, totaling 114,728 TEUs. Year-to-date loaded exports are up 14% at 769,844 TEUs.

## **RAIL TRANSPORTATION**

### **1. Freight Rail Services Price Index, June 2024**

Data for June for the Freight Rail Services Price Index (2018=100) are now available. For the month of June 2024 it was 128.2 compared to 128.6 for the month of May 2024 and 122.3 for June 2023. For the second quarter of 2024, it was 128.4 compared to 127.2 for the first quarter of 2024 and 127.3 for the second quarter of 2023. For a series of monthly and yearly data by commodities check Statistics Canada website.

### **2. Rail workers vote to reauthorize strike**

Workers at Canadian National (CN) Railway and Canadian Pacific Kansas City (CPKC) have voted to reauthorize strikes at both companies. The Teamsters Canada Rail Conference (TCRC) announced that close to 10,000 workers at CN and CPKC have voted to reauthorize strikes if negotiated settlements cannot be reached. Overall, workers voted 98.6 per cent to reauthorize a strike, with an 89.5 per cent turnout.

### **3. CN Announces Net-Zero Target Approved by Science Based Targets initiative**

CN is proud to announce that its net-zero by 2050 target has been validated by the Science Based Targets initiative (SBTi). In using a science-based approach to its climate commitments, CN and the broader North American rail industry are aligned to reducing emissions and decarbonizing to deliver

## **RAIL TRANSPORTATION**

### **Canada**

1. Freight Rail Services Price Index, June 2024, June 28, 2024, [www.statcan.gc.ca](http://www.statcan.gc.ca)
2. Rail workers vote to reauthorize strike, June 30, 2024, [www.insidelogistics.ca](http://www.insidelogistics.ca)
3. AAR reports rail traffic for June and the week ending June 29, 2024, July 3, 2024, [www.ajot.com](http://www.ajot.com) and AAR: Rail CN Announces Net-Zero Target Approved by Science Based Targets initiative, July 3, 2024, [www.cn.ca](http://www.cn.ca)
4. Traffic 'Balanced' Through June; New Report Launching July 8, July 3, 2024, [www.railwayage.ca](http://www.railwayage.ca)
5. Regional Rail acquires Cincinnati Eastern Railroad, July 3, 2024, [www.freightwaves.com](http://www.freightwaves.com)
6. Statement by Minister Rodriguez on the eleventh anniversary of the Lac-Mégantic tragedy, July 5, 2024, [www.tc.gc.ca](http://www.tc.gc.ca)
7. INVESTING IN AMERICA: Biden-Harris Administration Announces \$11 Billion in Grants and Financing for Nation's Most Complex Infrastructure Project, the Hudson River Tunnel, July 8, 2024, [www.dot.gov](http://www.dot.gov)
8. AAR Launches 'Rail Industry Overview', July 8, 2024, [www.railwayage.com](http://www.railwayage.com)

sustainable future for all. Tracy Robinson, President and CEO of CN said “At CN, we are focused on the long-term success and sustainability of our business. We know that we cannot achieve our commitments alone which is why we continue to collaborate with fuel producers and locomotive manufacturers, supply chain partners, governments, customers, and peers in support of an effective transition to a low-carbon future.”

#### **4. AAR reports rail traffic for June and the week ending June 29, 2024 and AAR: Rail Traffic ‘Balanced’ Through June; New Report Launching July 8**

The Association of American Railroads (AAR) on July 3, 2024 reported U.S. rail traffic for the week ending June 29, 2024, as well as volumes for June 2024. “June rail traffic continued the trends we’ve seen throughout the first half of 2024, with coal shipments declining and pulling total carloads below 2023 levels,” AAR Chief Economist Rand Ghayad reported July 3. “However, this decline is balanced by growth in other sectors...” U.S. railroads originated 885,864 carloads in June 2024, down 1.7 percent, or 15,019 carloads, from June 2023. U.S. railroads also originated 1,074,646 containers and trailers in June 2024, up 8.7 percent, or 85,896 units, from the same month last year. Combined U.S. carload and intermodal originations in June 2024 were 1,960,510, up 3.8 percent, or 70,877 carloads and intermodal units from June 2023. Canadian railroads reported 93,710 carloads for the week, up 7.8 percent, and 66,742 intermodal units, down 1.0 percent compared with the same week in 2023. For the first 26 weeks of 2024, Canadian railroads reported cumulative rail traffic volume of 4,188,444 carloads, containers and trailers, up 0.9 percent.

#### **5. Regional Rail acquires Cincinnati Eastern Railroad**

Regional Rail LLC has added to its holdings in the Midwest with the acquisition of Cincinnati Eastern Railroad, a 70-mile Ohio short line. The company now has seven railroads in Ohio, Indiana and Illinois. “The Regional Rail team and I are delighted to partner with the team at the Cincinnati Eastern Railroad,” Regional Rail CEO Al Sauer said in a press release. “We look forward to building on the strong entrepreneurial culture at the railroad to further grow services with existing customers and support new opportunities.” The railroad, which operates on trackage owned by Norfolk Southern, runs between Clare and Mineral Springs, Ohio. Its customers’ products include aggregates, food and agriculture, and paper products.

#### **6. Statement by Minister Rodriguez on the eleventh anniversary of the Lac-Mégantic tragedy**

The Minister of Transport and Quebec Lieutenant, Pablo Rodriguez, on July 5, 2024 made the following statement to mark the eleven years that have passed since the Lac-Mégantic tragedy: “Since the tragedy on July 6, 2013, 11 years ago today, our hearts and thoughts have been with the victims and residents of Lac-Mégantic, and all others who have been affected by this tragedy in one way or another. Today, I invite all Canadians to reflect and take a moment to honour the memory of those who have left us. This railway accident was the worst in Canadian history, costing 47 lives and leaving many families,... The federal government is working diligently to strengthen rail safety and the safe transportation of dangerous goods across Canada. We are going to move the rail line out of downtown Lac-Mégantic.”

#### **7. INVESTING IN AMERICA: Biden-Harris Administration Announces \$11 Billion in Grants and Financing for Nation’s Most Complex Infrastructure Project, the Hudson River Tunnel**

On July 8, 2024, one of the largest infrastructure projects in American history took a huge step forward with billions of dollars in support from the

9. Joint release: New Burnaby rail overpass will improve community connections, safety and trade, July 9, 2024, [www.portofmetrovancover.com](http://www.portofmetrovancover.com)

10. TD Cowen Shipper Survey, 2Q24 Earnings Preview, July 9, 2024, [www.railwavage.com](http://www.railwavage.com)

11. AAR reports rail traffic for the week ending July 6, 2024 and AAR: Carloads Down, Intermodal Up in Week 27, July 10, 2024, [www.railwavage.com](http://www.railwavage.com) and [www.ajot.com](http://www.ajot.com)

12. Minister of Transport highlights Budget 2024 investments in passenger rail across Canada, July 11, 2024, [www.tc.gc.ca](http://www.tc.gc.ca)

13. Biden-Harris Administration Makes More than \$1.1 Billion Available to Strengthen Safety at Rail Crossings and Reduce Blocked Crossings, July 9, 2024, [www.dot.gov](http://www.dot.gov)

14. Negotiations with the TCRC, July 12, 2024, [www.cn.ca](http://www.cn.ca)

15. VIA rail unveils Lumi, the unique train of its new corridor fleet, July 10, 2024, [www.viarail.ca](http://www.viarail.ca)

16. FRA Makes Available \$153 Million in Funding to Initiate, Restore, and Enhance Intercity Passenger Rail Services, July 12, 2024, [www.dot.gov](http://www.dot.gov)

17. Regulators nervous about rail freight decline, July 12, 2024, [www.freightwaves.com](http://www.freightwaves.com)

18. Train travel is making a comeback, July 16, 2024, [www.europa.eu](http://www.europa.eu)

19. AAR Reports rail traffic for the Week Ending July 13, 2024, July 17, 2024, [www.ajot.com](http://www.ajot.com); and AAR: North American Rail Volume Up Through Week 28, July 17, 2024, [www.railwavage.com](http://www.railwavage.com)

20. Federal Railroad Administration’s final Accident Report on Norfolk Southern derailment in East Palestine reaches similar conclusions as NTSB, July 19, 2024, [www.ajot.com](http://www.ajot.com)

21. 50 young hack club coders champion a sustainable future on VIA rail’s the Canadian, July 22, 2024, [www.viarail.ca](http://www.viarail.ca)

22. CN Rail ordered to pay \$8-million for crude oil spills from 2015 train derailments, July 22, 2024, [www.globeandmail.ca](http://www.globeandmail.ca)

23. CN Announces Second Quarter Results and CN Declares Third-Quarter 2024 Dividend, July 23, 2024, [www.cn.ca](http://www.cn.ca)

24. Canadian National Rail cuts earnings outlook on strike risks, July 23, 2024, [www.ajot.com](http://www.ajot.com)

25. Railway carloadings, May 2024, July 23, 2024, [www.ataatcan.gc.ca](http://www.ataatcan.gc.ca)

26. House rail safety hearing highlights new legislation, July 23, 2024, [www.freightwaves.com](http://www.freightwaves.com)

27. CN sees some diversion of intermodal freight to US amid labor uncertainty, July 24, 2024, [www.joc.com](http://www.joc.com)

28. CN and Hockey Helps the Homeless Announce Three-Year Partnership to Support Vulnerable Canadians, July 24, 2024, [www.cn.ca](http://www.cn.ca)

29. AAR reports rail traffic for the week ending July 20, 2024, July 24, 2024, [www.ajot.com](http://www.ajot.com); and AAR: North American Rail Volume Up Through Week 29, July 24, 2024, [www.railwavage.com](http://www.railwavage.com)

30. UP 2Q24: Improved Results Across the Board, July 25, 2024, [www.railwavage.com](http://www.railwavage.com) and Union Pacific Reports Second Quarter 2024 Results, July 25, 2024, [www.up.com](http://www.up.com)

31. Norfolk Southern reports second quarter 2024 results; reaffirms full-year adjusted operating

Biden-Harris Administration and the Bipartisan Infrastructure Law. The Hudson River Tunnel project will construct a critical new rail tunnel between New York and New Jersey along a vital economic corridor – just one area of focus for investment across the country as part of the Biden-Harris Administration’s \$66 billion investment in passenger rail. It represents the largest project in the history of the U.S. Department of Transportation (USDOT).

ratio guidance, July 26, 2024, [www.ajot.com](http://www.ajot.com) and Norfolk Southern reports second quarter 2024 results; reaffirms full-year adjusted operating ratio guidance, July 25, 2024, [www.ns.com](http://www.ns.com)

#### **8. AAR Launches ‘Rail Industry Overview’**

The Association of American Railroads (AAR) Policy and Economics Department on July 8, 2024 released Rail Industry Overview, a new complimentary monthly report that the association said offers “quick insights into what rail traffic says about today’s economy and where the data suggest it could be headed.”

#### **9. Joint release: New Burnaby rail overpass will improve community connections, safety and trade**

Construction of a new four-lane overpass crossing the rail lines at Holdom Avenue in Burnaby will begin in late 2024. The Vancouver Fraser Port Authority is delivering the Holdom Overpass project in partnership with the City of Burnaby, CN, and the Government of Canada. The overpass will extend Holdom Avenue south over the rail corridor and Still Creek, connecting it with Douglas Road. Once complete, there will be an increase of rail capacity for Port of Vancouver terminals, supporting the reliable movement of goods through the region, and improved traffic flow and safety for the Burnaby community. The rail corridor through Burnaby is the only rail connection to transport goods and commodities to and from port terminals located in North Vancouver, a vital link in the national supply chain that connects Canadian products like grain and fertilizer to global markets. The rail corridor moves more than 40 million metric tonnes of export cargo, accounting for more than 40% of the port’s total international exports in 2023.

#### **10. TD Cowen Shipper Survey, 2Q24 Earnings Preview**

Shippers expect 3.4% rate increases over the next 6-12 months, up 30bps sequentially and roughly in line with our survey average. Business growth expectations improved while economic confidence stepped down.

#### **11. AAR reports rail traffic for the week ending July 6, 2024 and AAR: Carloads Down, Intermodal Up in Week 27**

The Association of American Railroads (AAR) on June 10, 2024 reported U.S. rail traffic for the week ending July 6, 2024. For this week, total U.S. weekly rail traffic was 421,817 carloads and intermodal units, up 3.3 percent compared with the same week last year. Total carloads for the week ending July 6 were 195,030 carloads, down 1.2 percent compared with the same week in 2023, while U.S. weekly intermodal volume was 226,787 containers and trailers, up 7.6 percent compared to 2023. Seven of the 10 carload commodity groups posted an increase compared with the same week in 2023. They included grain, up 4,702 carloads, to 17,486; chemicals, up 2,017 carloads, to 30,552; and forest products, up 803 carloads, to 7,955. Commodity groups that posted decreases compared with the same week in 2023 were coal, down 7,804 carloads, to 50,700; nonmetallic minerals, down 3,326 carloads, to 26,710; and motor vehicles and parts, down 214 carloads, to 10,646. Canadian railroads reported 89,296 carloads for the week, up 6.8 percent, and 66,515 intermodal units, up 71.5 percent compared with the same week in 2023. For the first 27 weeks of 2024, Canadian railroads reported cumulative rail traffic volume of 4,344,255 carloads, containers and trailers, up 1.6 percent.

#### **12. Minister of Transport highlights Budget 2024 investments in passenger rail across Canada**

On July 11, 2024, the Minister of Transport, Pablo Rodriguez, joined by the Minister of Veterans Affairs and Associate Minister of National Defence, Ginette Petitpas Taylor, highlighted action the Government of Canada is taking to connect communities across Canada with better passenger rail. Budget 2024 announced new funding for VIA Rail to replace its aging fleet on routes outside the Québec City-Windsor Corridor. This investment builds on Budget 2018 funding that allowed VIA Rail to replace its fleet in the Québec City-Windsor Corridor. The Government of Canada is committed to strengthening passenger rail across the country to keep all Canadians connected and to provide them with an environmentally friendly way to travel. This new funding will allow VIA Rail to improve the passenger experience by providing new, comfortable, and accessible trains. It will ensure predictability for the communities outside the Corridor routes that connect eight provinces and provide essential transportation services to rural and remote communities. VIA Rail is expected to launch a competitive procurement process for the fleet replacement.

#### **13. Biden-Harris Administration Makes More than \$1.1 Billion Available to Strengthen Safety at Rail Crossings and Reduce Blocked Crossings**

The U.S. Department of Transportation’s Federal Railroad Administration (FRA) on July 9, 2024 issued a Notice of Funding Opportunity (NOFO) that makes available over \$1.1 billion in Railroad Crossing Elimination (RCE) Grant Program funding. As the only competitive discretionary grant program dedicated to improving railroad crossings’ safety and efficiency, the RCE Program invests in projects that construct grade separations, upgrade safety devices at crossings, or close at-grade crossings where roads and train tracks intersect. Addressing collisions and blockages at grade crossings has been a top priority for FRA – especially as growing train lengths lead to more frequent and longer blocked crossings – and the funding announced will improve safety and access to communities separated by rail

crossings.

#### **14. Negotiations with the TCRC**

The Canadian Industrial Relations Board (CIRB) has provided an update on the timing of their decision regarding the Minister of Labour's referral about the question of essential services. The CIRB has advised CN that they intend to make that decision by August 9, 2024, and that in the event a decision is not made by August 9, they will provide another update. We recognize that the prolonged negotiations are creating uncertainty, and we are working towards providing as much predictability as possible to our employees, customers and partners. *No work stoppage can occur until either party files the required 72-hour notice after the CIRB issues its decision*, subject to any extension of the cooling off period that may be ordered by the CIRB. Since the beginning of the negotiations, our goal has always been and continues to be to negotiate in good faith with the TCRC to reach a mutually beneficial agreement that maintains safety and stability for our team, our customers, and North American supply chains.

#### **15. VIA rail unveils Lumi, the unique train of its new corridor fleet**

VIA Rail Canada (VIA Rail) is excited to unveil a special exterior design for one of its new Québec City-Windsor corridor trains. Introducing Lumi, the unique train of its new Corridor fleet, which bears VIA Rail's classic monochrome yellow all while keeping the signature linear lines of the new trains. By the end of 2024, there will be 63% of new trains in service in the Corridor. By the Summer of 2025, all trains in the Corridor will be replaced.

#### **16. FRA Makes Available \$153 Million in Funding to Initiate, Restore, and Enhance Intercity Passenger Rail Services**

The U.S. Department of Transportation's Federal Railroad Administration (FRA) on July 12, 2024 issued a Notice of Funding Opportunity (NOFO) that makes available over \$153 million in funding for the Restoration and Enhancement (R&E) Grant Program. Grant funding will assist with operating costs for eligible projects that will establish service on new routes, restore service on routes that formerly had intercity passenger operations, and enhance service on existing routes. These passenger rail upgrades will complement the dozens of major rail projects that are underway across the country and improve the intercity passenger rail network, thanks to President Biden's Bipartisan Infrastructure Law.

#### **17. Regulators nervous about rail freight decline**

Federal regulators are summoning executives from the major freight railroads to a rare public hearing to explain how their companies plan to invest in and grow their business amid concern over recent negative volume trends. STB cites 28% volume drop over last decade as basis for special hearing. In a notice published on July 12, 2024, the Surface Transportation Board, which regulates railroad rates and service, said it also welcomes railroad customers, suppliers and rail labour to testify during the two-day hearing on Sept. 16 and 17 at STB headquarters in Washington, D.C. "The board has an interest in the health and growth of the industry and the need for rail customers to move their goods efficiently and reliably," the notice states.

#### **18. Train travel is making a comeback**

Travelling by train in Europe is becoming more convenient and sustainable thanks to recent EU initiatives. New regulations for the *trans-European transport network* (TEN-T) to improve rail connectivity and make travel greener have recently entered into force. This means *better and more efficient rail services across Europe*. The EU's *Action Plan to boost long-distance and cross-border passenger rail services* is a key part of these efforts. It aims to *double high-speed rail traffic by 2030 and triple it by 2050*. Launched in 2021, this plan focuses on removing obstacles, improving interoperability, modernising passenger rail infrastructure, and enhancing the quality of services across EU countries. To further support cross-border travel, the European Commission has announced its support for *10 pilot projects to boost cross-border rail services*. This will improve cross-border rail connections across the EU and make travel faster, easier and more affordable.

#### **19. AAR Reports rail traffic for the Week Ending July 13, 2024 and AAR: North American Rail Volume Up Through Week 28**

The Association of American Railroads (AAR) on July 17, 2024 reported U.S. rail traffic for the week ending July 13, 2024. For this week, total U.S. weekly rail traffic was 483,806 carloads and intermodal units, up 1.3 percent compared with the same week last year. Total carloads for the week ending July 13 were 215,400 carloads, down 4.3 percent compared with the same week in 2023, while U.S. weekly intermodal volume was 268,406 containers and trailers, up 6.3 percent compared to 2023. Five of the 10 carload commodity groups posted an increase compared with the same week in 2023. They included grain, up 5,557 carloads, to 21,606; farm products excl. grain, and food, up 736 carloads, to 17,137; and forest products, up 427 carloads, to 8,401. Commodity groups that posted decreases compared with the same week in 2023 included coal, down 9,415 carloads, to 55,673; nonmetallic minerals, down 3,119 carloads, to 30,872; and motor vehicles and parts, down 2,910 carloads, to 11,763. Canadian railroads reported 86,936 carloads for the week, down 0.2 percent, and 68,356 intermodal units, up 37.7 percent compared with the same week in 2023. For the first 28 weeks of 2024, Canadian railroads reported cumulative rail traffic volume of 4,499,547 carloads, containers and trailers, up 2.0 percent.

## **20. Federal Railroad Administration’s final Accident Report on Norfolk Southern derailment in East Palestine reaches similar conclusions as NTSB**

The U.S. Department of Transportation’s Federal Railroad Administration (FRA) on July 19, 2024 published its accident investigation report on the Norfolk Southern Railway train derailment that occurred in East Palestine, Ohio, on February 3, 2023. FRA conducted the investigation under its independent statutory authority with U.S. Department of Transportation (USDOT) safety personnel, who were on the ground within hours of the derailment, working to identify the cause of the accident and examining compliance with rail safety regulations. FRA found that the derailment was caused by a roller bearing that failed due to overheating, consistent with the investigation findings of the *National Transportation Safety Board (NTSB)*, an independent federal agency. Norfolk Southern’s procedures and the inadequate staffing for communicating information from the Hot Box Detectors (HBDs), a type of wayside detector installed along the railroad right of way that monitors the condition of freight and passenger rolling stock, to the train crew may have contributed to the accident. FRA does not currently regulate the location, installation, operation, or maintenance of wayside detectors, unless a detector interfaces with a railroad’s signaling system. However, this is a topic where FRA will aggressively use its existing authorities but encourages Congress to also act in any future rail safety legislation.

## **21. 50 young hack club coders champion a sustainable future on VIA rail’s the Canadian**

VIA Rail Canada (VIA Rail) is collaborating this summer with Hack Club, a global non-profit network of young coders, makers and builders for a cross-country train adventure from Vancouver to Toronto and then on to Montreal. The trip is a once-in-a-lifetime opportunity for these young innovators to travel through Canada’s natural landscapes on the iconic The Canadian while highlighting the importance of environmental stewardship, youth innovation, and the benefits of rail travel in shaping a more sustainable world.

## **22. CN Rail ordered to pay \$8-million for crude oil spills from 2015 train derailments**

Canadian National Railway Co. has been ordered to pay \$8 million in fines for environmental offences related to two 2015 train derailments. The Montreal-based railway was ordered by the Ontario Court of Justice on July 22, 2024 to pay the fines after pleading guilty to two charges under the federal *Fisheries Act*. The charges relate to two separate CN train derailments that occurred on Feb. 14, 2015 near Gladwick, Ont., and March 7, 2015 near Gogama, Ont. In total, the two derailments released more than 3.6 million litres of crude oil into the environment. Some of the oil reached area wetlands as well as Upper Kasasway Lake, the Makami River, and Minisnakwa Lake. The two derailments occurred after a piece of railway track broke under the weight of the passing train. Federal enforcement officers concluded CN had failed to exercise due diligence in maintaining the tracks. Environment and Climate Change Canada says as a result of this conviction, the company’s name will be added to the federal Environmental Offenders Registry.

## **23. CN Announces Second Quarter Results and CN Declares Third-Quarter 2024 Dividend**

CN on June 23, 2024 reported its financial and operating results for the second quarter ended June 30, 2024. The 2023 second quarterly highlights were as follows: 1. Revenue ton miles (RTMs) of 59,936 (millions), an increase of 7%. 2. Revenues of C\$4,329 million, an increase of C\$272 million, or 7%. 3. Operating income of C\$1,558 million, a decrease of C\$42 million or 3% and adjusted operating income of C\$1,636 million, an increase of C\$36 million or 2%. 4. Operating ratio, defined as operating expenses as a percentage of revenues, of 64.0%, an increase of 3.4-points and adjusted operating ratio of 62.2%, an increase of 1.6-points. 5. Diluted earnings per share (EPS) of C\$1.75, a decrease of 1% and adjusted diluted earnings per share of C\$1.84, an increase of 5%. Tracy Robinson, President and Chief Executive Officer, CN “I am encouraged by our quarterly volume gains, particularly our CN specific growth initiatives. Our team of railroaders has continued to deliver outstanding service to our customers despite some transient challenges on a key portion of our Western Region that impacted our costs, and traffic diversions due to ongoing labor uncertainty. As we look forward, we are focused on the disciplined execution of our plan, delivering sustainable growth, and resolving labor uncertainty.” CN announced that its Board of Directors has approved a third-quarter 2024 dividend on the Company’s common shares outstanding. A quarterly dividend of eighty-four and a half cents (C\$0.8450) per common share will be paid on September 27, 2024, to shareholders of record at the close of business on September 6, 2024.

## **24. Canadian National Rail cuts earnings outlook on strike risks**

Canada’s largest rail company lowered its 2024 earnings forecast as some customers diverted their shipments because of the threat of a strike. About 6,000 employees of Canadian National Railway Co. had voted in favor of job action in May 2024, and reauthorized it again in June 2024 after their negotiations broke down, threatening to imperil supply chains across Canada. As a result, some of its customers started to reduce their shipping volume through Canada to the US to avoid disruptions, Chief Executive Officer Tracy Robinson said Tuesday during a call with analysts. She expects the rerouting to continue “until the labor question has been resolved.” The Montreal-based company now expects earnings per share to grow at mid-to-high single digits, compared with its forecast of 10% in April. The guidance reduction assumes no labor disruptions and no increases in traffic diversions from Canada, she said on the call. The

rerouting already weighed on its earnings in the second quarter. The company reported revenue of C\$4.33 billion, missing the average analyst estimate. Adjusted earnings per share of C\$1.84 also missed expectations.

#### **25. Railway carloadings, May 2024**

In May 2024, the volume of cargo carried by Canadian railways totalled 32.0 million tonnes, up 3.2% from May 2023. Higher loadings of wheat (+50.4%) and canola (+41.0%) drove the overall increase in May 2024. The increase in rail traffic in May 2024 was the result of higher volumes across all types of rail operations: non-intermodal, intermodal and traffic from US connections. Loadings of non-intermodal freight—mainly commodities—were up 4.0% year over year to 25.1 million tonnes in May. This growth was led by large increases of some agricultural and food products, most notably grains. Carloadings of wheat increased 50.4% (+715 000 tonnes) year over year in May, mainly due to lower volumes in May 2023. Loadings of canola remained elevated in May 2024, rising 41.0% (+235 000 tonnes) from May 2023, after rebounding in April 2024 (+40.0%). Year-over-year increases were also registered for fuel oils and crude petroleum (+12.2%) and iron ores and concentrates (+2.2%) in May 2024.

#### **26. House rail safety hearing highlights new legislation**

Legislators used a House subcommittee hearing on railroad safety Tuesday, July 23, 2024 to highlight a new rail safety bill. But committee members and witnesses including regulators, union representatives, and the House member representing East Palestine questioned the rail industry's own safety efforts. The revised bill, the *Railroad Safety Enhancement Act (H.R. 8996)*, was introduced July 11, 2024. Troy Nehls (R-Texas), highlighted four additions to the Railway Safety Act introduced in the Senate last year, which eventually passed in modified form by the Commerce Committee. These were: 1. It would require all Class I railroads to join the Federal Railroad Administration's Confidential Close Call Reporting System for two years. 2. It requires states to notify first responders of the AskRail app, which provides information about train consists, and would create a pilot program to address connectivity problems for the app along the rail network. 3. It would authorize an additional \$1 billion for the Railroad Grade Crossing Elimination Program. 4. It authorizes \$100 million annually for a FRA grant program to install railcar telematics systems and gateway devices on cars carrying hazardous materials.

#### **27. CN sees some diversion of intermodal freight to US amid labor uncertainty**

Canadian National's international intermodal business grew by double digits in the second quarter despite labor uncertainty and the loss of some freight to the US. However, the threat of a Canada-wide rail strike is shunting some intermodal rail freight to the US and away from Canadian National Railway (CN), company officials say. The dispute with the Teamsters Canada Rail Conference (TCRC) "is impacting our customers, and it's impacting our business, particularly in international intermodal where customers have taken actions to reroute vessels away from Canadian ports until the labor questions have been resolved," CN CEO Tracy A. Robinson said during the railroad's second-quarter earnings call Tuesday, July 24, 2024. Following a TCRC strike vote, CN in late May saw a sharp reduction in international intermodal volume of containers.

#### **28. CN and Hockey Helps the Homeless Announce Three-Year Partnership to Support Vulnerable Canadians**

CN on July 24, 2024 announced a commitment of \$1.5 million through a three-year partnership with Hockey Helps the Homeless (HHTH). Starting with the 2024-2025 hockey season, CN will become the new Premier National Partner for HHTH to help raise awareness and financial support for people experiencing homelessness through education, fundraising, and partnering with solutions-based local shelters and services.

#### **29. AAR reports rail traffic for the week ending July 20, 2024 and AAR: North American Rail Volume Up Through Week 29, July 24, 2024**

The Association of American Railroads (AAR) on July 24, 2024 reported U.S. rail traffic for the week ending July 20, 2024. For this week, total U.S. weekly rail traffic was 480,083 carloads and intermodal units, up 1.4 percent compared with the same week last year. Total carloads for the week ending July 20 were 214,348 carloads, down 3.4 percent compared with the same week in 2023, while U.S. weekly intermodal volume was 265,735 containers and trailers, up 5.8 percent compared to 2023. Five of the 10 carload commodity groups posted an increase compared with the same week in 2023. They included grain, up 2,387 carloads, to 17,300; petroleum and petroleum products, up 1,591 carloads, to 10,745; and farm products excl. grain, and food, up 1,413 carloads, to 16,880. Commodity groups that posted decreases compared with the same week in 2023 included coal, down 6,278 carloads, to 57,906; nonmetallic minerals, down 3,825 carloads, to 30,758; and motor vehicles and parts, down 2,175 carloads, to 12,466. Canadian railroads reported 86,987 carloads for the week, down 3.3 percent, and 68,443 intermodal units, down 0.6 percent compared with the same week in 2023. For the first 29 weeks of 2024, Canadian railroads reported cumulative rail traffic volume of 4,654,977 carloads, containers and trailers, up 1.9 percent.

#### **30. UP 2Q24: Improved Results Across the Board and Union Pacific Reports Second Quarter 2024 Results**

Union Pacific Corporation on July 25, 2024 reported 2024 second quarter net income of \$1.7 billion, or \$2.74 per diluted share. This compares to 2023 second quarter net income of \$1.6 billion, or \$2.57 per diluted share up 7%. Second quarter 2024 operating income is up 9% and net income is up compared to the same quarter in 2023 and "Our second quarter performance demonstrates the team's ability to deliver strong results," said Jim Vena, Union Pacific Chief Executive Officer. "This provides further proof that our strategy to be the best in safety, service, and operational

excellence will drive success. The entire Union Pacific team is energized behind this strategy and wants to win. As we build on the foundation we've laid over the past 12 months, we look forward to demonstrating what's possible for our great company." Some of the other highlights were: 1. Operating revenue of \$6.0 billion was up 1% driven by core pricing gains and increased volume partially offset by business mix and reduced fuel surcharge. 2. Freight revenue excluding fuel surcharge revenue grew 2% as revenue carloads grew slightly. 3. Operating ratio was 60.0%, an improvement of 300 basis points. Lower quarterly fuel prices and an existing environmental remediation compliance order negatively impacted the operating ratio 10 and 30 basis points, respectively. A sale of intermodal equipment aided the operating ratio 70 basis points. 4. Operating income of \$2.4 billion was up 9%. Union Pacific's second-quarter 2024 results showed increases in volume, earning and income and improvements in safety, productivity and operating ratio. "Our performance demonstrates the team's ability to deliver strong results," said Union Pacific's CEO.

### **31. Norfolk Southern reports second quarter 2024 results; reaffirms full-year adjusted operating ratio guidance**

On Thursday July 25, 2024, Norfolk Southern Corporation announced its second-quarter 2024 financial results. For the quarter, income from railway operations was \$1.1 billion, the operating ratio was 62.8%, and diluted earnings per share were \$3.25. Net income from railway operations was \$737 million up 107%. Norfolk Southern President and CEO Alan H. Shaw said "The Norfolk Southern team delivered strong results, including on operating ratio and expenses, that are directly in-line with the targets we committed to our shareholders,"

## **HIGHWAY TRANSPORTATION**

### **1. Couriers and Messengers Services Price Index, May 2024**

The Couriers and Messengers Services Price Index (2019=100) is now available for May 2024. For this month the index was 136.4 compared to 135.1 in April 2024 and 128.2 in May 2023. For a series of monthly and yearly data check Statistics Canada website.

### **2. Ontario Launching New Certification for Towing Industry**

The Ontario government is increasing safety, supporting customers and improving standards in the towing industry. Effective July 1, 2024, Ontario will become the first province in Canada to require both tow truck drivers and vehicle storage operators to have a certificate to operate, helping protect drivers against fraudulent towing companies.

### **3. US House bill includes \$200M for truck parking**

98% of truck drivers reported having problems finding truck parking. A member of Congress is leading the charge to create more truck parking to ease a headache-inducing problem drivers face daily. U.S. Rep. Steve Womack, R-Ark., is being praised by the American Trucking Associations for being "instrumental" in including \$200 million for truck parking in the House Transportation Appropriations Subcommittee funding bill on Transportation, Housing and Urban Development. Womack is chairman of the subcommittee. The Federal Highway Administration has deemed the country's limited truck parking "a national safety concern." A U.S. Department of Transportation study found that 98% of truck drivers regularly experience difficulty in locating safe parking.

### **4. It's Time for CRA to Enforce Compliance and End Tax Abuse in Trucking**

On July 2, 2024, the Canadian Trucking Alliance announced a new campaign to increase awareness about the damaging impact from the ongoing inaction on T4A enforcement by the federal government— specifically the ongoing moratorium – for Canadian trucking industry, workers, and the broader economy. The T4A moratorium and a lack of enforcement has allowed an underground economy to thrive, causing significant losses in tax revenue and jeopardizing the livelihoods of hundreds of thousands of hard-working truck-drivers. The Canada Revenue Agency (CRA) is currently surveying businesses and organizations to assess their readiness to comply with the reporting fees for

## **HIGHWAY TRANSPORTATION Canada**

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5. Manac plans plant, network expansions after securing \$170M financing, July 2, 2024, [www.todaystrucking.ca](http://www.todaystrucking.ca)
6. Ontario Making Electric Vehicle Chargers More Accessible, July 3, 2024, [www.mto.gov.on.ca](http://www.mto.gov.on.ca)
7. OTA Call to Action: MTO's DriveON – Equipment Purchases & Formation of OTA Ad-Hoc Committee, July 3, 2024, [www.ontruck.ca](http://www.ontruck.ca)
8. Wildwood Transport acquires Alberta open-deck carrier, July 4, 2024, [www.insidelogistics.ca](http://www.insidelogistics.ca)
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service (RFS) requirement. The RFS mandates that payments for services exceeding \$500 in a calendar year be reported to the CRA using a T4A slip. However, due to a moratorium on penalties for non-compliance that has been in place since 2010, many businesses have ignored this requirement, resulting in rampant tax evasion and unfair competition within the trucking sector.

### **5. Manac plans plant, network expansions after securing \$170M financing**

Manac will expand its largest manufacturing plant and develop new sales and service centers in Quebec and elsewhere in Canada, after receiving a \$170-million financing. The Canadian trailer maker's largest plant is in Saint-Georges, Que. The company says the loans will help it update its Saint-Georges plant with new technologies. "We are grateful to all our partners for their continued confidence in our company. Our team is guided by an ambitious vision and a strong focus on continuous improvement. This new financing is an important element in supporting our objectives," said Charles Dutil, president and CEO. "It will enable us to adapt our Saint-Georges plant to the changes in semi-trailer dimensions permitted by regulation, improve our productivity by integrating innovative technologies, and broaden the scope of our offering by setting up new sales and service centers in Quebec and Canada. Maintaining an efficient, competitive manufacturing site for over 55 years in a highly cyclical industry is quite a challenge and requires the commitment of many partners. The project we have just initiated is designed to enhance our competitiveness and maintain the trust of our customers and partners for many years to come."

### **6. Ontario Making Electric Vehicle Chargers More Accessible**

The Ontario government has issued a Request for Bids to build and operate electric vehicle (EV) charging stations in 15 new underserved and remote areas across the province. Expanding the charging network will make it easier and more convenient for drivers to charge EVs outside of large urban centres, reducing range anxiety and supporting the electric vehicle manufacturing industry in Ontario.

### **7. OTA Call to Action: MTO's DriveON – Equipment Purchases & Formation of OTA Ad-Hoc Committee**

Enrollment for Ministry of Transportation's (MTO) DriveOn program opened on May 9, 2024 and the program is set to launch on August 1, 2024. This program is an important development for improving road safety and air quality and is supported by the Ontario Trucking Association. It will bring significant change to the inspection process for fleets and technicians. As the August 1, 2024 date approaches, there have been questions from industry about the readiness of the program and their ability to meet the new requirements.

### **8. Wildwood Transport acquires Alberta open-deck carrier**

Wildwood Transport, an open-deck transportation company, has acquired Steelhorse Freight Services, a carrier based in High River, Alta. The acquisition brings together two companies dedicated to providing proactive communication in the open-deck transportation sector. Wildwood Transport, based in Oak Bluff, Man., just outside Winnipeg, says Steelhorse Freight Services shared its core principles, including an unwavering focus on customer satisfaction and maintaining the highest standards in their work.

### **9. OTA Outlines New Direction for Commercial Truck Driver Training**

In a letter to the Honourable Prabmeet Sarkaria, Ontario's Minister of Transportation, the Ontario Trucking Association outlined its vision for a new truck driver training regime in advance of industry wide consultations

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38. Employment in Alberta up among shippers, receivers and truck drivers, says report, July 25, 2024, [www.insidelogistics.ca](http://www.insidelogistics.ca)
39. B.C. truckers hold second rally against new

planned as part of the *Safer Roads and Communities Act*. The OTA board has been discussing the issue of driver training since the fall and has provided clear direction on concepts that can shape what the future of truck driver training in the province could look like. “OTA believes introducing a graduated approach to licensing truck drivers, based on the configurations they operate and through a licensing endorsement regime, is the direction that needs to be considered by the Ministry,” said OTA’s senior VP, Policy, Geoff Wood.

container trucking licensing regulations, call on NDP to intervene, July 23, 2024, [www.todaystrucking.ca](http://www.todaystrucking.ca)

40. ‘We’re too fat’: TFI International CEO targets costs at US LTL operations, July 28, 2024, [www.freightwaves.com](http://www.freightwaves.com)

41. Carriers Abusing LMIA to Recruit Foreign Workers, July 26, 2024, [www.cantruck.ca](http://www.cantruck.ca)

42. End of trucking recession finally in sight as freight rates rise, July 28, 2024, [www.ajot.com](http://www.ajot.com)

#### **10. \$47 billion in charging infrastructure needed by 2040 as Canada pushes for greener trucks**

The number of zero-emission medium- and heavy-duty vehicles (MHDVs) is projected to reach 414,000 by 2030 and 2.4 million by 2040 to meet the federal target of 100% zero-emission MHDVs by 2040, according to the study on the country’s EV charging infrastructure, recently released by Natural Resources Canada. While the adoption of zero-emission MHDVs in Canada is currently in its early stages, it is expected to grow rapidly over the next decade. Public MHDV charging demand is expected to grow from nearly zero today to 41,000 ports by 2030, 120,000 by 2035, and 275,000 by 2040, the study reads, adding that battery EVs are expected to dominate the zero-emission MHDV market, with numbers reaching 414,000 in 2030 and 2.4 million by 2040.

#### **11. Alberta, Saskatchewan to add passing lanes on Highway 17**

Alberta and Saskatchewan will work together on a Highway 17 passing lanes project north of Lloydminster, announced Devin Dreeshen, Alberta’s minister of transportation and economic corridors and Lori Carr, Saskatchewan highways minister. The project is moving forward after the two provinces signed the Collaboration on the Advancement of Economic Corridors Memorandum of Understanding, according to a news release. Once completed, the highway will have three sets of new passing lanes installed on a 46.75 km-long segment of Highway 17 stretching from the City of Lloydminster and heading north. Like Lloydminster, Highway 17 also straddles the Alberta-Saskatchewan border. The project’s design is expected to be completed in 2025. Tendering will follow with on-road construction expected no earlier than 2025. The project’s cost won’t be known until the design and tendering are completed. Traffic on Highway 17 currently ranges from approximately 1,700 to 6,000 vehicles per day. Some of the key transportation users in the area include commuters, along with the agricultural and energy sectors. The governments of Alberta and Saskatchewan have also been collaborating on plans to complete the La Loche to Fort McMurray all-weather road, which is known as Highway 956 near Garson Lake, Sask.

#### **12. Mandatory drivers assistance systems expected to help save over 25,000 lives by 2038**

New rules on general vehicle safety now apply to all new motor vehicles sold in the EU as of 7 July 2024. The rules, which already apply to new vehicle types since July 2022, improve road safety by introducing a range of advanced driver assistant systems for all new vehicles. Since 2022, when the General Safety Regulation started applying to new vehicle types, the new safety measures are helping to better protect passengers, pedestrians, and cyclists across the EU. They are expected to help save over 25,000 lives and avoid at least 140,000 serious injuries by 2038. Commissioner for the Internal Market, Thierry Breton, said: “The EU is a world leader in general safety rules for vehicles. We ensure that innovative technology solutions can be used to improve safety on our roads. With the general safety rules now applying to all new motor vehicles, we will better protect passengers, pedestrians and cyclists across Europe, while keeping EU industry’s leadership in driver assistant systems ”

#### **13. CBSA workers vote to ratify new agreement**

Public Service Alliance of Canada (PSAC) and Customs and Immigration Union (CIU) members working at the Canada Border Services Agency (CBSA) voted 91 per cent in favour of ratifying a new tentative agreement. A nationwide ratification vote took place June 20, 2024 through July 4, 2024. Over 9,000 workers at the CBSA will receive a wage increase that exceeds recent increases to other Canadian law enforcement agencies, enhanced protections relative to technological changes and better provisions for shift scheduling and leave. The four-year collective agreement expires on June 20, 2026.

#### **14. Westport, Volvo HPDI joint venture provides compelling way to eliminate emissions**

Volvo Group recently formed a joint venture with Westport Fuel Systems, through which it acquired assets related to Westport’s high-pressure direct injection (HPDI) fuel system for US\$28 million, and up to US\$45 million more based on its performance. And on July 4, 2024 officials from both companies and special guests gathered at University of B.C. – birthplace of the technology – to celebrate the new venture. “HPDI technology was originated here at UBC as a means to reduce the fuel costs and emissions of diesel-powered vehicles with diesel engines, without any compromises – no degradation whatsoever – and all the characteristics and traits that have made the diesel engine the workhorse of industry globally for many decades,” said Scott Baker, vice-president, product development and technology officer of the yet-to-be-named JV. “Our mandate is to accelerate and further develop the commercialization and global adoption of the HPDI fuel system.”

### **15. Parts and labor costs continue to decrease**

Parts and labor costs continued to decrease in the 2024 first quarter, according to the latest survey from the Technology & Maintenance Council (TMC) of the American Trucking Associations and Decisiv. Combined parts and labor costs fell 1.7% in Q1, 2024 according to their latest benchmarking report. “Lower parts and labor costs are welcome news to fleets, who have been weathering substantial increases for much of the last several years,” said TMC executive director Robert Braswell. “This important parts and labor cost analysis report is an excellent tool to help Council members compare how their operations are performing relative to industry trends and plan accordingly.” The report covers costs across 25 VMRS codes. In Q4 2023, costs fell 1.4%. In Q1 of this year, parts costs were down 2.4% while labor costs decreased 0.8%. On a year-over-year basis, combined costs were down 2.3%, but labor costs were up 0.9%.

### **16. E-commerce drives freight trucking market**

Due to the rise in global e-commerce, research by *SNS Insider* forecasts the freight trucking market size to increase 3.9 per cent from 2024-32, reaching US\$3768.1 billion. The freight trucking market was recorded at US\$2670 billion in 2023, and is growing significantly due to the rising global e-commerce industry, as freight trucks are supported for transporting packaged goods and products between distribution centres, warehouses and to retailers. The increasingly fast and last-mile door-to-door delivery of packages from warehouse or fulfillment centre hubs positively affects the market.

### **17. CAA-Quebec to deploy first electric tow truck**

CAA is deploying what it says is the first all-electric tow truck in North America, a Lion5 that will serve the Quebec market. The move comes 80 years after the company introduced its first horse-drawn towing services. The towing platform was built by XpaK Industries. “Roadside assistance has always been in CAA-Quebec’s DNA, and it goes without saying that we are taking the lead in electric towing. We have a responsibility to set an example and take a leadership role in protecting the environment,” said Marie-Soleil Tremblay, president and CEO, in a news release. The truck has a capacity of 210 kWh and range of up to 310 km. The 800-volt battery packs are designed by Lion Electric. CAA plans to put the truck through its paces in a variety of towing situations and weather conditions in the coming months. CAA-Quebec also operates other electric vehicles, including the Hyundai IONIQ, Ford F-150 hybrid and F-150 Lightning.

### **18. Flying taxi startup Lilium close to Saudia order for 100 jets**

Lilium NV is close to selling 100 electric flying taxis to Saudi Arabia’s state-owned airline, formalizing a framework deal arranged in late 2022. The startup is likely to announce the Saudia order at an event at its headquarters near Munich later this month, according to a person familiar with the matter who wasn’t authorized to comment ahead of the announcement. A Lilium spokeswoman declined to comment on the potential order, which was first reported by Reuters. Saudia didn’t immediately respond to a request for comment sent outside of normal business hours. Flying taxi firms including Lilium and rival Volocopter GmbH are entering a crucial phase as they seek additional funding to keep them in the race toward certification. Lilium’s aircraft, which features small ducted fans and two pairs of wings, is targeted to begin flying in 2026.

### **19. Trump’s VP pick supports truck parking, opposes speed limiters**

Former President Donald Trump, a vocal supporter of the trucking industry while he was in Washington – particularly owner-operators – has picked a running mate who is on the record for supporting two of truck drivers’ top legislative priorities. Ohio Republican Senator J.D. Vance, who was named by Trump as his pick for vice president on July 15, 2024 at the Republican National Convention in Milwaukee, is a co-sponsor of the *Truck Parking Improvement Act*, which dedicates \$755 million in grant money over the next three years specifically for expanding truck parking. He is also a cosponsor of the *DRIVE Act*, which would prohibit the Federal Motor Carrier Safety Administration from requiring trucks to be equipped with a speed limiting device set to a maximum speed, a highly controversial rulemaking that FMCSA has scheduled for May 2025. Both bills represent major lobbying efforts by the Owner-Operator Independent Truck Drivers Association.

### **20. Real-world test of BEVs says small depots are ‘ready for electrification’**

The North American Council for Freight Efficiency (NACFE) released the finding of its Run on Less – Electric DEPOT, a three-week demonstration of battery electric vehicles (BEVs) in the real world. During the test, NACFE tracked the activity of 22 electric trucks — including three Tesla Semis — but also looked at total depot electric energy and fuel for all the trucks per day and what that would mean in total electrical energy if all trucks at the depot were converted to electric vehicles. “This recent Run on Less event and Run on Less – Electric, which we conducted in 2021, along with our ongoing research shows that battery electric trucks are a viable option for some fleets today,” says Mike Roeth, NACFE’s executive director. “While BEVs make sense in some applications, there are some challenges to wide-scale deployment and the industry is working on improving their total cost of ownership.” Since the conclusion of the run in September 2023, NACFE has published two reports: “*Electric Truck Depots Are Evolving: How 10 Fleets Grew Their EV Populations*,” which gives an inside view of what it took for 10 fleets to grow the number of BEVs in

their daily operations; and “Run on Less – Electric DEPOT: Scaling BEVs in the Real World” providing an in-depth analysis of the data collected during the three weeks the trucks were tracked.

#### **21. P.E.I. to make MELT mandatory from Aug. 5**

Prince Edward Island will introduce mandatory entry-level training (MELT) for new Class 1 commercial driver’s licence applicants from Aug. 5, 2024. Passing MELT will become a prerequisite for Class 1 PEI driver’s licence testing, according to a news release. P.E.I.’s program will include in-depth training to safely navigate large commercial trucks in various weather and road conditions while on and off the island. Provincially licensed commercial driver training schools will deliver MELT. The provincial government may cover 70% of training fees for eligible participants to help remove potential barriers to employment and support participant training.

#### **22. Purolator expands service into Canada**

Purolator announced it is expanding its global shipping solutions into Canada from China, Europe, India, the United Kingdom and Mexico. With newly established trade lanes, Purolator is enabling organizations from key international regions to reach the expansive Canadian market seamlessly. Additionally, Purolator’s new Mexico-to-Canada shipping solution is well-positioned to support the growing number of North American businesses opting to move their supply chains closer to home.

#### **23. Mack’s largest-ever order of electric trucks lands on Vancouver Island**

July 16, 2024 marked important milestones for Mack Trucks, for waste management company Emterra Environmental, and the City of Courtenay and Town of Comox on Vancouver Island. For Mack, the delivery of LR Electric refuse trucks to Emterra represented its largest single order of electric trucks. Three of a total eight electric refuse trucks were displayed during a special ceremony at the Comox Valley Marina, where they were welcomed with a traditional ceremony by special guests and members of the K’omoks First Nations. For Emterra, it was a special day because the company continued to expand its sustainability mandate in building a circular economy. And for residents and elected officials from the City of Courtenay and Town of Comox, it was an opportunity to improve air quality and reduce noise pollution for inhabitants.

#### **24. Urban public transit, May 2024**

In May 2024, Canada’s urban transit ridership reached 135.1 million trips, recovering to 87.0% of its pre-COVID-19-pandemic May 2019 level—the highest rate of recovery to date. In May 2024, transit agency operating revenue (excluding subsidies) reached \$309.9 million. This was an increase of 6.2%, or \$18.1 million, from the same month the previous year, albeit \$26.3 million below the pre-pandemic level recorded in May 2019.

#### **25. Ontario Awards Contract to Connect Highway 400 to Bradford Bypass**

The Ontario government is getting shovels in the ground on a new interchange at Highway 400 and Simcoe County Road 88 and a new southbound lane on Highway 400 that will connect to the future Bradford Bypass. Construction begins this summer and marks a significant milestone in the province’s plan to fight gridlock across the Greater Golden Horseshoe, help commuters spend less time in traffic and create good jobs for workers in the region. “Our government is delivering on its promise to build the Bradford Bypass, expand our highway network and get people where they need to go,” said Prabmeet Sarkaria, Minister of Transportation. “Combined with the widening of Highway 400, these investments will help tackle gridlock, shorten travel times, and drive economic growth.”

#### **26. INVESTING IN AMERICA: Biden-Harris Administration Announces \$5 Billion to Restore, Reconstruct, and Repair Nationally Significant Large Bridges Across the Country**

On July 17, 2024, to kick off the Biden-Harris Administration’s Investing in America tour, U.S. Transportation Secretary Pete Buttigieg announced more than \$5 billion in Large Bridge Project awards through the Federal Highway Administration’s (FHWA) competitive Bridge Investment Program, part of President Biden’s Investing in America agenda. The grants will fund the reconstruction, repair, and restoration – using American-made materials – of 13 nationally significant bridges in 16 states that connect communities to jobs and resources, support the economy, and serve as critical corridors for freight travel. These projects will also address important safety issues and make the bridges more resilient to extreme weather, all while creating good-paying jobs.

#### **27. ECONOMIC TRUCKING TRENDS: Trailer orders weaken, but trucking conditions improving**

The trucking market continues to improve, with the Trucking Conditions Index returning to positive territory and Motive declaring an approaching end to the persistent freight recession. But improving conditions aren’t sending fleets to trailer dealers. The latest order numbers plummeted in June 2024 as fleets are expected to direct their capex to power units ahead of the costly EPA27 emissions rules. *Trailer orders plummet:* Trailer orders continue to plummet, with June numbers 17% down from May at 4,788 units, according to FTR. That total is 71% off the monthly average over the last 12 months. *Trucking conditions improving:* Falling diesel prices and an improving rate environment saw trucking conditions return to positive territory in May, according to FTR’s Trucking Conditions Index (TCI). It reached the mark of 2.24, from -1.95 in April. *Spot market truckload volumes slipped in June:* DAT Freight & Analytics reports that a strong May for truckload volumes was followed by a pullback in June. Van volumes on the spot market fell 9%

from May, while reefer volumes pulled back 11% and flatbed 7%. *Rates declined in latest week:* More recently, Truckstop and FTR Transportation Intelligence report the week ended July 12 saw spot market rates decrease from the previous week – not uncommon for mid-July. Rates were above prior-year levels for the first time since June 2022. *Stronger retail sales will drive trucking market improvements:* Motive has put out its monthly economic report which contains good news for fleets serving the retail sector. It projects that retail sales will be higher July 2024 than the same month last year, powered by the July 4 U.S. holiday and Amazon Prime Day sales.

### **28. Canada Launches New C\$30B Public Transit Fund**

Canadian Prime Minister Justin Trudeau on July 17 announced the launch of the Canada Public Transit Fund, a new C\$30 billion investment—the largest public transit investment in Canadian history—over the first ten years to expand public transit and make it more accessible across the country.

### **29. THRC: Labour Market Pressures May be Easing**

A new report released by Trucking HR Canada (THRC) shows truck driver vacancies declined by 33 percent in the first quarter of 2024 compared to 2023. THRC's National Job Vacancy Update Q1 2024 shows positive progress on total employment in the trucking and logistics sector, the unemployment rate, and labour market tightness. More highlights from THRC's National Job Vacancy Update for Q1 2024: 1. The number of truck driver vacancies across Canada, is 15,460 — 7,785 fewer than the first quarter of 2023. Employment of drivers grew by 11.6%, with the addition of 32,600 more drivers employed in Q1 2024, compared to Q1 2023. 2. In Canada's "core" trucking and logistics industries, vacancies declined by 36% to just over 10,000 compared to Q1 2023. Employment growth was up 9% in Q1 2024 compared to Q1 2023, an increase of over 50,000 new employees. 3. The unemployment rate for drivers is up year-over-year in Q1 2024 with an additional 3,400 truck drivers actively seeking work compared to Q1 2023. 4. The core trucking and logistics sector also saw a jump in the unemployment rate, increasing from 3.8% in Q1 2023 to 4.8% in Q1 2024.

### **30. Nova Scotia makes progress on Highway 103 twinning project**

Another section of the newly twinned Highway 103 that runs from Halifax to Yarmouth in Nova Scotia has been completed. The new 22-kilometre, four-lane divided highway between Exit 5 at Upper Tantallon and Exit 6 at Hubbards will open to traffic in the coming days, according to a news release. "As a frequent driver of Highway 103, I know just how much of a difference the divided highway has made for those who travel it," said Kim Masland, public works minister. The project includes a new interchange and connector road in Ingramport (Exit 5A) – opened in January 2017; twinned highway from Exit 5 to Exit 5A – opened in December 2020; and twinned highway from Exit 5A to Exit 6 – opening in July.

### **31. U.S. drops planned rules for dogs crossing border**

The U.S. Centers for Disease Control (CDC) will not require onerous forms for dog owners crossing the border from Canada this summer. The agency had announced new rules in May that were aimed at keeping rabies out of the country. They stated dogs needed to be microchipped, vaccinated against rabies, and accompanied by two forms including one signed by a veterinarian.

### **32. North American Transborder Freight up 2.0% in May 2024 from May 2023**

Transborder freight between the U.S. and North American countries Canada and Mexico in May 2024 was as follows: 1. Total transborder freight: \$138.9 billion of transborder freight moved by all modes of transportation, up 2.0% compared to May 2023; 2. Freight between the U.S. and Canada: \$66.0 billion, down 2.4% from May 2023; 3. Freight between the U.S. and Mexico: \$73.0 billion, up 6.3% from May 2023; 4. Mexico has led Canada in freight dollar value for the last 15 months; 5. Trucks moved \$90.9 billion of freight, up 2.0% compared to May 2023; 6. Railways moved \$18.5 billion of freight, up 4.3% compared to May 2023; 7. Vessels moved \$9.9 billion of freight, up 3.9% compared to May 2023; 8. Pipelines moved \$9.5 billion of freight, up 3.5% compared to May 2023; 9. Air moved \$4.4 billion of freight, down 7.6% compared to May 2023; and 10. US air freight with Canada was down 6.2% and down 9.7% with Mexico in high-value electric machinery, computers, and electronics. US-Canada trade in both directions were as follows: Truck \$37.8b; Pipeline \$9.1b; Rail \$9.9b; Vessel \$2.9b; and Air \$2.7b.

### **33. How stagnant demand impacts truckload, parcel and LTL**

A new report shows the uneven effects of continued demand and capacity imbalances playing out across multiple transportation modes. AFS Logistics, a third-party logistics (3PL) provider, along with TD Cowen, announce the third quarter 2024 release of the TD Cowen/AFS Freight Index, a snapshot with predictive pricing for truckload, less-than-truckload (LTL) and parcel transportation markets. While LTL carriers are holding the line with pricing discipline, parcel rates are showing the effects of aggressive discounting and excess truckload capacity continues to suppress a pricing recovery. "The current state of freight markets empowers shippers to wield pricing power and re-evaluate how to best make use of logistics networks," says Tom Nightingale, CEO of AFS. "Carriers, on the other hand, continue to step up the sophistication and nuanced defenses of their revenue streams, with subtle and frequent ancillary price increases."

#### **34. DHL and Envision partner to accelerate sustainability targets within logistics solutions**

Envision Group, a global green technology company, and DHL Group signed a strategic partnership agreement to foster a comprehensive cooperation in logistics solutions and mutually accelerate the progress of sustainability targets. The partnership covers four main areas: logistics solutions, sustainable aviation fuel (SAF), green energy and the joint development of a “net zero industrial and logistic park”.

#### **35. Ontario Accelerating Construction on the Gardiner Expressway by at Least One Year**

The Ontario government is helping to accelerate construction on the Gardiner Expressway by at least one year by providing up to \$73 million to the City of Toronto on the condition that work may be allowed to proceed up to a 24/7 basis. This accelerated timeline moves the construction completion date from April 2027 to at least April 2026, which will benefit Ontario’s economy by an estimated \$273 million by getting drivers and goods out of gridlock a year faster than planned.

#### **36. Hydrogen-fueled internal combustion engines have role to play in decarbonisation**

It’s becoming increasingly likely that the internal combustion engine (ICE), which has served the transport industry so well for 100-plus years, will continue to be a key enabler in the industry’s pursuit of decarbonization. However, the fuels burned within an ICE engine will need to become fossil-free, and hydrogen is a leading candidate to meet this requirement. Hydrogen is often associated with fuel cells, but hydrogen ICE (H2-ICE), brings some inherent advantages over the complexity of fuel cells. The base engine design offers parts commonality with today’s diesel and natural gas engines for OEMs, and the associated familiarity for end users. The cost to upgrade therefore is more palatable to customers and offers more diesel-like performance attributes related to power and range. H2-burning engines also can withstand higher levels of hydrogen impurities than can fuel cells, adding reliability and peace of mind, especially in dirty environments. These and other considerations related to H2-ICE were discussed during a webinar and related [white paper](#) produced by the Engine Technology Forum.

#### **37. Legal challenges ahead for truck speed, hours-of-service rules?**

With dust starting to settle after the landmark Supreme Court Chevron decision upended the federal rulemaking process, Republican lawmakers are eager to hear about rules that small-business truckers would like to see challenged. “I think first and foremost is the speed limiter rule that’s been floated around,” said Lewie Pugh, executive vice president of the Owner-Operator Independent Drivers Association, testifying before the House Transportation and Infrastructure Committee on July 25, 2024. The rule, which the Federal Motor Carrier Safety Administration is looking to cap – potentially at as low as 60 mph for trucks – is scheduled to be published by the FMCSA next year. “Also, more flexibility in the hours-of-service [rules] would be very helpful, and eliminating the [Department of Labor’s] overtime exemption for driver pay,” Pugh said. “That was put in place in 1938. Truckers right now give away 20, 30 hours a week [due to trucking companies being exempt from having to pay drivers overtime]. That would also help manage the speed and other safety-related issues we’re talking about here.” OOIDA argues on Capitol Hill against potential speed limit regulation. OOIDA tells Congress that lawmakers, not regulators, should have final say in post-Chevron-decision landscape

#### **38. Employment in Alberta up among shippers, receivers and truck drivers, says report**

Trucking HR Canada’s (THRC) Alberta Labour Market Information (LMI) snapshot for the first quarter of 2024 shows employment among transport truck drivers, shippers and receivers increased in the first quarter, and points to job losses in other sector occupations. “The job vacancy rate in truck transportation fell from 8.3 per cent to 4.1 per cent in the year leading up to Q4 2023. The results are significant, especially since vacancies in general across Alberta hit record highs in 2022,” says Craig Faucette, chief program officer, Trucking HR Canada. “Reflecting challenges in the transportation sector, there were job losses among couriers and messengers, material handlers, managerial and administrative positions...” Employment of transport truck drivers in Alberta increased by 6.8 per cent in Q1 2024, with 47,100 drivers employed, up 3,000 compared with Q1 2023.

#### **39. B.C. truckers hold second rally against new container trucking licensing regulations, call on NDP to intervene**

The Port Transportation Association (PTA) held a second rally on July 21, to protest the new container trucking service requirements in the Lower Mainland of B.C. The association believes the new rules will harm smaller and medium drayage companies operating in the area since it would prohibit many operators from “doing business with themselves” as the new requirements prevent licensed trucking companies from using their subsidiary or associated non-licensed companies to perform off-dock work. According to the report published by the Office of the British Columbia Container Trucking Commissioner (OBCCTC) licensees “must not enter into an agreement, arrangement or understanding” to perform on- or off-dock trucking services with any non-licence holders, who perform off-dock drayage work in the Lower Mainland. This appears to be the cause of the second rally. Tom Johnson, a PTA spokesperson, said more than 160 trucks — some with trailers attached — participated in the Sunday rally, which started at 11:30 a.m. at Annacis Island and traveled to Vancouver’s downtown core and back.

#### 40. ‘We’re too fat’: TFI International CEO targets costs at US LTL operations

With revenue at TFI International ever more dependent upon its activities in the less-than-truckload sector, it is no surprise that was CEO Alain Bedard’s main focus for much of the company’s earnings call with analysts. The call was entirely Bedard; no other TFI executives joined in, unusual in any industry. TFI’s U.S. LTL operations sported a second-quarter operating ratio above 90%, and LTL accounted for 42% of company revenue, so it drew most of Bedard’s attention – and critique. OR at TFI’s U.S. LTL operations was 90.8%, an improvement from the 91.5% of a year earlier. Asked by an analyst if TFI could get that down to meet an annual target of 88% by the end of the year, Bedard was characteristically blunt. “No, it is impossible,” he said. The company’s target instead is to break below a 90% OR by the end of the year. The 88% OR target was set in the fall of 2023. “When I listened to our guys, our team, we thought we would grow our shipment count at the same time as reducing costs,” Bedard said.

#### 41. Carriers Abusing LMIA to Recruit Foreign Workers

Trucking association executives say that a key component of the temporary foreign worker (TFW) program is being abused, with foreign workers paying tens of thousands of dollars for an opportunity to live and work in Canada, reports Leo Barros, of Trucknews.com. “The Canadian Trucking Alliance on many occasions has seen unusual activity in our sector and irregularities when it comes to their carriers and the number of approved LMIAs [Labour Market Impact Assessments] they have,” Stephen Laskowski, president of the Canadian Trucking Alliance (CTA) and Ontario Trucking Association, told the magazine. “In some cases, we can see some companies with huge numbers of approved LMIAs in proportion to their fleet size. This should be an obvious red flag for authorities that draws questions as to why more drivers are required than trucks registered to the fleets.”

#### 42. End of trucking recession finally in sight as freight rates rise

Trucking executives in the US are fanning optimism that the end of their recession may be close as freight rates look set to grow for the first time in nearly two years. The average cost of moving goods by truck is set to rise 0.2% year-on-year this month after 27 consecutive months of declines, according to freight marketplace DAT Solutions. Demand looks to be returning to pre-pandemic levels and trucking executives are talking up an impending recovery as their stock prices rise. Knight-Swift Transportation Holdings Inc. Chief Executive Officer Adam Miller said on a Thursday, July 25, 2024 earnings call “If the trends over the past few months continue, we should see demand building as we exit the third quarter and some return of seasonal activity for the fourth quarter for the first time in years,”.

### GENERAL TRANSPORTATION

#### Canada

#### 1. ICYMI: Local, State, and Federal Leaders Celebrate Biden-Harris Administration’s \$1.8 Billion Investment in American Infrastructure Projects, Funded by USDOT RAISE Grants

On, July 1, 2024, U.S. Transportation Secretary Pete Buttigieg announced \$1.8 billion in awards from the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) discretionary grant program for 148 projects across the country. Funding is split equally between urban and rural areas, and a large percentage of grants support regions that been historically overlooked or underinvested in.

#### 2. European Council, 27 June 2024

EU leaders have agreed on appointments and nominations for the EU’s top jobs and adopted the strategic agenda for 2024-2029, a policy plan that steers the EU’s future direction and goals. They also adopted conclusions on Ukraine, the Middle East, security and defence, competitiveness, migration, the Black Sea, Moldova, Georgia, hybrid threats, the fight against antisemitism, racism and xenophobia and a roadmap on internal reforms.

#### 3. Acquisition brings together Canadian logistics companies

Canadian carrier, logistics and warehousing company Wellington Group of Companies announced the acquisition of Contract Express, welcoming the company’s employees to the team. A multi-modal transportation solutions business based in Guelph, Ont., Contract Express offers a wide range of customers, including the automotive, machinery, equipment manufacturers, building material and furniture

### GENERAL TRANSPORTATION

#### Canada

1. ICYMI: Local, State, and Federal Leaders Celebrate Biden-Harris Administration’s \$1.8 Billion Investment in American Infrastructure Projects, Funded by USDOT RAISE Grants, July 1, 2024, [www.dot.gov](http://www.dot.gov)
2. European Council, 27 June 2024, July 1, 2024, [www.europa.eu](http://www.europa.eu)
3. Acquisition brings together Canadian logistics companies, July 2, 2024, [www.insidelogistics.ca](http://www.insidelogistics.ca)
4. U.S. Department of Transportation Announces \$114 Million in Federal Loans to Benefit Rural Oklahoma Communities, July 2, 2024, [www.dot.gov](http://www.dot.gov)
5. INVESTING IN AMERICA: Biden-Harris Administration Makes over \$600 Million Available for Projects that Reconnect Communities, July 3, 2024, [www.dot.gov](http://www.dot.gov)
6. Department of Transportation Awards \$7 million for Complementary Positioning, Navigation and Timing Technologies, July 3, 2024, [www.dot.gov](http://www.dot.gov)
7. Canadian international merchandise trade, May 2024, July 3, 2024, [www.statcangc.ca](http://www.statcangc.ca)
8. Canadian international trade in services, May 2024, July 3, 2024, [www.statcangc.ca](http://www.statcangc.ca)
9. Canada joins Horizon Europe Programme, July 3, 2024, [www.europa.eu](http://www.europa.eu)
10. Internal Trade in Canada: Value of interprovincial trade in manufactured goods, 2022, July 9, 2024, [www.statcan.gc.ca](http://www.statcan.gc.ca)
11. Report says Canadian warehousing and storage industry performing well, July 8, 2024,

industries.

#### **4. U.S. Department of Transportation Announces \$114 Million in Federal Loans to Benefit Rural Oklahoma Communities**

The U.S. Department of Transportation on July 2, 2024 announced that its Build America Bureau has provided three loans for up to \$113.8 million to the Oklahoma Capital Improvement Authority (OCIA), on behalf of the Oklahoma Department of Transportation (ODOT) to improve rural road safety across 15 counties in the state. By providing Transportation Infrastructure Finance and Innovation Act (TIFIA) loans and other financing, the Bureau helps communities expedite infrastructure projects and reduce project costs.

#### **5. INVESTING IN AMERICA: Biden-Harris Administration Makes over \$600 Million Available for Projects that Reconnect Communities**

On July 3, 2024, U.S. Transportation Secretary Pete Buttigieg announced a Notice of Funding Opportunity (NOFO) for the third round of the Department's popular Reconnecting Communities Pilot (RCP) Program, with the FY24 NOFO containing FY24-26 funding of more than \$600 million available for both capital construction and community planning grants. This continues the stream of investment from the President's Bipartisan Infrastructure Law flowing to communities across the country as part of our Infrastructure Decade.

#### **6. Department of Transportation Awards \$7 million for Complementary Positioning, Navigation and Timing Technologies**

On July 3, 2024, the U.S. Department of Transportation (DOT) awarded contracts to nine Complementary Positioning, Navigation, and Timing (PNT) technology vendors. The primary and most recognizable PNT service supporting critical infrastructure is the Global Positioning System (GPS) utilized for all modes of transportation, including aviation, maritime, and rail. In addition to transportation applications, use of GPS is foundational through many sectors of the economy such as surveying, the financial sector, machine control, precision agriculture, science missions, and space applications. However, because GPS relies on signals broadcast from satellites in medium Earth orbit (MEO), the signal strength at the receiver is low and thus vulnerable to intentional and unintentional disruptions. These awards will enable DOT to conduct real-world field tests of commercial PNT technologies to facilitate adoption into systems that depend on secure and reliable PNT services. These awards total to more than \$7.2 million,

#### **7. Canadian international merchandise trade, May 2024**

In May 2024, Canada's merchandise exports decreased 2.6%, while imports were down 1.6%. As a result, Canada's merchandise trade deficit with the world widened from \$1.3 billion in April 2024 to \$1.9 billion in May 2024. This represents a third consecutive monthly deficit. Following an increase of 2.1% in April 2024, total exports were down 2.6% in May 2024 to \$62.4 billion, the lowest level since July 2023. Overall, declines were observed in 8 of the 11 product sections. In real (or volume) terms, total exports were down 1.7% in May 2024. Exports of metal and non-metallic mineral products fell 7.0% in May 2024. Exports of unwrought gold, silver and platinum group metals and their alloys—a category largely composed of unwrought gold—decreased the most (-17.1%).

#### **8. Canadian international trade in services, May 2024**

Canada's monthly international trade in services deficit narrowed from \$1.1 billion in April 2024 to \$1.0 billion in May 2024. Overall, exports of services increased 0.5% to \$17.0 billion, while imports of services edged down 0.2% to \$18.1 billion. Exports of commercial services rose 1.2% to \$11.0 billion in May 2024, which was partially offset by lower exports of transportation services (-2.0%). Imports of commercial services were down 1.2% to \$10.3 billion in May 2024, mainly because of lower payments of financial services. Imports of travel services increased 2.3% to \$4.5 billion on higher spending by Canadian travellers visiting US destinations.

#### **9. Canada joins Horizon Europe Programme**

[www.insidelogistics.ca](http://www.insidelogistics.ca)

12. INVESTING IN AMERICA: Biden-Harris Administration Strengthens Transit Manufacturing Industry with \$1.5, July 9, 2024, [www.dot.gov](http://www.dot.gov)

13. Leading indicator of international arrivals to Canada, June 2024, July 9, 2024, [www.statcan.gc.ca](http://www.statcan.gc.ca)

14. June 2024 U.S. Transportation Sector Unemployment (4.8%) Rises Above the June 2023 Level (3.3%) And the Pre-Pandemic June 2019 Level (4.1%), July 5, 2024, [www.bts.gov](http://www.bts.gov)

15. May 2024 Freight Transportation Services Index (TSI) Up 1.7% from the Previous Month and Up 0.2% from the Same Month Last Year, July 11, 2024, [www.bts.gov](http://www.bts.gov)

16. European Health Insurance Card: keeping you safe while travelling abroad, July 12, 2024, [www.europa.eu](http://www.europa.eu)

17. USDOT Convenes Transportation Stakeholders and Administration Partners to Celebrate Climate Progress and Set the Stage for Continued Action, July 15, 2024, [www.dot.gov](http://www.dot.gov)

18. Canada set to be fastest growing economy in G7 in 2025, IMF forecasts, July 17, 2024, [www.financialpost.ca](http://www.financialpost.ca)

19. Government of Canada's New Canada Green Buildings Strategy to Help Canadians Save Money on Their Energy Bills, July 16, 2024, [www.tc.gc.ca](http://www.tc.gc.ca)

20. Supply Chain disruptions up 30% in first half of 2024, July 18, 2024, [www.ajot.com](http://www.ajot.com)

21. Digital supply chain seen as top trend of 2024, July 22, 2024, [www.insidelogistics.ca](http://www.insidelogistics.ca)

22. Traffic Flow Dashboard, July 2024, July 22, 2024, [www.statcan.gc.ca](http://www.statcan.gc.ca)

23. Travel between Canada and other countries, May 2024, July 23, 2024, [www.atatcan.gc.ca](http://www.atatcan.gc.ca)

24. Summary of discussions about accessibility of small transportation service providers in remote, rural and northern communities, July 26, 2024, [www.cta-otc.gc.ca](http://www.cta-otc.gc.ca)

25. Ottawa's warehouse labour force expected to grow, July 26, 2024, [www.insidelogistics.ca](http://www.insidelogistics.ca)

26. Tourism Human Resource Module, July 26, 2024, [www.statcan.gc.ca](http://www.statcan.gc.ca)

27. Screened passenger traffic at Canadian airports, June 2024, July 29, 2024, [www.statcan.gc.ca](http://www.statcan.gc.ca)

Canada has become the latest non-EU country to join the EU's research and innovation programme, Horizon Europe. This means Canadian researchers and organisations can now work jointly with EU counterparts on large-scale projects tackling our biggest challenges.

#### **10. Internal Trade in Canada: Value of interprovincial trade in manufactured goods, 2022**

The value of interprovincial trade in manufactured goods was \$170.5 billion in 2022. From 2021 to 2022, all provinces and territories except Nunavut reported an increase in sales of manufactured goods to other provinces and territories. Quebec factories saw the biggest increase in the value of interprovincial sales, up \$7.2 billion (+17.7%) in 2022, followed by Ontario (+13.6%) and Alberta (+13.9%). Manufactured goods crossed the Ontario-Quebec border more than any other interprovincial border in Canada in 2022. Ontario manufacturers sold \$24.7 billion in goods to Quebec customers, while Quebec factories sold \$33.6 billion to Ontario—for a total of \$58.3 billion in two-way manufacturing trade between the two provinces. The food, petroleum and coal product, and primary metals industries contributed the most to interprovincial trade between these provinces.

#### **11. Report says Canadian warehousing and storage industry performing well**

Industry research firm *IBISWorld* released a June 2024 report on the Canadian warehousing and storage sector, showing a compound annual growth rate (CAGR) of 3.3 per cent over the past five years and reaching an estimated \$2.3 billion in revenue in 2024. The report says general warehousing and storage services in Canada have seen strong growth since 2019, especially through pandemic-era lockdowns and the economy's immediate recovery. Consumers' rapid shift to e-commerce through COVID-19 drove demand for warehousing providers' highest-priced services but also posed challenges, as products sold online required more space and labour-intensive handling.

#### **12. INVESTING IN AMERICA: Biden-Harris Administration Strengthens Transit Manufacturing Industry with \$1.5**

The U.S. Department of Transportation's Federal Transit Administration (FTA) on July 9, 2024 announced approximately \$1.5 billion in funding to support 117 projects that will improve public transportation in 47 states. Under the President's historic Bipartisan Infrastructure Law, FTA has awarded nearly \$5 billion in the past three years to replace and modernize transit buses on America's roadways, building new technology with American workers. U.S. factories will produce more than 4,600 of these new buses.

#### **13. Leading indicator of international arrivals to Canada, June 2024**

In June 2024, the preliminary number of international arrivals to Canada by air and automobile increased 10.4% from June 2023. By air, the number of non-resident arrivals in Canada totalled 1.3 million in June 2024, up 7.4% year over year. Meanwhile, the number of Canadian-resident return trips from abroad reached 1.3 million, a 12.2% increase from June 2023. By automobile, US residents took 1.6 million trips to Canada in June 2024, up 8.7% from the same month in 2023. The number of Canadian-resident return trips from the United States also rose, up 12.5% year over year to 2.0 million trips in June 2024.

#### **14. June 2024 U.S. Transportation Sector Unemployment (4.8%) Rises Above the June 2023 Level (3.3%) And the Pre-Pandemic June 2019 Level (4.1%)**

The unemployment rate in the U.S. transportation sector was 4.8% (not seasonally adjusted) in June 2024 according to the Bureau of Labor Statistics (BLS). These data have been updated on the Bureau of Transportation Statistics' (BTS) [Unemployment in Transportation](#) dashboard. In June 2024, the transportation sector unemployment rate rose 1.5 percentage points from 3.3% in June 2023 and was above the pre-pandemic June 2019 level of 4.1%. Unemployment in the transportation sector reached its highest level during the COVID-19 pandemic (15.7%) in May 2020 and July 2020. Unemployment in the transportation sector was higher than overall unemployment. BLS reports that the U.S. unemployment rate, not seasonally adjusted, in June 2024 was 4.3% or 0.5 percentage points below the transportation sector rate. Seasonally adjusted, the U.S. unemployment rate in June 2024 was 4.1%.

#### **15. May 2024 Freight Transportation Services Index (TSI) Up 1.7% from the Previous Month and Up 0.2% 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 1.7% in May 2024 from April 2024, rising for the first month after a two-month decline, according to the U.S. Department of Transportation Bureau of Transportation Statistics (BTS). From May 2023 to May 2024 the index rose 0.2%.

#### **16. European Health Insurance Card: keeping you safe while travelling abroad**

Have you ever injured yourself while surfing in France and needed stitches? Sprained your ankle while hiking the Alps? Needed to see a doctor because of your pre-existing diabetes while on holiday in Greece? Perhaps not, but in case something like this does happen while you're abroad, the **European Health Insurance Card (EHIC)** has you covered. The EHIC allows you to receive **necessary and urgent medical care** abroad, including for chronic or existing illnesses, as well as pregnancy and childbirth. It's **not** an alternative to travel insurance, and it **does not** cover any private healthcare costs or planned medical treatments. EHIC is valid *in any EU country, Iceland, Liechtenstein,*

Norway, Switzerland, **and the United Kingdom**. By presenting the card, you can obtain healthcare services directly from a **public or contracted provider under the same conditions and at the same cost as people insured in the country you are visiting**.

#### **17. USDOT Convenes Transportation Stakeholders and Administration Partners to Celebrate Climate Progress and Set the Stage for Continued Action**

On July 11-12, the U.S. Department of Transportation hosted a [Transportation and Climate Symposium](#), where climate champions and nationwide, innovative solutions were recognized. Solutions that help decarbonize our transportation systems and create more accessible and affordable mobility options for all Americans were highlighted.

#### **18. Canada set to be fastest growing economy in G7 in 2025, IMF forecasts**

The [International Monetary Fund](#) is upgrading its forecast for the [Canadian economy](#), projecting it will now grow by 1.3 per cent this year and by 2.4 per cent in 2025, according to a report released on July 17, 2024. In both readings, the forecasts were increased by one-tenth of a percentage point from the IMF's initial world economic outlook released in April. For 2025, Canada is projected to be the fastest growing economy among the G7 and other advanced economies. The U.S. economy will rank second at 1.9 per cent and the U.K. third at 1.5 per cent growth next year.

#### **19. Government of Canada's New Canada Green Buildings Strategy to Help Canadians Save Money on Their Energy Bills**

On July 16, 2024, the Minister of Transport and Quebec Lieutenant, the Honourable Pablo Rodriguez, and Joël Lighthound, Member of Parliament for Louis-Hébert, on behalf of the Honourable Jonathan Wilkinson, Canada's Minister of Energy and Natural Resources, announced a federal investment of \$12.6 million in the Société de financement et d'accompagnement en performance énergétique Canada (SOFIAC). This funding will help them accelerate their expansion into energy efficiency for commercial buildings and multi-unit residential buildings, helping building owners and tenants save on their energy bills and reduce emissions. Through the Green Buildings Strategy, the Government of Canada will invest \$177 million for Deep Retrofit Accelerator Initiative projects like this, which support upgrades to multiple building systems and equipment in commercial, institutional, or mid- or high-rise multi-unit residential buildings across Canada. These projects will replace roofs, upgrade windows, insulation, or building cladding, to save money and cut pollution.

#### **20. Supply Chain disruptions up 30% in first half of 2024**

Resilinc, the leading provider of supply chain resiliency solutions has unveiled new data highlighting the primary drivers of supply chain disruptions during the first half of 2024. From January through June, Resilinc's EventWatchAI platform reported a total of 10,629 supply chain disruptions, with the Life Sciences, Healthcare, General Manufacturing, High-Tech, and Automotive industries bearing the brunt of the impact. Notably, the overall number of disruptions grew 30% over H1 of last year.

#### **21. Digital supply chain seen as top trend of 2024**

The Association for Supply Chain Management (ASCM) released its Top 10 Supply Chain Trends of 2024, with digital supply chains taking the top spot. The global supply chain management application market is projected to reach nearly \$31 billion by 2026, according to ASCM, demonstrating the importance of investing in supply chain architecture. Several key trends will shape the future, including digital supply chain, big data and analytics (which was in the top spot in 2023) and visibility and traceability. These fundamental pillars will necessitate the development of new skills and knowledge among your workforce, particularly related to the Supply Chain Operations Reference Digital Standard (SCOR DS). This shift is driven by the realization that enablement must play a more prominent role in supply chain orchestration. Following digital supply chain and big data and analytics, the Top 10 rounded out with artificial intelligence, supply chain investment, visibility, traceability and location intelligence, disruption and risk management, agility and resilience, supply chain cyber security, green and circular supply chains and geopolitical and deglobalization of supply chains.

#### **22. Traffic Flow Dashboard, July 2024**

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. This dashboard shows traffic count data that are obtained from traffic camera imagery using a computer vision-based system developed at Statistics Canada's Data Exploration and Integration Lab.

#### **23. Travel between Canada and other countries, May 2024**

In May 2024, the number of non-resident visitors to Canada accounted for 95.7% of the number observed in May 2019, before the COVID-19 pandemic. US residents took 2.1 million trips to Canada in May 2024, and residents of overseas countries took 615,600 trips. The number of returning Canadian residents reached 93.1% of the level recorded in May 2019 as Canadian residents returned from 4.4 million trips abroad in May 2024. In May 2024, US residents took 2.1 million trips to Canada, up 13.1% from the 1.8 million trips taken during the same month in 2023 and reaching 97.1% of the level observed in May 2019 (2.1 million), before the pandemic. In May, 615,600 overseas residents arrived in Canada, an increase of 12.9% from the 545,200 overseas

arrivals observed in the same month in 2023. The number of overseas-resident arrivals in Canada in May 2024 made up 91.3% of the 673,900 arrivals recorded in May 2019. Most (76.8%) of the overseas residents arriving in May 2024 flew into Canada (472,800 arrivals). The top three countries where overseas visitors to Canada resided in—the United Kingdom (77,800), India (77,600), and France (51,500)—together represented just over one-third (33.6%) of all overseas arrivals in Canada in May. Arrivals from Mexico declined 32.2% year over year, possibly attributable to more restrictive visa requirements for Mexican nationals seeking to enter Canada, introduced earlier this year.

#### **24. Summary of discussions about accessibility of small transportation service providers in remote, rural and northern communities**

The Canadian Transportation Agency (CTA) is considering extending elements of the existing Accessible Transportation for Persons with Disabilities Regulations (ATPDR) to small Transportation Service Providers (STSPs) in a second phase (Phase II) of the ATPDR. Currently, the ATPDR covers larger transportation service providers, such as airlines that transported over 1 million passengers in each of the last two calendar years. STSPs are not currently covered by the ATPDR. The consultation plan was shared with the members of the CTA's Accessibility Advisory Committee (AAC) for their review and input. As per the established plan, in April 2023, the CTA initiated discussions with a small group of industry representatives and members of the disability community. The purpose of these discussions was to learn about the experience of persons with disabilities when traveling with STSPs and the operational realities and challenges of these STSPs in delivering accessible transportation services. In the spring and summer of 2023, CTA staff, accompanied by representatives of the communities of persons with disabilities, organized a series of meetings and site visits to gain first-hand knowledge about the operations and current accessibility practices of STSPs. Persons with disabilities stated that STSPs generally appeared to make efforts to provide personalized service and, in particular, to assist persons with disabilities. Persons with disabilities explained that they understand that STSPs may not achieve full accessibility in remote, rural and northern areas of Canada, but believe that they should be able to advance accessibility to the extent possible. This goal aligns with the national objective of making Canada fully accessible by 2040. STSPs stated that they sometimes face challenges with respect to communication with travelers, especially in smaller communities, due to internet and cell service not always being available, or the service being unreliable. For this reason, travelers seem to prefer landline phones and in-person communication. For a complete discussion of findings refer to the CTA website.

#### **25. Ottawa's warehouse labour force expected to grow**

CBRE Canada's latest "Emerging Industrial Markets" spotlight shines a light on Ottawa's potential for growth in the logistics sector, saying the city's warehouse labour force is expected to grow by 14 per cent by 2034, according to Oxford Economics and the Government of Canada Job Bank.

#### **26. Tourism Human Resource Module**

The Tourism Human Resource Module by occupation is now available upon request. This builds on the previous estimates by characteristics released on June 7, 2024, by adding the occupation details. It depicts annual estimates of jobs, hours worked, and wages and salaries in tourism industries consistent with the System of National Accounts concepts, by characteristics of the employees holding those jobs.

#### **27. Screened passenger traffic at Canadian airports, June 2024**

In June 2024, 5.0 million passengers passed through pre-board security screening at checkpoints operated at Canada's eight largest airports, an increase of 3.7% from June 2023. Screened passenger traffic in June 2024 came in above pre-COVID-19 pandemic levels, with 2.2% more screened passengers than in June 2019. In June 2024, transborder (to the United States) screened passengers were up 12.3% over June 2023, marking the second consecutive month in which transborder traffic exceeded pre-pandemic levels. Indeed, the number of passengers screened for flights to the United States in June 2024 was up 4.2% from June 2019. Moreover, international screened passenger traffic (outside of the United States) in June 2024 grew 9.9% over June 2023, exceeding pre-pandemic levels from June 2019 by 2.3%. The number of passengers screened for domestic flights was down 3.5% year over year in June 2024 albeit this was 1.1% higher than in June 2019. In June 2024, each of Canada's eight largest airports posted higher volumes of passenger traffic year over year. Halifax/Robert L. Stanfield International led the increases, up 8.1% over June 2023.