

# Transportation Information Update\*

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## AIR TRANSPORTATION

### 1. Screened passenger traffic at Canadian airports, March 2024

In March 2024, 4.5 million passengers passed through pre-board security screening at checkpoints operated at Canada's eight largest airports, an increase of 6.2% from March 2023. While the rate of growth for screened passenger traffic was strong in March 2024, it was a deceleration from the double-digit year-over-year growth reported in the first two months of 2024. Screened passenger traffic in March was 3.1% lower than in March 2019, marking the fourth consecutive month in which screened passenger volumes failed to reach pre-COVID-19 pandemic levels.

### 2. WestJet connects Edmonton to one of the world's busiest global hubs with its first flight to Atlanta

WestJet on April 29, 2024 celebrated the takeoff of connectivity between Atlanta and Edmonton, following the departure of flight WS1902 at 00:45 MDT. The launch of the airline's exclusive service marked a critical milestone in growing Edmonton's direct transborder travel options to one of the world's largest global hubs. "Our new route to Atlanta, will bolster incredible connectivity for Edmonton, stimulating critical new opportunities for the city's vibrant business sector and visitor economy to grow and thrive," said John Weatherill, WestJet Executive Vice-President and Chief Commercial Officer. "With year-round service, we are opening up Edmonton to the world and the world to Edmonton with convenient access to a mega-global hub, which hosts more than 1,000 flights per day to more than 200 international and domestic destinations."

### 3. More Data Needed to Understand Contrails, their Climate Effect & Develop Mitigation

The International Air Transport Association (IATA) called for urgent action to deepen the understanding on the formation and climate impact of aviation contrails to develop effective mitigation measures. The newly released IATA report [Aviation Contrails Climate Effect: Tackling Uncertainties & Enabling Solutions](#) (pdf) calls for a strengthening of collaboration between research and technological innovation, coupled with policy frameworks to address aviation's non-CO2 emissions through more atmospheric data. The report highlights the complexity of contrail science, noting gaps in the understanding of how contrails form, or when they could persist, and how they impact the climate. The lack of high-resolution, real-time data on atmospheric conditions (particularly humidity and temperature at cruising altitudes) hinders precise contrail forecasting.

### 4. WestJet Service Update: YYZ Gate Gourmet labour disruption impact

Catering services at Toronto Pearson International Airport (YYZ) are expected to return to normal operations by Thursday, May 2, 2024, following the ratification of a collective agreement between Gate Gourmet, WestJet's catering vendor in Toronto, and its respective employees. Guests travelling between now and May 2, 2024 are still advised to plan ahead and bring an extra snack and/or beverage for their journey as operations fully restart. We appreciate our guests' understanding and patience throughout this disruption.

## AIR TRANSPORTATION Canada

1. Screened passenger traffic at Canadian airports, March 2024, April 29, 2024, [www.statcan.gc.ca](http://www.statcan.gc.ca)
2. WestJet connects Edmonton to one of the world's busiest global hubs with its first flight to Atlanta, April 29, 2024, [www.ajot.com](http://www.ajot.com)
3. More Data Needed to Understand Contrails, their Climate Effect & Develop Mitigation, April 30, 2024, [www.iata.org](http://www.iata.org)
4. WestJet Service Update: YYZ Gate Gourmet labour disruption impact, April 30, 2024, [www.westjet.ca](http://www.westjet.ca)
5. New online dashboard for eligible air travel complaint decisions and orders, April 30, 2024, [www.cta-otc.gc.ca](http://www.cta-otc.gc.ca)
6. Charges and arrest warrants issued following Air Canada gold heist, April 30, 2024, [www.insidelogistics.ca](http://www.insidelogistics.ca)
7. USDOT Alerts Passengers That Starting Today, Southwest Airlines Must Provide Compensation for Delays and Cancellations Within Their Control, April 30, 2024, [www.dot.gov](http://www.dot.gov)
8. Air Cargo Posts Fourth Month of Double-Digit Growth in March, April 30, 2024, [www.iata.org](http://www.iata.org)
9. Air Canada Reports First Quarter 2024 Financial Results, May 2, 2024, [www.aircanada.ca](http://www.aircanada.ca)
10. Porter inaugurates service between Montreal and Edmonton, May 1, 2024, [www.westjet.ca](http://www.westjet.ca)
11. Passenger Demand Up 13.8% in March, May 1, 2024, [www.iata.org](http://www.iata.org)
12. Alexis von Hoensbroech, WestJet Group CEO, commemorates first visit to Halifax with key partners and community members, reaffirming commitment to Atlantic Canada, May 1, 2024, [www.westjet.ca](http://www.westjet.ca)
13. WestJet issues lockout notice to aircraft maintenance staff, May 5, 2024, [www.ajot.com](http://www.ajot.com)
14. The WestJet Group and AMFA reach tentative agreement, averting work stoppage, May 5, 2024, [www.westjet.ca](http://www.westjet.ca)
15. Air Canada Musically Transports You to Amsterdam, Barcelona and Paris with Musical Travel Guides, May 3, 2024, [www.aircanada.ca](http://www.aircanada.ca)
16. U.S. Airlines' March 2024 Fuel Cost per Gallon down 2.2% from February 2024; Aviation Fuel Consumption Up 4.9% from Pre-Pandemic March 201, May 6, 2024, [www.bts.gov](http://www.bts.gov)

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

## 5. New online dashboard for eligible air travel complaint decisions and orders

The Canadian Transportation Agency (CTA) published on April 30, 2024 the decisions issued by Complaint Resolution Officers for eligible air travel complaints processed since September 30, 2023. This list of decisions will be updated quarterly. The publication of certain information about decisions and orders is required by section 85.14 of the Canada Transportation Act (Act). The dashboard includes the flight number, date of departure, the issue of whether any flight delay, flight cancellation or denial of boarding was within the carrier's control, but was required for safety reasons or was outside the carrier's control, and whether or not the CTA ordered the airline to provide compensation or a refund as set out in their tariff, or to provide compensation for expenses incurred. Personal information about the passengers and specific details about the complaint will not be published, as per the Act.

## 6. Charges and arrest warrants issued following Air Canada gold heist

Ontario's Peel Regional Police (PRP) have charged or issued warrants for nine individuals they believe were involved in the Air Canada gold heist at Toronto's Pearson International Airport last year. PRP investigators also seized one kilogram of gold worth approximately \$89,000 believed to be from the theft, smelting equipment, and approximately \$434,000 Canadian currency. "Our investigators and entire service recognized the heightened interest and impact this incident had in our community," Nishan Duraiappah, Peel Regional Police chief, said in a release.

## 7. USDOT Alerts Passengers That Starting Today, Southwest Airlines Must Provide Compensation for Delays and Cancellations Within Their Control

The U.S. Department of Transportation (DOT) is reminding passengers that starting April 30, 2024, Southwest Airlines must compensate them with a transferrable voucher worth at least \$75 for any controllable cancellation or delay that causes passengers to reach their destination three or more hours after their scheduled arrival time. Southwest is required to provide this compensation as part of DOT's recent historic enforcement action holding the airline accountable for its 2022 holiday meltdown that stranded millions of passengers across the country.

## 8. Air Cargo Posts Fourth Month of Double-Digit Growth in March

The International Air Transport Association (IATA) released data for March 2024 global air cargo markets showing continuing strong annual growth in demand. Total demand, measured in cargo tonne-kilometers (CTKs), rose by 10.3% compared to March 2023 levels (11.4% for international operations). This is the fourth consecutive month of double-digit year-on-year growth. Capacity, measured in available cargo tonne-kilometers (ACTKs), increased by 7.3% compared to March 2023 (10.5% for international operations). "Air cargo demand grew by 10.3% over the previous March. This contributed to a strong first quarter performance which slightly exceeded even the exceptionally strong 2021 first quarter performance during the COVID crisis. With global cross-border trade and industrial production continuing to show a moderate upward trend, 2024 is shaping up to be a solid year for air cargo," said Willie Walsh, IATA's Director General.

## 9. Air Canada Reports First Quarter 2024 Financial Results

Air Canada on May 2, 2024 reported its first quarter 2024 financial results. "Air Canada's solid first quarter results position our airline for a strong performance in 2024. We had operating revenues of \$5.2 billion in the quarter, up \$339 million from last year. Adjusted EBITDA grew by \$42 million year over year to \$453 million. I thank our employees for their hard

17. Amazon hires ATSG to fly 10 Boeing 767 freighters, May 6, 2024, [www.freightwaves.com](http://www.freightwaves.com)

18. Ground Handling Priorities: Safety, Global Standards & Sustainability, May 7, 2024, [www.iata.org](http://www.iata.org); and IATA Initiative to Accelerate Transition to Enhanced GSE, May 8, 2024, [www.iata.org](http://www.iata.org)

19. Industry Makes Progress to Reduce Baggage Mishandling, New Survey Reveals, May 9, 2024, [www.iata.org](http://www.iata.org)

20. WestJet and IAM reach tentative agreement, May 9, 2024, [www.westjet.ca](http://www.westjet.ca)

21. Porter Airlines to operate largest-ever summer schedule from Toronto, May 9, 2024, [www.flyporter.com](http://www.flyporter.com)

22. Canada's airports participate in federal government accessibility summit, May 9, 2024, [www.cacairports.ca](http://www.cacairports.ca)

23. A.P. Moller - Maersk launches air freight gateway in Miami to serve U.S., Asia and Latin America market, May 9, 2024, [www.ajot.com](http://www.ajot.com)

24. The WestJet Group statement on Encore ratification results, May 10, 2024, [www.westjet.ca](http://www.westjet.ca)

25. WestJet and IAM reach tentative agreement, May 10, 2024, [www.westjet.ca](http://www.westjet.ca)

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27. The WestJet Group boosts Calgary's global connectivity through enhanced Winter 787 Schedule, May 13, 2024, [www.westjet.ca](http://www.westjet.ca)

28. Air Travel Consumer Report: February 2024 Numbers, May 13, 2024, [www.dot.gov](http://www.dot.gov)

29. The land of Fire and Ice awaits: The WestJet Group inaugurates non-stop service between Calgary and Iceland, May 15, 2024, [www.westjet.ca](http://www.westjet.ca)

30. DOT Fines Volaris \$300,000 for Unlawfully Keeping Hundreds of Passengers on the Tarmac for Hours, May 15, 2024, [www.dot.gov](http://www.dot.gov)

31. US Airlines gain \$7.8 billion in 2023, an increase over 2022, May 15, 2024, [www.bts.gov](http://www.bts.gov)

32. Porter Airlines lands in Saskatoon for the first time, May 16, 2024, [www.flyporter.com](http://www.flyporter.com)

33. Air Canada Significantly Increases Service to Ottawa, May 17, 2024, [www.aircanada.ca](http://www.aircanada.ca)

34. The WestJet Group says Annyeong-haseyo to South Korea with first flight between Calgary and Seoul, May 17, 2024, [www.westjet.ca](http://www.westjet.ca)

35. The WestJet Group further solidifies its position as Canada's leisure champion with expanded 737 service to sun destinations, May 21, 2024, [www.westjet.ca](http://www.westjet.ca)

36. Porter and Ottawa airport celebrate grand opening of aircraft maintenance base, May 21, 2024, [www.flyporter.com](http://www.flyporter.com)

37. The WestJet Group CEO Alexis von Hoensbroech outlines strategic achievements and calls for series of affordability measures,

work taking care of our 11 million customers and transporting them safely throughout the quarter. I also commend them for improving our operations, notably a 13 percentage-point increase in system-wide, on-time arrivals, preparing us for an anticipated busy summer period," said Michael Rousseau, President and Chief Executive Officer of Air Canada. "We are confident in our ability to deliver on our full year 2024 guidance. As we look toward the summer, we see a continued healthy demand environment, and our customers will have a wide range of exciting travel options across Europe, Asia, and North America, for their summer holiday planning."

#### **10. Porter inaugurates service between Montreal and Edmonton**

Porter Airlines has added its second Western Canada destination from Montréal, inaugurating service between Montréal-Trudeau International Airport (YUL) and Edmonton International Airport (YEG). The new route starts with daily roundtrip flights operated on the 132-seat Embraer E195-E2 aircraft. Passengers on this route will enjoy fast and free WiFi onboard, and a two-by-two configuration, meaning there are no middle seats on any Porter flight. The International Air Transport Association (IATA) released data for March 2024 global passenger demand with the following highlights: Total demand, measured in revenue passenger kilometers (RPKs), was up 13.8% compared to March 2023. Total capacity, measured in available seat kilometers (ASK), was up 12.3% year-on-year. The March load factor was 82.0% (+1.0ppt compared to March 2023).

#### **11. Passenger Demand Up 13.8% in March**

International demand rose 18.9% compared to March 2023; capacity was up 18.8% year-on-year and the load factor improved to 81.6% (+0.1ppt on March 2023). Domestic demand rose 6.6% compared to March 2023; capacity was up 3.4% year-on-year and the load factor was 82.6% (+2.5ppt compared to March 2023). "Demand for travel is strong. And there is every indication that this should continue into the peak Northern Summer travel season. It is critical that we have the capacity to meet this demand and ensure a hassle-free travel experience for passengers. That means making urgent progress to resolve supply chain issues and for airports and air traffic management to be fully staffed and operating at maximum efficiency. While airlines are prepared for customer care and assistance when operational issues arise, they are fed-up of bearing the cost when delays and cancellations are the result of poor preparation in other parts of the value chain," said Willie Walsh, IATA's Director General.

#### **12. Alexis von Hoensbroech, WestJet Group CEO, commemorates first visit to Halifax with key partners and community members, reaffirming commitment to Atlantic Canada**

WestJet Group CEO, Alexis von Hoensbroech, on May 1, 2024 addressed key stakeholders and community members with a fulsome update on the airline's growth strategy and vision for Atlantic Canada at a special event hosted by the Halifax Chamber of Commerce. Commemorating his first visit to Nova Scotia, von Hoensbroech spoke about the WestJet Group's commitment to growing its presence across the region through critical air connectivity. With increased leisure opportunities, achieved through the resumption of transatlantic service and increased north to south air service providing access to popular sun destinations in the winter, along with enhanced east-to-west domestic air service better connecting Canadians from coast-to-coast, the WestJet Group's strategy is coming to fruition across Atlantic Canada.

#### **13. WestJet issues lockout notice to aircraft maintenance staff**

Westjet Airlines Ltd. issued a 72-hour lockout notice to the union representing the airline's maintenance engineers, setting up a possible work disruption as early as May 7, 2024 for Canada's second-biggest airline. The lockout notice was issued Saturday after the Aircraft Mechanics Fraternal Association agreed earlier this week to conduct a strike authorization referendum, which is scheduled to be completed. The strike vote was authorized after the union claimed that the airline failed to offer proposals to "significantly" enhance wages, benefits and quality-of-life work rules. The two sides have been negotiating since September 2023. The union isn't being reasonable, WestJet says. "Despite our unwavering commitment to reach a collective agreement, AMFA continues to show up to the bargaining table with unreasonable demands and expectations," Diederik Pen, president of WestJet, said in a statement.

#### **14. The WestJet Group and AMFA reach tentative agreement, averting work stoppage**

The WestJet Group and the Aircraft Mechanics Fraternal Association (AMFA) the certified union representing WestJet Aircraft Maintenance Engineers, on May 5, 2024 announced they have reached a tentative agreement on the first collective bargaining agreement between the organizations. Both parties now await the ratification vote to be put forward to membership.

#### **15. Air Canada Musically Transports You to Amsterdam, Barcelona and Paris with Musical Travel Guides**

May 22, 2024, [www.westjet.ca](http://www.westjet.ca)

38. WestJet adds more flights to Latin America, Caribbean after Sunwing deal, May 22, 2024, [www.ajot.com](http://www.ajot.com)

39. Autonomous robots handle cargo at Munich Airport, May 23, 2024, [www.insidelogistics.ca](http://www.insidelogistics.ca)

40. IATA opposes Article 8 changes, May 24, 2024, [www.iata.org](http://www.iata.org)

41. Aircraft movement and civil aviation statistics, March 2024, May 28, 2024, [www.statcan.gc.ca](http://www.statcan.gc.ca)

42. Porter adds nonstop Toronto-Pearson - Phoenix route, May 28, 2024, [www.flyporter.com](http://www.flyporter.com)

43. Quarterly civil aviation statistics, fourth quarter 2023, May 28, 2024, [www.statcan.gc.ca](http://www.statcan.gc.ca)

44. Air Cargo Demand Continues Strong Growth into Q2, May 29, 2024, [www.iata.org](http://www.iata.org)

45. Porter launches service between Montreal and Calgary, May 29, 2024, [www.flyporter.com](http://www.flyporter.com)

46. Screened passenger traffic at Canadian airports, April 2024, May 29, 2024, [www.atatcan.gc.ca](http://www.atatcan.gc.ca)

With its *Un air de chez nous* platform, Air Canada celebrates Québec culture by launching three musical guides created in collaboration with renowned Québec artists. Charlotte Cardin, Alexandra Strélski and Sarahmée each present their beloved European city with a carefully curated musical playlist designed with their favourite places in mind. Charlotte Cardin invites us into the intimacy of her home-away-from-home in Paris, while Sarahmée lets us tag along on her breathtaking adventures in Barcelona and Alexandra Strélski gives us a taste of Amsterdam's eclectic vibe. These musical travel guides are available on [Air Canada's enRoute](#) website and on Spotify, beginning May 3, 2024, and offer a timely source of inspiration for travellers planning their summer travels to the old continent.

#### **16. U.S. Airlines' March 2024 Fuel Cost per Gallon down 2.2% from February 2024; Aviation Fuel Consumption Up 4.9% from Pre-Pandemic March 2019**

The Department of Transportation's Bureau of Transportation Statistics (BTS) on May 6, 2024 released U.S. airlines' March 2024 fuel cost and consumption numbers indicating U.S. scheduled service airlines used 1.602 billion gallons of fuel, 15.1% more fuel than in February 2024 (1.392 billion gallons) and 4.9% more than in pre-pandemic March 2019. The cost per gallon of fuel in March 2024 (\$2.77) was down 6 cents (2.2%) from February 2024 (\$2.83) and up \$0.74 (36.7%) from March 2019. Total March 2024 fuel expenditure (\$4.43B) was up 12.5% from February 2024 (\$3.94B) and up 43.5% from pre-pandemic March 2019. Year-over-year changes in fuel consumption and cost for March 2024 include a 0.6% increase in domestic fuel consumption, a 4.6% decrease in domestic fuel cost, and a 5.3% decrease in cost per gallon. Domestic fuel consumption increased 14.7% from February 2024 to March 2024, while increasing 3.9% from March 2019. Increased fuel consumption reflects an increase in airline passenger travel over the same period.

#### **17. Amazon hires ATSG to fly 10 Boeing 767 freighters**

Air Transport Services Group owns 40 of the 50 Boeing 767 cargo jets it will operate for Amazon for the next five years. Amazon is providing 10 additional freighter aircraft to Air Transport Services Group to operate on its behalf over five years as part of a deal that deepens relations between the companies and underscores how the retailer is gaining in the U.S. parcel market. ATSG announced late Monday, April 6, 2024 that it will begin flying the Boeing 767-300 cargo jets for Amazon's logistics network this summer, with the potential to add another 10 aircraft, under a five-year contract. ATSG did not say where Amazon is obtaining the aircraft. The agreement also extends the existing flying contract, which runs until March 2026, for three more years and includes the award to Amazon of an additional 2.9 million warrants to purchase ATSG shares.

#### **18. Ground Handling Priorities: Safety, Global Standards & Sustainability**

The International Air Transport Association (IATA) highlighted three priorities for ground handling at the IATA Ground Handling Conference (IGHC) which opened in Reykjavík today hosted by Icelandair: 1. Improving safety through reducing operational risk; 2. Implementing global standards; and 3. Embedding sustainability – people, planet, and prosperity – in all activities. "Ground handling forms the backbone of aviation. It is critical to ensuring the safe and efficient transport of millions of travelers each year. With travel demand for the upcoming peak Northern summer season predicted to surge by 12% over last year, the ground handling sector will need to be ready. Our priorities are clear: improving safety, implementation of global standards and embedding sustainability in all activities," said Monika Mejstrikova, IATA's Director of Ground Operations. IATA launched a program reinforcing the industry's aim of increasing the use of enhanced ground support equipment (Enhanced GSE). Presented at IATA's Ground Handling Conference (IGHC), the IATA Enhanced GSE Recognition Program aims to accelerate the introduction of Enhanced GSE technologies into daily operations, by recognizing those ground handlers who are leading this modernization of their vehicle fleets. The first ground handlers to obtain this recognition at various stations are HACTL and Menzies Aviation. The program is the latest action to facilitate the transition to Enhanced GSE.

#### **19. Industry Makes Progress to Reduce Baggage Mishandling, New Survey Reveals**

The International Air Transport Association (IATA) on May 9, 2024 released a global progress report on the implementation of baggage tracking. Focused on IATA Resolution 753, which requires tracking baggage at acceptance, loading, transfer and arrival, the survey of 155 airlines and 94 airports reveals that: 44% of airlines have fully implemented Resolution 753 and a further 41% are in progress. Regional variation in airline full adoption rates vary from 88% in China and North Asia, to 60% in the Americas, 40% in Europe and Asia-Pacific, and 27% in Africa. 75% of airports surveyed have the capability for Resolution 753 baggage tracking. Airport preparedness for Resolution 753 varies by size: 75% of mega airports are capable, 85% of major airports, 82% of large airports and 61% of medium airports. Optical barcode scanning is the dominant tracking technology implemented by the majority of airports (73%) surveyed. Tracking using RFID, which is more efficient, is implemented in 27% of surveyed airports. Notably, RFID technology has seen higher adoption rates at mega airports, with 54% already implementing this advanced tracking system. "Between 2007 and 2022 baggage mishandling reduced by nearly 60%.

#### **20. WestJet and IAM reach tentative agreement**

On May 8, 2024 evening, WestJet and the International Association of Machinists and Aerospace Workers (IAM), the certified union representing WestJet load controllers, reached a tentative agreement on the first collective bargaining agreement between the organizations. Both parties now await the ratification vote to be put forward to membership. "WestJet is pleased to have reached a tentative agreement that recognizes the important contributions of our load controllers," said Diederik Pen, President of WestJet Airlines and Group Chief Operating Officer. "They play an integral role in the safety and performance of our operations and this agreement recognizes the talent, dedication and hard work of this collective group."

#### **21. Porter Airlines to operate largest-ever summer schedule from Toronto**

Porter Airlines is scheduled to offer travellers its most substantial summer schedule to date, featuring up to 176 daily flights to 27 destinations across North America taking off from Toronto. These flights will offer more passengers an elevated economy experience to more destinations than ever before. By August, Porter will be the third-largest carrier flying from Toronto Pearson International Airport, with up to 74 daily flights to 16 destinations across Canada and the United States. Every flight from Toronto-Pearson is flown by the brand new, 132-seat Embraer E195-E2.

#### **22. Canada's airports participate in federal government accessibility summit**

On May 9, 2024, Canada's airports participated in the first National Air Accessibility Summit hosted by Minister of Transport, the Honourable Pablo Rodriguez, and federal Minister of Diversity, Inclusion and Persons with Disabilities, the Honourable Kamal Khera. As such CAC is developing a comprehensive five-year roadmap aimed at taking meaningful steps forward toward Canada's goal of achieving barrier-free travel by 2040. As part of this work, CAC in collaboration with Harper Learning and Universal Access Design, has developed and just launched a new national training program for airport employees. The goal of the training is to better assist persons with disabilities throughout their travel journey. But according to Pasher, barrier-free goes beyond programs and training and a challenge facing smaller airports is the cost to change the physical built environment in the older infrastructure they currently operate. The association sees federal government funding support as being critical to achieving this.

#### **23. A.P. Moller - Maersk launches air freight gateway in Miami to serve U.S., Asia and Latin America market**

A.P. Moller - Maersk (Maersk) expanded its air freight operations footprint with the April activation of a full-service, in-transit gateway solution in Miami. This new air freight facility underscores Maersk's commitment to providing seamless and competitive connectivity to major Latin American markets. The Miami gateway will serve as a strategic node in Maersk's global air freight network. "Our Miami expansion is a vital and strategic addition to our global gateway network, providing connectivity from Asia, Europe, and the US to Latin America," said John Wetherell, Global Head of Air Freight Forwarding at Maersk. The new gateway, modeled after operations in Atlanta, Chicago, and Los Angeles, will focus on transshipping European and Asian cargo via Miami to Latin America with competitive connectivity on freighter and passenger capacity. It will support the North American export market to Latin America and the Asian market that serves the Latin American supply chain via cost competitive U.S. routes.

#### **24. The WestJet Group statement on Encore ratification results**

The Air Line Pilots Association (ALPA), the certified union representing WestJet Encore pilots, on May 10, 2024 announced that its membership did not ratify the tentative agreement, reached on April 8, 2024. The results of the ratification do not impact operations. "We are disappointed to learn that our WestJet Encore pilots have rejected an agreement that is distinctly competitive within Canada's airline industry and solutioned their unique concerns," said Diederik Pen, President of WestJet Airlines and Group Chief Operating Officer. "Our tentative agreement represented a robust negotiation process that got us to our final offer, and while we will meet with ALPA to determine next steps, we will hold firm on what is reasonable to ensure we can continue providing meaningful employment and affordable air travel to Canadians."

#### **25. WestJet and IAM reach tentative agreement**

WestJet and the International Association of Machinists and Aerospace Workers (IAM), the certified union representing WestJet load controllers, reached a tentative agreement on the first collective bargaining agreement between the organizations. Both parties now await the ratification vote to be put forward to membership. "WestJet is pleased to have reached a tentative agreement that recognizes the important contributions of our load controllers," said Diederik Pen, President of WestJet Airlines and Group Chief Operating Officer. "They play an integral role in the safety and performance of our operations and this agreement recognizes the talent, dedication and hard work of this collective group."

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

The Canadian Transportation Agency (CTA) has issued an administrative monetary penalty of \$142,500 against WestJet for four violations of the Accessible Transportation for Persons with Disabilities Regulations (ATPDR) related to personnel training obligations, as well as providing services to persons with a disability. This penalty is for incidents

that occurred in October 2023. On October 5, 2023, WestJet failed to ensure that two members of their personnel had received either adequate or timely training, including with respect to interacting with the public, the requirements of the ATPDR regulations and the policies and procedures of the transportation service provider with respect to persons with disabilities. These contraventions relate to subsection 16(1) and section 21 of the ATPDR. On October 5, 2023, WestJet also failed to assist a passenger with a disability with disembarking a flight and transferring between their passenger seat and a mobility aid upon arrival of the flight. These contraventions relate to subsections 35(f) and 35(h) of the ATPDR. WestJet has 30 days to request a review before the Transportation Appeal Tribunal of Canada.

### **27. The WestJet Group boosts Calgary's global connectivity through enhanced Winter 787 Schedule**

The WestJet Group on May 13, 2024 announced significant enhancements to its transoceanic and leisure travel offering with its winter 787 schedule, revealing expanded year-round service between Calgary International Airport (YYC) and Tokyo Narita International Airport (NRT) and an increase to daily connectivity between Calgary and Paris Charles-de-Gaulle International (CDG) and London Heathrow International (LHR) Airports. As The WestJet Group continues to fortify its position as Canada's leisure travel champion, the airline is also enhancing its 787 presence on popular leisure routes with service between Canada, Mexico and Hawaii. John Weatherill, WestJet Group Executive Vice-President and Chief Commercial Officer said "Our 787 winter schedule reflects the growing demand for year-round international options for business and leisure travellers from our global hub in Calgary to Asia, Europe, and North America...."

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

The U.S. Department of Transportation (DOT) on May 13, 2024 released its Air Travel Consumer Report (ATCR) on airline operational data compiled for the month of February 2024. For February 2024, 0.6% of *flights were cancelled*, far lower than the 1.8% cancellation rate for February 2023 and the 3.2% cancellation rate for pre-pandemic February 2019. In February 2024, reporting marketing carriers posted an *on-time arrival rate* of 83.7%, up from both 72.8% in January 2024 and 79.5% in February 2023. The year-to-date on-time arrival rate for 2024 is 78.1%. In February 2024, airlines reported *ten tarmac delays* of more than three hours on domestic flights, compared to 71 tarmac delays of more than three hours on domestic flights reported in January 2024. In February 2024, reporting marketing carriers handled 36.1 million bags and posted a *mishandled baggage rate* of 0.48%, lower than both the rate of 0.75% in January 2024 and the rate of 0.61% in February 2023. In February 2024, reporting marketing carriers reported checking 54,929 *wheelchairs and scooters and mishandling* 716 for a rate of 1.30% mishandled wheelchairs and scooters, lower than both the rate of 1.48% mishandled in January 2024 and the rate of 1.40% mishandled in February 2023.

### **29. The land of Fire and Ice awaits: The WestJet Group inaugurates non-stop service between Calgary and Iceland**

The WestJet Group on May 15, 2024 celebrated the takeoff of its highly anticipated service between Calgary and Reykjavik (Keflavik). The exclusive service, linking the Group's global hub in Calgary to Iceland, not only bolsters the airline's efforts to enhance YYC Calgary International Airport's connectivity but reinforces the city's standing as the best connected mid-sized city in North America. With the departure of the sold-out WestJet Flight 38, WestJet marks its seventh direct connection to Europe from its global hub in Calgary this summer

### **30. DOT Fines Volaris \$300,000 for Unlawfully Keeping Hundreds of Passengers on the Tarmac for Hours**

The U.S. Department of Transportation (DOT) on May 15, 2024 fined Volaris Airlines \$300,000 for violating federal statutes and the Department's rule prohibiting tarmac delays of four hours or more on international flights without providing passengers an opportunity to deplane. The airline was also ordered to cease and desist from future similar violations.

### **31. US Airlines gain \$7.8 billion in 2023, an increase over 2022**

U.S. scheduled passenger airlines reported a 2023 after-tax net profit of \$7.8 billion, and a pre-tax operating profit of \$13.2 billion.

### **32. Porter Airlines lands in Saskatoon for the first time**

Porter Airlines is inaugurating service to Saskatchewan for the first time with daily nonstop roundtrip service between Toronto Pearson International Airport (YYZ) and Saskatoon International Airport (YXE). The new service marks the airline's presence in all 10 Canadian provinces for the first time in its history. Passengers will be provided with competitive pricing and experience an elevated service standard that no other airline in North America offers for economy passengers. The route connects to Porter's Eastern Canada network out of Toronto-Pearson, including Halifax, Montréal, Ottawa and St. John's.

### **33. Air Canada Significantly Increases Service to Ottawa**

Air Canada on May 17, 2024 announced it is boosting its schedule serving Canada's capital, Ottawa, by almost 60 per cent with flights to Calgary and Winnipeg now operating year-round, increased flights providing additional capacity to Halifax and Quebec City, and the addition of widebody service to Vancouver. Additional schedule improvements include more flights to popular leisure destinations Fort Lauderdale, Tampa, Orlando, Cancun and Punta Cana this winter. "Ottawa is an important part of Air Canada's network and in response to demand, we are growing our capacity

to our nation's capital city by almost 60 per cent compared to 2023," said Mark Galardo, Executive Vice President, Revenue and Network Planning, at Air Canada.

#### **34. The WestJet Group says Annyeong-haseyo to South Korea with first flight between Calgary and Seoul**

Nearly sold-out inaugural flight marks the first of 140 flights between Calgary and Seoul this summer. WestJet's newest connection soars on strong economic and cultural relations between Canada and South Korea. Amidst great fanfare and esteemed partners and guests, The WestJet Group on May 17, 2024 launched its first flight to Seoul from its global hub in Calgary, establishing a direct link between Alberta and South Korea. The departure of WestJet flight 86 underscores the airline's commitment to expanding its 787 global hub at YYC Calgary International Airport, fostering greater ties between Alberta's vibrant visitor economy and Asia's robust business and tourism landscape.

#### **35. The WestJet Group further solidifies its position as Canada's leisure champion with expanded 737 service to sun destinations**

The WestJet Group on May 21, 2024 announced further network expansion with the addition of new service to Tulum, Mexico and the island of Grenada in the Caribbean, bolstering the Group's extensive leisure portfolio this winter. Additionally, the airline is enhancing its transborder offerings with new flights to Fort Lauderdale, FL., from Vancouver and Winnipeg. "Our strategy to establish the WestJet Group as Canada's western leader and national leisure champion is working, as we continue to offer the most robust and affordable coast-to-coast schedule, fine-tuned to meet the needs of Canadian travellers," said John Weatherill, WestJet Group Executive Vice-President and Chief Commercial Officer. "Cementing our position as the country's leading leisure airline, the WestJet Group will provide more seat capacity than any other airline to sun destinations this winter."

#### **36. Porter and Ottawa airport celebrate grand opening of aircraft maintenance base**

Porter Aviation Holdings Inc. (PAHI), parent company of Porter Airlines, and the Ottawa International Airport Authority (OIAA) are celebrating the grand opening of Porter's YOW aircraft hangars and maintenance base. The two aircraft hangars are approximately 150,000 sq. ft. in combined size, supporting the maintenance of Porter's growing Embraer E195-E2 fleet and existing De Havilland Dash 8-400s. The airline has up to 100 E195-E2s on order, with 33 currently in service. The Dash 8-400 fleet totals 29 aircraft. It will result in: \$125 million investment at Ottawa International Airport; 200 full-time, permanent local jobs being created; and strategic partnership launched with Algonquin College.

#### **37. The WestJet Group CEO Alexis von Hoensbroech outlines strategic achievements and calls for series of affordability measures**

The WestJet Group on May 22, 2024 released [Soaring Together](#) its first progress report. Alexis von Hoensbroech, WestJet Group Chief Executive Officer said "The WestJet Group continues to drive job creation, investment and economic prosperity through the deployment of our ambitious strategy that has enabled us to expand our network and unlock more affordable travel options for Canadians. From coast-to-coast, communities depend on our reliable and affordable air service. As we build on our success to better serve our guests, we must take action to safeguard affordability." The major highlights were: 1. WestJet *sold more than 2.5 million tickets below \$100*. Nearly 50 per cent of all tickets purchased were priced by WestJet under \$200. 2. WestJet Group *hired more than 5,400 employees* and currently employs 15,000 people. 3. WestJet positioned the YYC Calgary International Airport as its global hub, making it the *best connected mid-sized city in North America*. 4. *WestJet is the number one carrier in eight of nine major Western Canadian airports*. 5. *WestJet is Canada's most dependable major airline*, surpassing industry standards in on-time departures, arrivals, and completion rates. 6. WestJet completed its major acquisition of Sunwing Airlines and Sunwing Vacations. Currently, *one in two vacation packages sold in Canada* will be sold through the various brands that make up Sunwing Vacations Group.

#### **38. WestJet adds more flights to Latin America, Caribbean after Sunwing deal**

WestJet Group plans to increase its presence in Latin America and the Caribbean and introduce planes with more seats after buying a competitor, low-cost carrier Sunwing Airlines and Sunwing Vacations, which focuses on travel packages to warm-weather spots. WestJet now plans to fly to 39 destinations in Latin America and the Caribbean this year, 10 more than in 2022, the company said in a statement, as it works to integrate Sunwing. It estimates that half of all flights from Canada to "Latin Caribbean" markets this year will be on its aircraft.

#### **39. Autonomous robots handle cargo at Munich Airport**

Researchers from Fraunhofer Institute for Material Flow and Logistics (IML), together with Frankfurt University of Applied Sciences, the insurance company KRAVAG and industrial partners at Munich Airport (Cargogate, CHI, Sovereign Speed and DB Schenker), have presented the first concrete results of the Digital Testbed Air Cargo (DTAC) research project. A "robot dog" patrolling autonomously through the warehouse looking for free storage locations, a highly dynamic transport robot that automatically moves pallets to their storage locations, and a very flexible "segway robot" that places parcels from Euro-pallets onto a conveyor belt.

#### **40. IATA opposes Article 8 changes**

The latest concern is the United Nations Tax Committee's proposal to change Article 8 of the UN Model Tax Convention. As it stands, airlines pay income tax on a "residence" basis, meaning an airline head office bears full responsibility for airline operations and pays income tax to the country in which that head office is located. The proposed change to Article 8 would see aviation included in a source state approach. The justification is that a country that provides an opportunity for income should have the right to tax that income. "The location of an airline's headquarters is not a tax-driven decision but based on legal and regulatory requirements," notes Willie Walsh, IATA's Director General. "This approach does not provide a concessionary or preferential regime. In fact, it is the single most accurate means of achieving the basic goal of avoiding multiple taxation risks and unnecessary tax compliance burdens for airlines." Governments worldwide have agreed with this approach through ICAO, which calls on governments, "to the fullest possible extent, grant reciprocally exemption from taxation on the income of air transport enterprises of other contracting states derived in that contracting state from the operation of aircraft in international air transport."

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

In March 2024, Canada's major and select small airports recorded a total of 444,180 aircraft movements, virtually unchanged (-0.3%) from March 2023. Local movements declined 1.4% year over year to 144,524, partially offset by a 0.3% increase in itinerant movements, which rose to 299,656. At the same time, major Canadian airlines flew 7.6 million passengers on scheduled and charter services in March 2024, with the passenger load factor at 86.1%. Local aircraft movements decreased 1.4% in March 2024, compared with the same month in 2023. Declines were reported in 6 of the 13 provinces and territories, with the largest drop in Alberta (-3,409 movements).

#### **42. Porter adds nonstop Toronto-Pearson - Phoenix route**

Porter Airlines is announcing new daily, round-trip service between Toronto Pearson International Airport (YYZ) and Phoenix Sky Harbor International Airport (PHX), beginning on October 3, 2024. The new route marks Porter's first arrival in Arizona, providing a direct link between Canada's largest city and the Valley of the Sun. Phoenix is a favourite Canadian getaway, featuring the desert's outdoor wonders, world famous resorts, and extensive food and arts scenes. Toronto is a global destination for business, sports and seemingly endless multicultural culinary options.

#### **43. Quarterly civil aviation statistics, fourth quarter 2023**

Total operating revenue in the fourth quarter reached \$8.0 billion, up 13.0% compared with the fourth quarter of 2022. Passenger revenue was \$6.9 billion while air cargo generated \$525.1 million. Canadian carriers transported 21.1 million passengers. Further, total operating expenses were \$7.7 billion in the fourth quarter, 8.0% higher than in the fourth quarter of 2022 and 22.4% higher than in the same quarter of 2019. Other operating expenses, such as depreciation and maintenance, accounted for the largest share (48.2%) of total operating expenses in the fourth quarter of 2023, followed by turbo fuel (28.5%) and wages, salaries and benefits (23.3%).

#### **44. Air Cargo Demand Continues Strong Growth into Q2**

The International Air Transport Association (IATA) released data for April 2024 global air cargo markets showing strong annual growth in demand into the second quarter (Q2). Total demand, measured in cargo tonne-kilometers (CTKs\*), rose by 11.1% compared to April 2023 levels (11.6% for international operations). This is the fifth consecutive month of double-digit year-on-year growth. Capacity, measured in available cargo tonne-kilometers (ACTKs), increased by 7.1% compared to April 2023 (10.2% for international operations). Willie Walsh, IATA's Director General said "Air cargo demand started Q2 with a solid 11.1% increase. While many economic uncertainties remain, it appears that the roots of air cargo's strong performance are deepening. In recent months, air cargo demand grew even when the Purchasing Managers Index (PMI) was indicating the potential for contraction. With the PMI now indicating growth, the prospects for continued strong demand are even more robust." Several factors in the operating environment should be noted: 1. global manufacturing output and new export orders turned positive; 2. Industrial production increased by 1.6% in March year-on-year; and 3. Inflation remained relatively stable across the US, EU, and Japan in April 2024.

#### **45. Porter launches service between Montreal and Calgary**

Porter Airlines is inaugurating its second Alberta route from Montréal, with daily roundtrip service between Calgary International Airport (YYC) and Montréal-Trudeau International Airport (YUL). Connecting the largest cities of Alberta and Québec, the new route is served by the 132-seat Embraer E195-E2 aircraft. All passengers will enjoy Porter's generous hospitality and elevated economy experience. Porter is the only airline on this route promising free, fast WiFi, no middle seats, and free beer and wine served in glassware.

#### **46. Screened passenger traffic at Canadian airports, April 2024**

In April 2024, 4.3 million passengers passed through pre-board security screening at checkpoints operated at Canada's eight largest airports, an increase of 4.0% from April 2023. Screened passenger traffic volumes came in slightly below pre-COVID-19 pandemic levels, with 1.6% fewer screened passengers in April 2024 than in April 2019. Transborder (to the United States) and other international flights both experienced year-over-year increases in screened passengers in April 2024, albeit at a slower pace than in previous months.

## WATER TRANSPORTATION

### 1. Workplace safety officials investigate trucker's death at Montreal port

A truck driver was reported dead following an apparent accident at the Port of Montreal. Port of Montreal spokesperson Renée Larouche said the authority was notified of the accident involving a truck driver at the Viau shipping terminal northeast of downtown at around 2 p.m. on April 26, 2024. Police and emergency services were called to the scene. The Commission des normes, de l'équité, de la santé et de la sécurité du travail (CNESST), Quebec's workplace safety board, is leading the inquiry into the circumstances of the accident. During this period, the Montreal police department has refrained from commenting due to the active status of the investigation. Larouche says the port authority is extending its condolences to the truck driver's family.

### 2. Hapag-Lloyd launches first dry container tracking product "Live Position"

By being the first container shipping line to introduce a fleet-wide dry container tracking product, Hapag-Lloyd is demonstrating its commitment to deploying pioneering IoT (Internet of Things) technology in logistics on a large scale. More than two thirds of the dry container fleets have already been equipped with tracking devices. Installations continue globally to catch the last boxes during the summer. "The "Live Position" product will contribute to our service quality and increase the ease of doing business with us," says Hapag-Lloyd COO Dr. Maximilian Rothkopf. "It does close the blind spots of global logistics, enabling real-time decision-making and risk mitigation for our customers, while allowing a more efficient steering of our fleet of boxes."

### 3. Report highlights resilient Asia-Pacific markets

Dimerco's latest freight report for April and May 2024 points to robust resilience across air and ocean freight markets amid global economic fluctuations and regional challenges. In March 2024, the global economy saw a modest uptick in its expansion for the fifth consecutive month. This momentum was seen in both manufacturing output and services activity, which surged at a faster pace. Reflecting this trend, the Global PMI Composite Output Index climbed to 52.3, a slight improvement from February's 52.1. However, this growth came with a catch: a surge in price inflation, largely fueled by escalating prices and charges in the service sector.

### 4. The Port of New Orleans announces record container growth

The Port of New Orleans (Port NOLA) announced on May 2, 2024 that it moved a total of 133,845 Twenty-Foot Equivalent Units (TEUs) during the third quarter of fiscal year 2024 representing a 19% increase year over year and also a record quarter with container volume not seen since the supply chain issues in 2021. As containerized import volumes continue to steadily climb, due in part to Port NOLA's investment in four new ship to shore container cranes, throughput efficiency (the number of containers that pass-through Port NOLA in a given timeframe) also continues to be high. During the third quarter of fiscal year 2024, loaded imports increased by 19%; loaded exports are up by 16% year over year. Port NOLA's top import commodities include coffee, mainly from South America and Southeast Asia, various chemicals from Mexico and North Europe, as well as wood products such as plywood from Asia and South America. Top export commodities include plastics such as PVC, mainly to Asia, various chemical products to North Europe, and paper to Central America. Additionally, there were 100 vessel calls this quarter, representing a 5% increase compared to the same period last year.

### 5. Port of Antwerp to build €250 million Namibia hydrogen harbor

Port of Antwerp Bruges plans to develop a €250 million hydrogen and ammonia storage and export facility at the Namibian Port of Walvis Bay,

## WATER TRANSPORTATION Canada

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7. Join marine responders at Granville Island to learn about safe boating on local waterways, May 6, 2024, [www.metroportvancouver.ca](http://www.metroportvancouver.ca)
8. Hapag-Lloyd using biofuel to decarbonize IKEA shipments, May 7, 2024, [www.insidelogistics.ca](http://www.insidelogistics.ca)
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24. Monthly cargo numbers continue to rise at LA,

together with the African nation's state logistics firm. The facility, which Chief Executive Officer Jacques Vandermeiren said may receive European Union funding, is part of Namibia's plan to develop a green hydrogen industry to harness its abundant solar and wind energy to produce what's being touted as a carbon-friendly fuel of the future. The facility, which will be equally owned by Port of Antwerp and the Namibian Ports Authority, will be built within three to five years at the greenfield site near the existing port site, which includes a container terminal. A unit of MSC Mediterranean Shipping Company SA is in talks to operate the facility. It will store and ship hydrogen and a derivative, ammonia, produced by companies including Belgium's Cie Maritime Belge SA. The aim is to refuel passing ships and transport ammonia for use in heavy industry clusters in Belgium, Germany and elsewhere in Europe that are struggling to reduce their carbon emissions and aren't suitable for conversion to the use of renewable electricity.

#### **6. Port of Vancouver sees record cargo volumes in 2023**

Cargo volumes through the Port of Vancouver increased by six per cent in 2023, as terminal operators and supply chain partners moved a record 150.4 million metric tonnes (MMT) of trade. The Vancouver Fraser Port Authority's 2023 cargo statistics, released in late March 2024, show it was a mixed year at the Port of Vancouver, with growth in some sectors and softening in others. Notably, bulk and containerized exports, auto imports, and cruise all grew—including near-record grain exports—while container imports softened in line with trends seen across the West Coast.

#### **7. Join marine responders at Granville Island to learn about safe boating on local waterways**

National Safe Boating Awareness Week will kick off in Vancouver this

Thursday, May 16, 2024 with an event at Granville Island that will help boaters, recreational water users and paddlers stay safe on local waterways. Vancouver is home to some of Canada's most picturesque and busy waterways—with countless recreational users sharing the space with the approximately 3,000 deep-sea vessels that call the Port of Vancouver annually. As the federal agency responsible for the shared stewardship of the waters that make up the Port of Vancouver, the Vancouver Fraser Port Authority's mandate includes ensuring safe and efficient movement of marine traffic on port waters. "Our focus every day is on creating a safe shared space for the countless recreational and commercial vessels that operate in the waters that make up Canada's busiest port," said Jason Krott, manager, marine operations and fleet, at the port authority. "This can include everything from escorting deep-sea vessels through congested waterways to educating recreational boaters and paddlers about the need to stay clear of large ships to their limited visibility, slower stopping speeds and potential wakes."

#### **8. Hapag-Lloyd using biofuel to decarbonize IKEA shipments**

Hapag-Lloyd and IKEA Supply Chain Operations are working together to decarbonize Hapag-Lloyd container shipments originating from Asia. For the period March 2024 to February 2025, both companies have agreed to use Hapag-Lloyd's highest product option for biofuels "Ship Green 100", which relies on waste- and residue-based biofuel instead of conventional marine fuel oil. The expected result for IKEA during this period is a CO2 emission reduction of around 100,000 tonnes. "IKEA stands as one of our valued customers, known for its unwavering commitment to sustainability. By joining forces, we are reducing CO2e emissions significantly", said Danny Smolders, managing director global sales at Hapag-Lloyd. "Ship Green is an important aspect of our decarbonisation journey and brings us one step closer to our goal of net-zero fleet operations by 2045."

#### **9. Total volume surges in March to surpass 700K TEUs at the Port of New York and New Jersey**

The Port of New York and New Jersey ended the first quarter of 2024 with a surge in volume, posting the most significant gains of the quarter and surpassing 700,000 TEUs for the first time in 2024. Total volume reached 701,648 TEUs (386,868 containers), a 22 percent increase from the 574,452 TEUs (321,103 containers) posted in March 2023. This increase in volume is due to manufacturing restarting overseas following the Lunar New Year holiday. This number brings the port's first-quarter total to 2,001,449 TEUs (1,104,759 containers), a 12 percent increase from the same period in 2023. Imports (TEUs) rose by 23.5 percent in March totaling 353,300 TEUs (195,796 containers), from 286,142 TEUs (160,253 containers) in March 2023. From January through March, the Port of New York and New Jersey imported 1,028,331 TEUs (569,160 containers), a 14.5 percent increase from the 898,437 TEUs (500,198 containers) imported in the same period of 2023. Exports (TEUs) were flat in March 2024 compared to the previous year. A total of 117,893 TEUs (63,166 containers) were recorded in March 2024 versus 117,924 TEUs (64,021

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containers) in March 2023. Exports for the first quarter reached 324,253 TEUs (173,561 containers), a 1.4 percent decrease from the 328,885 TEUs (177,993 containers) recorded in the first quarter of 2023.

#### **10. Vancouver works through rail dwell woes while warily eyeing labor talks**

A possible strike later this month by conductors and engineers at Canada's two major freight railroads could cripple operations at the Port of Vancouver while scuttling the railroads' recent attempts to thin the inventory of long-dwelling rail containers at the port, the country's largest. The threat of rail strikes in Canada amid contract negotiations isn't atypical and agreements are often struck in the final hours, thanks to federal prodding. But container lines, railroad executives and forwarders have been warning since early 2024 that this negotiation cycle carried a higher risk. Vancouver terminals could clear the container backlog from a short strike in a week, but a longer strike would require several weeks to dig out from, according to a terminal operator.

#### **11. High numbers of cruise passengers expected in Vancouver throughout spring and summer**

Anyone visiting Canada Place or nearby areas in downtown Vancouver should prepare for increased crowds and traffic between now and September 2024, with the local cruise industry on course to attract record passenger numbers. "We are expecting another exciting season for the award-winning Canada Place cruise terminal in 2024, with cruise lines reporting robust bookings and the popularity of the Alaskan cruise market continuing to grow," said Mandy Chan, cruise services manager at the Vancouver Fraser Port Authority, the federal agency mandated to enable Canada's trade through the Port of Vancouver. "While record numbers of cruise tourists visiting our region will provide a vital boost for local businesses and tourism providers, it will also mean anyone planning to visit Canada Place or nearby areas downtown should plan ahead and expect increased crowds and traffic." About 1.27 million passengers are expected to pass through the Canada Place cruise terminal at the Port of Vancouver this season, with 329 cruise ship visits scheduled between March 11 and October 29, 2024. This would represent about 2% more passenger visits than 2023's record of 1.24 million.

#### **12. New licensing rules spark truck convoy to Vancouver port**

More than 100 container truck drivers from the Lower Mainland held a rolling convoy from Delta, B.C., to a Vancouver port on May 5, 2024 to protest against the new container trucking service requirements that they believe will harm smaller and medium drayage companies in the area. To renew their truck tags (licences to haul containers to and from the port) this November, 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. That is according to a report published by the Office of the British Columbia Container Trucking Commissioner (OBCCTC) on May 2, 2024. There are currently approximately 1,600 issued tags, distributed among 74 trucking companies. Commissioner Glen MacInnes says the decision is aimed at closing loopholes for "shadow companies" in Lower Mainland that allowed them to bypass regulated wage standards for truck drivers hauling the port's containers. Historically, he says, a licensed trucking company could transfer a container at an off-dock facility to a non-licensee, which would complete the delivery without having to pay drivers the regulated rate. Changes were introduced in 2022. "Then, what we were finding was [that] some licensees would arrange it the other way around, where they made the non-licensee the primary shipper and then contracted that back to the licensee. So, it was a bit of a loophole that didn't achieve what we wanted."

#### **13. Yang Ming nearly triples Q1 profits on improving shipping market**

Yang Ming Marine Transport nearly tripled net profit in the first quarter on the back of higher freight rates and improved economic conditions while holding out the prospect of an even better nine months ahead. Taiwan's second-largest container line cited a raft of reasons for its optimism in a commentary on its first-quarter results on May 10, 2024. These included better-than-expected economic growth both for the global economy and China in particular, the latter boosted by government stimulus measures, and recovery in the US, India and other emerging countries. Inflation is easing in most economies, improving household purchasing power, Yang Ming noted.

#### **14. BC port foreman contract talks stall as government delays rail strike threat**

Negotiations between port employers on the West Coast of Canada and a foremen's union have stalled, raising risk of labor disruption for the ports of Vancouver and Prince Rupert as the federal government tries to head off a separate rail strike threat. The British Columbia Maritime Employers Association (BCMEA) has filed a complaint with Canada's labor tribunal accusing Local 514 of the International Longshore and Warehouse Union (ILWU) of "protracting negotiations" over a new four-year contract covering 730 union foremen, the BCMEA said in a statement on May 10, 2024. The announcement comes a day after Canadian Labor Minister Seamus O'Regan Jr. contacted the Canadian Industrial Relations Board.

#### **15. Failed electrical breaker triggered Dali crash: NTSB**

The Dali suffered two electrical blackouts on its outbound transit from the Port of Baltimore when infrequently used electrical breakers unexpectedly tripped, shutting down the engine and navigational control, the US federal agency investigating the fatal accident that closed most of the port for nearly two months said on May 14, 2024. The National

Transportation Safety Board (NTSB) released the initial findings on the incidents that led to the collision of the 9,962-TEU ship with the Francis Scott Key Bridge, which toppled into the Baltimore harbor following the crash. At the time of its departure, the Dali's crew configured the ship's electrical system.

#### **16. Port of Long Beach Cargo volumes climb in April**

Trade moving through the Port of Long Beach gained momentum in April 2024, marking the eighth consecutive month of year-over-year cargo growth at the nation's second-busiest seaport. Dockworkers and terminal operators moved 750,424 twenty-foot equivalent units (TEUs) last month, up 14.4% from April 2023. Imports rose 16.3% to 364,665 TEUs and exports declined 19.9% to 98,266 TEUs. Empty containers moving through the Port increased 30.7% to 287,493 TEUs. "Imports are steadily climbing as we continue to work with industry partners to rebuild our market share," said Port of Long Beach CEO Mario Cordero. "We are strengthening our competitiveness with our brand of operational excellence, customer service and ongoing infrastructure investments that will keep cargo moving efficiently well into the future." "Our highly skilled workforce and terminal operators continue to raise the bar on growing cargo volumes safely and sustainably," said Long Beach Harbor Commission President Bobby Olvera Jr. "Our collaboration with labor and industry makes us the Port of Choice."

#### **17. Container ship lacked backup system to avoid Baltimore bridge strike**

Cargo vessels are not equipped with backup power sufficient to avoid situations such as the one in March 2024 when the container ship Dali struck and collapsed Baltimore's Francis Scott Key Bridge, the country's top transportation safety investigator told lawmakers. Testifying before the House Transportation and Infrastructure Committee, National Transportation Safety Board Chair Jennifer Homendy said the backup generator that kicked in after the Dali lost power roughly half a mile from the bridge restored emergency lighting, navigation functions, radio equipment, alarms and a steering pump that allowed for low-speed, limited rudder movements. That wasn't enough. "It does not power propulsion, and without the propeller turning, the rudder was less effective — they were essentially drifting," she told the committee.

#### **18. Government of Canada announces support to relieve supply chains congestion and enhance efficiency at the Port of Sept-Îles**

The Minister of Fisheries, Oceans and the Canadian Coast Guard, Diane Lebouthillier, on behalf of the Minister of Transport and Quebec Lieutenant, Pablo Rodriguez, announced an investment of up to \$10 million through the National Trade Corridors Fund for the Port of Sept-Îles. The project involves updating the Monseigneur-Blanche terminal at the port to better support marine towing and navigation assistance services for port traffic. More specifically, the project will: 1. maintain trade volumes by providing safe infrastructure for marine towing services; 2. maintain and secure tugboat operations to better serve cargo vessels; 3. provide the iron and aluminum industry with navigational assistance for the ocean-going ship movements that use the port; 4. maintain the port's supply and export chains; 5. ensure the continuity of cruise ship operations; and 6. ensure the terminal is safe and more resilient to climate change.

#### **19. Centre of Expertise in Port Logistics launched in Quebec**

The creation of a new logistics expertise centre was announced in Quebec, and will operate with the goal of carrying out applied research projects for the industry, as well as develop competitive, intelligent, and sustainable logistics chains. The Centre of Expertise in Port Logistics took advantage of the fourth annual Assises québécoises du secteur maritime to announce the launch, as well as introduce its board of directors, members, and general manager.

#### **20. Government of Canada announces new funding to upgrade airports across the country**

On May 17, 2024, The Minister of Transport, Pablo Rodriguez, announced that the Government of Canada is strengthening air safety and connectivity at 16 local and regional airports across Canada. Through its Airports Capital Assistance Program, Transport Canada is providing more than \$27.1 million to support safety-related projects including: 1. rehabilitation of runways, taxiways and aprons; 2. improvements to airfield lighting; 3. airside electrical systems and visual aids; and 4. equipment such as runway sweepers, plow trucks, snow blowers, loaders, graders and material spreaders.

#### **21. DP World's Centerm project at heart of employer-union dispute in Vancouver**

The standoff between British Columbia's maritime employers and the union representing longshore foremen centers on DP World's rollout of semi-automated container cranes at the Port of Vancouver. While the union said it wants a resolution, employers say the union has considered a strike and wants Canada's government to block it. Local 514 of the International Longshore and Warehouse Union (ILWU), which represents 700 foremen at Canada's West Coast ports, said in a statement this week that one issue forestalling a new five-year contract with maritime employers is the introduction of remotely operated rail-mounted gantry cranes (RMGs) at Vancouver's Centerm terminal.

#### **22. Upgrades coming to Port of Sept-Îles**

The Government of Canada is investing up to \$10 million through the National Trade Corridors Fund to update the Monseigneur-Blanche terminal at the Port of Sept-Îles, Quebec. The terminal update at the port is to help support marine towing and navigation assistance services for port traffic. "The modernization of the Mgr Blanche terminal will

ensure the reliability and safety of maritime services for our users, as well as the safe and sustainable accessibility of this meeting place, which offers our citizens a unique panoramic view of the Bay of Sept-Îles,” said Pierre D. Gagnon, president and CEO, Port of Sept-Îles.

### **23. California ports gear up to build offshore wind ports**

Two California ports, Long Beach and Humboldt Bay, are gearing up to build offshore wind ports but still need financing. The two ports plan to build facilities that will assemble and launch floating offshore wind turbines to be deployed off the coasts of Central and Northern California. Suzanne Plezia, Chief Harbor Engineer, Port of Long Beach and Chris Mikkelsen, Executive Director, Port of Humboldt Bay, discussed their challenges at the Pacific Offshore Wind Summit at Sacramento, California on May 15th. Several other Summit speakers echoed Kelly Boyd, Senior Director, Policy Development with the Norwegian offshore wind developer Equinor’s view who said: “There are no wind farms without the wind ports.”

### **24. Monthly cargo numbers continue to rise at LA, Long Beach**

The Port of Los Angeles continued seeing upticks in monthly cargo flow last month, Executive Director Gene Seroka said on Monday, May 20, 2024 during his monthly online press briefing. April cargo volume numbers showed 12% increase over the same month last year, making it the ninth consecutive month of year-over-year growth at the port. The port handled 770,337 container units in April. “All our vital operational statistics,” Seroka said, “are at or better than pre-COVID levels.” The Port of Long Beach also saw momentum in its April 2024 cargo data. That port moved 750,424 twenty-foot equivalent units, or TEUs, last month, a 14.4% increase from April 2023. “Imports are steadily climbing as we continue to work with industry partners to rebuild our market share,” Port of Long Beach CEO Mario Cordero said in a news release. The Port of L.A.’s year so far, Seroka said, has seen 3,150,841 TEUs in the first four months. That number is nearly 25% more than during the same period in 2023, Seroka said.

### **25. Port Houston posts double digit box growth**

Port Houston continues to exceed last year’s container volumes and is up 12% through April 2024 with 1,394,094 twenty-foot equivalent units (TEUs). In the month of April 2024, 324,177 TEUs moved through the Port, which represents a 5% increase compared to the previous year's April figures. A closer look at container cargo shows strong volume for both loaded imports and loaded exports as both directions continue an upward trend. Loaded imports are up 4% for the month and 12% year-to-date through April, totaling 632,886 TEUs, following a recent surge in new import distribution centers constructed in the area. Compared to 2023, loaded exports handled in April 2024 were up 8%, while year-to-date volumes have surged 14%, totaling 523,426 TEUs. The rise in exports is attributed to the demand for regionally produced automotive, furniture, cotton, and plastic resin goods. Port Houston continues to be the nation’s top gateway for resin exports, with a market share of 60%. In response to the increased volumes at Bayport and Barbour’s Cut Container Terminals, Port Houston is shifting customers to use its Express Pass appointment system. This timeless appointment option allows trucking companies to initiate transactions prior to arriving. It also provides access to dedicated Express Pass lanes and reduces ingate transaction time, which in turn improves truck turn times in and out of the facilities.

### **26. Port of Oakland April container volume continues growth trend**

The Port of Oakland April container volume showed a 17% increase in full TEUs (twenty-foot containers) for the first four months of 2024 compared to the same period in 2023. This reflects Oakland’s return to its historical average cargo volumes, rebounding from 2022 and 2023 declines. Full imports rose year-over-year for the sixth consecutive month (November 2023 - April 2024). The Port posted a 7.5% uptick in loaded imports in April 2024, handling 75,335 TEUs this April, versus 70,112 TEUs in April 2023. Full exports also increased 6.9% in April 2024. Port operators managed 67,566 TEUs this April 2024, in contrast to 63,193 TEUs in April 2023. Greater schedule reliability for vessels is bringing back agricultural shippers that rely on predictable ship departures. “It’s encouraging to see Oakland recover cargo volume as we focus on long term growth,” said Port of Oakland Maritime Director Bryan Brandes. “Our investments in upgrading Port infrastructure are paying off, and they position us ideally to capture future freight business with increasing demand.”

### **27. Cargo Shipping Market Size Valued At \$2.2 Trillion In 2021, Projected To Reach \$4.2 Trillion By 2031 With A CAGR of 7%**

Allied Market Research published a report, titled, "Global Cargo Shipping Market by Cargo Type (Liquid Cargo, Dry Cargo, and General Cargo), by Ship Type (Bulk Carriers, General Cargo Ship, Container Ship, Tanker, Reefer ship, and Others), and by Industry Type (Food & Beverages, Manufacturing, Retail, Oil & gas, Automotive, Pharmaceutical, Electrical & Electronics, and Others) Global Opportunity Analysis and Industry Forecast, 2022–2031". According to the report, the global cargo shipping industry generated \$2.2 trillion in 2021 and is anticipated to generate \$4.2 trillion by 2031, witnessing a CAGR of 7% from 2022 to 2031. Between rich and developing countries, several trade-related agreements have been made to move products. As a result, suppliers now favor rivers as a better and more effective mode of transportation. Due to this growing propensity, logistics service providers have created better and more

effective cargo transportation services, which has accelerated the expansion of the global market. The free trade agreement has also made it possible to lower taxes and levies.

### **28. Strong demand, port congestion pushes intra-Asia rates to 30-month highs**

Port congestion in Asia, Red Sea diversions and growing exports from Southeast Asia are helping to fuel a surge in intra-Asia freight rates that has seen prices hit 30-month highs on some trades from China. Carriers and forwarders say intra-Asia volumes are growing as long-haul ocean carriers redeploy vessels and omit calls on regional trades to bolster mainline east-west services. High charter rates and a shortage of feeder vessels are deterring carriers from leasing ships to make up for the shortfall in capacity. Current rates from Shanghai (pictured) to Bangkok are approximately \$1,200 per FEU, with Shanghai to Vietnam about \$1,000 per FEU, according to data specially prepared for the Journal of Commerce by Xeneta. “The strong performance in intra-Asia trade is driven by a variety of reasons, including the Red Sea diversions.

### **29. Prince Rupert export infrastructure project secures Canadian government loan**

The Prince Rupert Port Authority will receive a C\$150 million (US \$110 million) loan from the Canada Infrastructure Bank (CIB) to help finance development of the port’s new export logistics hub known as CANXPORT. It will expand capacity and capabilities for rail-to-container transloading for multiple export products at Prince Rupert, the CIB said in a statement on May 23, 2024 announcing the loan. The project carries an estimated capital cost of C\$750 million (US\$547 million) with a two-year construction timeline, according to the port’s website. CIB is helping to expand Canadian exports and resiliency in the supply chains that support trade with an investment.

### **30. Intermodal Briefs: Port of Prince Rupert, UIPA**

The Prince Rupert Port Authority (PRPA) advances an export logistics hub project that will expand rail-to-container transloading at the CN-served Port of Prince Rupert in British Columbia. Also, Utah Inland Port Authority’s (UIPA) industrial park in Cedar City earns Union Pacific’s (UP) Focus Site program designation for “shovel ready” sites.

### **31. Port of Halifax: Accumulated container statistics**

The Port of Halifax released its container statistics for the final quarter of 2023 and for the full year. For the fourth quarter, total container freight in TEUs was down 12.2% in 2023 to 134,511 from 153,130 in 2022. Total exports were down 10.1% in 2023 to 67,800 from 75,407 in 2022. Total imports were down 14.2% in 2023 to 66,711 from 77,723 in 2022. For the calendar year (2023), total container freight in TEUs was down 9.2% in 2023 to 546,163 from 601,700 in 2022. Total exports were down 7.2% in 2023 to 265,831 from 286,533 in 2022. Total imports were down 11.1% in 2023 to 280,332 from 315,167 in 2022.

### **32. Wind propulsion systems will be installed on 7 vessels operated by MOL Drybulk**

Mitsui O.S.K. Lines, Ltd. and its group company MOL Drybulk Ltd. on May 28, 2024 announced their intent to install wind propulsion systems including Wind Challenger on a total of seven new building bulk carriers and multi-purpose vessels, which will be operated by MOL Drybulk. MOL has measured the performance of the Wind Challenger on a vessel Shofu Maru continuously on actual voyages and confirmed that the Wind Challenger sail reduced daily fuel consumption by up to 17%. The fuel saving and GHG reduction effect of the Wind Challenger depends on various conditions such as the type of vessel and the shipping route. MOL Group will have a total of 9 Wind Challenger-equipped vessels, bringing the total number of vessels equipped with wind propulsion systems to 11. Among the 7 vessels to be equipped with wind propulsion systems, 6 new bulk carriers will each be equipped with 1 Wind Challenger. Construction contracts have already been signed with Oshima Shipbuilding Co., Ltd. for 3 of the 6 vessels, and preparations are under way for construction contracts for the remaining three vessels.

### **CMA CGM pays \$1.9 million to settle FMC finding over billing action**

CMA CGM will pay a \$1.9 million fine to the US Federal Maritime Commission (FMC) after the agency’s investigators found the ocean carrier improperly billed a third party. Along with the cash penalty, the agency received explicit compliance from the ocean carrier about following new rules on who pays detention and demurrage charges on containers. The FMC said in a statement on May 29, 2024 said that CMA CGM agreed to the penalty to settle an investigation brought by the agency’s enforcement bureau. Investigators found the carrier “over broadly defined and applied” the merchant clause in its bill of lading to a third party.

### **A strong start to shipping shows resilience on the St. Lawrence Seaway**

Early tonnage figures show a strong start for the 66th navigation season on the St. Lawrence Seaway demonstrating the resilience, predictability, and sustainability of the binational system. Early fleet positioning due to low winter ice coverage on the Great Lakes jump-started grain and potash traffic. Canadian and U.S. grain totals increased by 39,000 metric tonnes over the previous year, totaling approximately 1.21 million metric tonnes to date. Similarly, potash traffic posted an increase of 83,000 tonnes, bringing the total up to 110,000 metric tonnes to date. Potash, which includes various mined and manufactured minerals that contain potassium in water-soluble form, is used in fertilizers to support plant growth, increase crop yield and disease resistance, and enhance water preservation.

## RAIL TRANSPORTATION

### 1. CTA announces Volume-Related Composite Price Indices for Crop Year 2024–2025 for CN and CPKC

The Canadian Transportation Agency (CTA) has announced its determination of the Volume-Related Composite Price Index (VRCPI) for the Canadian National Railway Company (CN) at 1.9281 and the Canadian Pacific Kansas City (CPKC) at 1.8760 for the 2024–2025 crop year beginning August 1st. This is an increase in the VRCPI over the last crop year of 5.39% for CN and 6.49% for CPKC. The determination of the VRCPIs is based on detailed submissions from CN and CPKC on their historical price information for railway inputs involving labour, fuel, material, and other capital items as well as forecasted future changes in these railway price components. These indices will be used in determining CN's and CPKC's Maximum Revenue Entitlement for the movement of western grain in the 2024–2025 crop year. The Maximum Revenue Entitlement limits the overall revenue earned by CN and CPKC for shipping regulated grain.

### 2. VIA rail enhances services between Ottawa and Toronto

VIA Rail Canada Inc. (VIA Rail) is pleased to announce the enhancement of services between Ottawa and Toronto with the introduction of several new departures. As of May 27, 2024, the new 641 early-morning frequency will be introduced, operating between Ottawa and Toronto from Monday to Thursday. Train 641 will be leaving Ottawa at 4:19 a.m. for arrival in Toronto at 8:48 a.m., with stops in Kingston, Belleville, Cobourg and Port Hope. Train 644, currently offering 3 departures a week between Toronto and Ottawa, will now be offered every day.

### 3. Freight Rail Services Price Index, April 2024

Data for April for the Freight Rail Services Price Index (2018=100) are now available. The index was 128.3 for April 2024 compared to 127.2 for March 2024 and 124.9 for April of the previous year.

### 4. CN Announces C\$1.25 Billion Debt Offering

CN on April 30, 2024 announced a public debt offering of C\$700 million 4.60% Notes due 2029, and C\$550 million 5.10% Notes Due 2054. CN expects to close the offering on May 2, 2024, subject to customary closing conditions. CN plans to use the net proceeds from the offering for general corporate purposes, which may include the redemption and refinancing of outstanding indebtedness, share repurchases, acquisitions and other business opportunities. The debt offering is being made in Canada under CN's base shelf prospectus dated April 2, 2024.

### 5. STB Finalizes Reciprocal Switching Rule

The Surface Transportation Board (STB) on April 30, 2024 reported adopting Reciprocal Switching for Inadequate Service, STB Docket No. EP 711 (Sub-No. 2), by unanimous vote, implementing new regulations at 49 CFR part 1145, which it said “sets forth a path for shippers and receivers to petition the Board for the prescription of a reciprocal switching agreement.” The final rule “is designed to promote adequate rail service,” according to the STB. Board Member Robert Primus concurred with a separate expression, noting “I am voting for the final rule because something is better than nothing.” Frank N. Wilner, Railway Age Capitol Hill Contributing Editor, weighs in and provides a reciprocal switching “primer.”

### 6. North America supply chains imperiled by Canada rail strike vote

Rail workers demanding more rest time moved closer to a strike that would disrupt supply chains from Halifax to Vancouver and down through the Midwest to the Gulf of Mexico. A union representing more than 9,000 employees at Canadian National Railway Co. and Canadian Pacific Kansas

## RAIL TRANSPORTATION Canada

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6. North America supply chains imperiled by Canada rail strike vote, May 1, 2024, [www.ajot.com](http://www.ajot.com)
7. Negotiations with the TCRC and United Steelworkers Ratify New Collective Agreement, May 1, 2024, [www.cn.ca](http://www.cn.ca)
8. AAR: Decreased Coal Shipments Cause U.S. Rail Declines in April, May 1, 2024, [www.railwavage.com](http://www.railwavage.com)
9. BNSF 1Q24: Revenue Down; OR Increases, May 5, 2024, [www.railwavage.com](http://www.railwavage.com); and BNSF's First Quarter 2024 Financial Performance: Volumes, Revenues and Expenses, May 5, 2024, [www.bnsf.com](http://www.bnsf.com)
10. Union Pacific shaves two days off Los Angeles to Chicago route with new service, May 6, 2024, [www.ajot.com](http://www.ajot.com)
11. New Tentative Agreement Reached Between CN and Unifor Affiliated CNTL Drivers, May 7, 2024, [www.cn.ca](http://www.cn.ca)
12. RailState: CN Drives Canadian Intermodal Growth in April, May 7, 2024, [www.railwavage.com](http://www.railwavage.com)
13. Union Pacific wants changes to rail crew rules linked to border crossings, May 7, 2024, [www.joc.com](http://www.joc.com)
14. CN Moving to Kevric's Landmark Redevelopment at 600 De La Gauchetière Street West, May 9, 2024, [www.cn.ca](http://www.cn.ca)
15. AAR reports weekly rail traffic for the week ending May 4, 2024, May 8, 2024, [www.ajot.com](http://www.ajot.com); and AAR: North American Rail Volume Up Through Week 18, May 8, 2024, [www.railwavage.com](http://www.railwavage.com)
16. Union reaches tentative agreement with CN Transportation, May 9, 2024, [www.insidelogistics.ca](http://www.insidelogistics.ca)
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18. Unifor Affiliated CNTL Drivers Ratify New Collective Agreement, May 14, 2024, [www.cn.ca](http://www.cn.ca)
19. CN unveils innovative Transload Facility in Flat Rock, May 24, 2024, [www.ajot.com](http://www.ajot.com)
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22. Feds ask Canada Industrial Relations Board to review potential rail strike, May 16, 2024, [www.insidelogistics.ca](http://www.insidelogistics.ca)
23. Update on TCRC collective bargaining

City Ltd. said workers overwhelmingly voted in favor of job action to push the companies to include provisions to combat crew fatigue in their collective agreements. The strike would start as early as May 22 if no deal is reached. It would interrupt transport of products — including cars, coal, consumer goods, fertilizer, grains, minerals and petroleum — as well as commuter services, which are run by the affected conductors, locomotive engineers, yard workers and rail traffic controllers. “The simultaneous work stoppage at both CN and CPKC would disrupt supply chains on a scale Canada has likely never experienced,” Paul Boucher, president of the Teamsters Canada Rail Conference, said at a news conference in Ottawa. Boucher said the union will go back to the bargaining table and “do everything in our power to reach a fair deal for our members.” The two rail giants account for nearly 90% of the industry’s revenues and more than three-quarters of overall tonnage carried by the sector. Both companies said they’re working to reach a deal to avoid a work stoppage and warned that a strike would have an impact beyond the Canadian border.

### **7. Negotiations with the TCRC and United Steelworkers Ratify New Collective Agreement**

Negotiations between CN and the TCRC are ongoing, with meetings held between the Parties on April 29 and 30, 2024 supported by federal conciliators. The Union has made it clear that it will not agree to move

toward a more modern agreement based on an hourly rate and scheduling that would have provided significant wage increases and offered scheduled consecutive days off, provisions for no layoffs, and reduced hours away from home. In an effort to reach a negotiated agreement, CN suggested a simplified, alternative path to achieve a deal prior to the earliest possible deadline of a strike on May 22. On May 1, 2025 CN announced that its new three-year collective agreement with the United Steelworkers (USW) Local 2004, was formally ratified by union members on Monday April 29th, 2024. The USW represents approximately 2,500 track and bridge employees at CN, primarily responsible for track maintenance across Canada. Patrick Whitehead, Executive Vice-President and Chief Network Operating Officer at CN said “We’re pleased to have reached this new collective agreement through collaborative negotiations. It is a testament to our commitment to invest in our people, contributing to a more productive environment with more opportunities to grow within the organization.”

### **8. AAR: Decreased Coal Shipments Cause U.S. Rail Declines in April**

“U.S. Rail carloads declined in April primarily due to decreased coal shipments,” said Association of American Railroads (AAR) Chief Economist Rand Ghayad. For the fourth month of 2024, U.S. railroads originated 848,882 carloads, down 6.5%, or 58,751 carloads, from April 2023, according to a May 1 **AAR** report. U.S. railroads also originated 1,018,569 containers and trailers in April 2024, up 8.6%, or 80,471 units, from the same month last year. Combined U.S. carload and intermodal originations in April 2024 were 1,867,451, up 1.2%, or 21,720 carloads and intermodal units from April 2023. In April 2024, nine of the 20 carload commodity categories tracked by the AAR each month saw carload gains compared with April 2023. Canadian railroads reported 93,258 carloads for the week, down 3.6%, and 75,832 intermodal units, up 5.2% compared with the same week in 2023. For the first 17 weeks of 2024, Canadian railroads reported cumulative rail traffic volume of 2,725,737 carloads, containers and trailers, up 0.3%.

### **9. BNSF 1Q24: Revenue Down; OR Increases**

BNSF on May 6, 2024 released first-quarter 2024 financial results, including operating income of \$1.720 billion, a 7% decline from the prior-year period’s \$1.856 billion, and an operating ratio (OR) of 69.5%, a 1.1-percentage-point increase compared with 2023’s 68.4%. Net income for the first quarter was \$ 1,143 million down 8% (\$ 1,247 million) and total revenues were \$ 5,660 million down 6% (\$ 6,019 million) and operating expenses were down 5% from the same quarter a year ago.

### **10. Union Pacific shaves two days off Los Angeles to Chicago route with new service**

“We are delivering the service we sold to our customers – and we’re now able to do it faster,” said Union Pacific CEO Jim Vena. “Our railroad offers 70-mph service, allowing us to compete for business, while reducing greenhouse gas emissions up to 75% for our customers.” The new product also will include faster freight interchanges with other railroads for those trains bound for the Ohio Valley and northeast U.S. destinations. In addition, the westbound service from Global 2 to the City of Industry and Inland Empire Intermodal Terminal will be offered as a premium train as well. “We are excited about this new product, which is part of our continuing effort to find new ways to meet our

negotiations, May 16, 2024, [www.cpkc.ca](http://www.cpkc.ca)  
24. CN Presents Simplified Offer to TCRC to Achieve a Deal, May 16, 2024, [www.cn.ca](http://www.cn.ca)  
25. A Strong Year For VIA Rail As Ridership Continues To Bounce Back, May 13, 2024, [www.viarail.ca](http://www.viarail.ca)  
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32. CN Launches New Firefighting Trains to Help Protect Supply Chain, May 29, 2024, [www.cn.ca](http://www.cn.ca)

customers' needs, while removing trucks off our nation's highways and providing a consistent, reliable product," said Kenny Rocker, executive vice president—Marketing and Sales for Union Pacific.

#### **11. New Tentative Agreement Reached Between CN and Unifor Affiliated CNTL Drivers**

CN announced May 7, 2024 that CNTL, a CN subsidiary dedicated to first and last mile trucking container pickup and deliveries, has reached a second tentative agreement with owner-operators affiliated with Unifor. The first tentative agreement, announced on January 17, 2024, was not ratified. This four-year agreement covers approximately 750 owner-operators under contract with CNTL in Canada until December 31, 2027.

#### **12. RailState: CN Drives Canadian Intermodal Growth in April**

A combined 96,719 containers moved eastbound out of the western Canada ports in April 2024, up 6% from March 2024 and up 56.5% from April 2023, according to real-time network visibility provider RailState, which independently tracks all freight rail movements across Canada. April 2024 volumes are the highest ever recorded by RailState, which was established in 2021.

#### **13. Union Pacific wants changes to rail crew rules linked to border crossings**

Union Pacific Railroad wants regulators, customs officials and unions to allow Mexican train crews to operate in a limited area within the US in order to create faster transits and reduce the likelihood of migrants accessing trains along the border near Eagle Pass, Texas. UP CEO Jim Vena believes the US border with Mexico should work like the Canadian border. When a Canadian Pacific-Kansas City (CPKC) or Canadian National Railway (CN) train crosses into the US, the Canadian crew takes the freight to a designated point on the US side where a US crew assumes control.

#### **14. CN Moving to Kevric's Landmark Redevelopment at 600 De La Gauchetière Street West**

CN and Kevric jointly announced on May 9, 2024 that CN will relocate its headquarters to Kevric's 600 DLG project, located at 600 De La Gauchetière West. The 20-year lease begins in 2028 and covers the building's first 18 floors, totalling more than 440,000 square feet. CN will start moving certain departments as of 2026. Ghislain Houle, Executive Vice-President and Chief Financial Officer, CN said "CN has been part of downtown Montreal's DNA for over 100 years. Maintaining our headquarters' presence in the city's core is integral to our identity. Our employees are our greatest competitive advantage and we were careful in choosing our new headquarters. We want to keep inspiring greater innovation and collaboration in a workplace that will nurture our employees' growth."

#### **15. AAR reports weekly rail traffic for the week ending May 4, 2024**

The Association of American Railroads (AAR) on May 8, 2024 reported U.S. rail traffic for the week ending May 4, 2024. For this week, total U.S. weekly rail traffic was 463,106 carloads and intermodal units, up 0.0 percent compared with the same week last year. Total carloads for the week ending May 4 were 213,410 carloads, down 5.1 percent compared with the same week in 2023, while U.S. weekly intermodal volume was 249,696 containers and trailers, up 4.9 percent compared to 2023. Seven of the 10 carload commodity groups posted an increase compared with the same week in 2023. Canadian railroads reported 94,801 carloads for the week, up 7.4 percent, and 76,026 intermodal units, up 5.7 percent compared with the same week in 2023. For the first 18 weeks of 2024, Canadian railroads reported cumulative rail traffic volume of 2,896,564 carloads, containers and trailers, up 0.6 percent.

#### **16. Union reaches tentative agreement with CN Transportation**

Unifor has reached a tentative settlement with CN Transportation Ltd. (CNTL) on a new four-year collective agreement. The union's bargaining committee opened negotiations with CNTL on Nov. 13, 2023. The first tentative settlement was rejected by a vote of 52 per cent during ratification meetings held from Jan. 23 to Feb. 2. The union resumed bargaining from May 1-5, with the bargaining committee focusing on a goal to achieve priority issues and improvements that the membership expressed were necessary during its first ratification meetings.

#### **17. Negotiations with the TCRC**

CN has been made aware that the Minister of Labour has requested clarity, on May 9, 2024, from the Canadian Industrial Relations Board (CIRB) on whether or not any services are essential and therefore must be maintained during a labour disruption. As a result of that request, there can be no strike or lockout before the CIRB issues a decision. It is highly unlikely that such determination could be made before May 22. However, CN strongly believes that the current uncertainty around a labour disruption must be resolved decidedly and as soon as possible for employees, customers, and Canadians who depend on rail to get them everyday essential goods. The Company continues to seek a negotiated agreement with the TCRC.

#### **18. Unifor Affiliated CNTL Drivers Ratify New Collective Agreement**

CN announced on May 14, 2024 that the tentative agreement between CNTL, a CN subsidiary dedicated to first and last mile trucking container pickup and deliveries, and owner-operators affiliated with Unifor has been ratified. This four-year agreement covers approximately 750 owner-operators under contract with CNTL in Canada until December 31, 2027. Remi G. Lalonde, Executive VP and Chief Commercial Officer at CN said "We are pleased that CNTL reached this new agreement with Unifor through collaborative negotiations. We are committed to working with owner-operators to support business needs and ensure that they can deliver critical first mile and last mile services to our customers."

### **19. CN unveils innovative Transload Facility in Flat Rock**

CN indicated that it was pleased to announce the grand opening of its new transload logistics facility in Flat Rock, Michigan. Target Steel, the facility's first customer, will convert a large part of its traffic from trucks to rail for steel coils. This resulting streamlining of operations and removal of a substantial number of heavy-weight trucks off highways is expected to reduce related greenhouse gas emissions by up to 75%. Helen Quirke, Vice-President, Supply Chain and Business Development, CN said "We are excited to open this state-of-the-art facility in Flat Rock. It is a testament to CN's commitment to sustainable logistics solutions. This facility exemplifies our dedication to innovation, growth and environmental stewardship to power the economy."

### **20. FRA Makes More Than \$2 Billion in New Funding Available to Continue Improving America's Busiest Passenger Rail Corridor**

The U.S. Department of Transportation's Federal Railroad Administration (FRA) on May 14, 2024 issued a Notice of Funding Opportunity (NOFO) that makes available over \$2 billion in Federal-State Partnership for Intercity Passenger Rail Program funding for projects located on the Northeast Corridor (Fed State-NEC). The corridor supports 800,000 passengers per day and billions of dollars in annual economic activity. Modernizing this critical infrastructure to provide safer, faster and more reliable passenger rail service for travelers and commuters is a key part of President Biden's Investing in America agenda.

### **21. Weekly Rail Traffic for the Week Ending May 11, 2024**

Through the first 19 weeks of 2024 (ending May 11, 2024), total North American carload and intermodal traffic rose 2.0% from the same point last year, the Association of American Railroads (AAR) reported on May 8, 2024. The U.S., Canada and Mexico all experienced gains. For this week, total U.S. weekly rail traffic was 468,748 carloads and intermodal units, up 0.6 percent compared with the same week last year. Total carloads for the week ending May 11 were 209,319 carloads, down 7.0 percent compared with the same week in 2023, while U.S. weekly intermodal volume was 259,429 containers and trailers, up 7.7 percent compared to 2023. Six of the 10 carload commodity groups posted an increase compared with the same week in 2023. Canadian railroads reported 94,624 carloads for the week, up 5.1%, and 73,591 intermodal units, up 4.1 percent compared with the same week in 2023. For the first 19 weeks of 2024, Canadian railroads reported cumulative rail traffic volume of 3,064,779 carloads, containers and trailers, up 0.9 percent.

### **22. Feds ask Canada Industrial Relations Board to review potential rail strike**

The Ministry of Labour has asked the Canada Industrial Relations Board (CIRB) to look into the potential rail workers' strike and if it would impact the health and safety of Canadians. Minister of Labour Seamus O'Regan Jr. posted on social media May 9, 2024 addressing the situation, writing, "Today I asked the Canada Industrial Relations Board to look into maintenance of activities agreements between @TeamstersRail, @CNRailway & @CPKCrail. Serious concerns have been raised about potential impacts to the health and safety of Canadians. It's our duty to look into this." Inside Logistics reported May 2, 2024 that the Teamsters Canada Rail Conference (TCRC) announced that close to 10,000 workers at CN and CPKC had voted to authorize strikes at both companies, potentially impacting Canada's supply chain. Unless an agreement can be reached, a work stoppage could occur as early as May 22, 2024.

### **23. Update on TCRC collective bargaining negotiations**

Canadian Pacific Kansas City (CP) on May 1, 2024 published the following update on collective bargaining with the Teamsters Canada Rail Conference (TCRC): CPKC and the TCRC leadership will resume meeting on May 17, 2024 with the assistance of federal mediators in an effort to achieve new collective agreements for our Train and Engine (T&E) and Rail Traffic Controller (RCTC) employees.

### **24. CN Presents Simplified Offer to TCRC to Achieve a Deal**

In an attempt to avoid a work stoppage and end the unpredictability for Canada's supply chains, CN tabled a new offer to the Teamsters Canada Rail Conference (TCRC). The new offer remains fully compliant with the Federal Government's Duty and Rest Period Rules (DRPR) which define the requirements related to the hours of work and rest periods for employees who are in positions designated critical to safe railway operations. Since the beginning of bargaining in 2023, CN's proposals have focused on modernizing the collective agreement to enhance employee safety, introducing predictable scheduling with planned consecutive days off, better work-life balance, and increased financial compensation.

### **25. A Strong Year For VIA Rail As Ridership Continues To Bounce Back**

More than four million passengers chose to travel by train in 2023 with VIA Rail marking its highest ridership numbers since 2019. Year over year, ridership was up 24.7 per cent, and the Corporation achieved important milestones in its modernization projects delivering on its vision to be the smarter way to move people. "2023 was a pivotal year for VIA Rail as we introduced new equipment, launched a modern new reservation system, restored several key train frequencies in the Québec City-Windsor corridor, and achieved a significant increase in revenues," said Françoise Bertrand, VIA Rail's Chairperson of the Board of Directors. "The end result is that we were able to better serve our

customers and build the foundation for our future growth.” 2023 also marked the arrival of VIA Rail’s new President and Chief Executive Officer, Mario Pélouin, who joined the Corporation in June.

#### **26. FRA Continues Strengthening Rail Safety Through New Rules Requiring Certification of Dispatchers and Signal Employees**

The U.S. Department of Transportation’s Federal Railroad Administration (FRA) on May 20, 2024 announced two final rules that will require railroads to develop certification and training programs for train dispatchers and signal employees. Unlike with conductors and locomotive engineers, there have previously been no federal regulations mandating specific training requirements, safety and knowledge checks, and verification of safety records for dispatchers and signal employees. These final rules address this gap in rail safety and will help ensure that certified dispatchers and signal employees are qualified and fit for duty. They also build on FRA actions to increase rail safety and better protect rail workers and communities, including last month’s final rule regarding train crew size safety requirements.

#### **27. Railway carloadings, March 2024**

In March 2024, the volume of cargo carried by Canadian railways totalled 32.2 million tonnes, down 4.5% compared with March 2023. Fewer shipments of iron ores and coal as well as continuing declines in grain were the main contributors. The volume of cargo moved by rail totalled 92.4 million tonnes in the first quarter of 2024, 2.2% below the same January-to-March period in 2023. The decline in March 2024 was the result of lower volumes in domestic non-intermodal loadings (mainly commodities) as well as freight traffic received from railway connections in the United States. Non-intermodal freight loadings in Canada fell 5.5% year over year in March to 25.3 million tonnes, led by a sharp decline in carloadings of iron ores and concentrates.

#### **28. AAR reports rail traffic for the week ending May 18, 2024**

The Association of American Railroads (AAR) on May 22, 2024 reported U.S. rail traffic for the week ending May 18, 2024. For this week, total U.S. weekly rail traffic was 474,886 carloads and intermodal units, up 0.9 percent compared with the same week last year. Total carloads for the week ending May 18 were 214,092 carloads, down 4.8 percent compared with the same week in 2023, while U.S. weekly intermodal volume was 260,794 containers and trailers, up 6.2 percent compared to 2023. Five of the 10 carload commodity groups posted an increase compared with the same week in 2023. Canadian railroads reported 92,669 carloads for the week, up 5.7 percent, and 72,537 intermodal units, down 2.6 percent compared with the same week in 2023. For the first 20 weeks of 2024, Canadian railroads reported cumulative rail traffic volume of 3,229,985 carloads, containers and trailers, up 0.9 percent.

#### **29. Rail operations ‘severe concern’ due to potential Canadian strike**

All rail operations throughout North America are being moved to a severe concern due to the potential labour disruption in Canada and inland port intermodal (IPI) congestion at ports in Los Angeles and Long Beach, according to the U.S. Port/Rail Ramp Freight Index from ITS Logistics. A Canadian strike would negatively impact ramps in the U.S. Midwest and Toronto, as the majority of those containers enter North America through Canadian ports. ITS says in its report that the best operational plan to avoid these challenges is to terminate imports at port of entry and use dray off, transload and one-way trucking to get freight into distribution centre networks. Barry Kukkuk, CTO of Netstock, says if the strike takes place, the impact will continue to be seen across the North American supply chain.

#### **30. CN receiving next-gen ore Jennies**

CN is taking delivery on 600 new 1,150-cubic-foot iron ore hopper cars, colloquially called “jennies,” from FreightCar America. The new equipment, described as “a significant upgrade to CN’s fleet.”

#### **31. VIA rail unveils its plan to transform passenger rail in Canada**

Mario Pélouin, President and Chief Executive Officer of VIA Rail Canada (VIA Rail), unveiled on May 23, 2024 the Corporation’s strategic plan: VIAAction 2030. Through this ambitious plan based on concrete objectives, VIA Rail aims to become a best-in-class operator in North America and a leader in integrated mobility at the heart of the passenger journey in Canada. Among its 2030 objectives, VIA Rail is committed to: 1. Generating savings equivalent to 15% of its operating deficit; 2. Reducing its greenhouse gas emissions by 50% compared to 2005; and 3. Increasing its capacity by 18%. Mario Pélouin said “Canada was built by rail, and I fundamentally believe in the transformative potential of this industry. I have the ambition to act now to create meaningful change for our passengers, and this plan gives us a clear roadmap which allows us to aim higher and transform the way we operate.”

#### **32. CN Launches New Firefighting Trains to Help Protect Supply Chain**

CN on May 29, 2024 announced the addition of two new firefighting trains along with two additional railcars to its fire mitigation and suppression fleet. With wildfires underway across Canada, this specialized fleet, the Trident and the Neptune trains will join CN’s existing firefighting train, Poseidon. Together, these three trains will provide support in combatting wildfires along CN’s right-of-way, bringing a significant amount of water and fire suppression capacity to isolated areas, helping to ensure the fluidity, safety and security of goods on CN’s network and surrounding communities.

## HIGHWAY TRANSPORTATION

### 1. NHTSA Finalizes Key Safety Rule to Reduce Crashes and Save Lives

On April 29, 2024, the U.S. Department of Transportation's National Highway Traffic Safety Administration (NHTSA) finalized a new Federal Motor Vehicle Safety Standard that will make automatic emergency braking (AEB), including pedestrian AEB, standard on all passenger cars and light trucks by September 2029. This safety standard is expected to significantly reduce rear-end and pedestrian crashes. NHTSA projects that this new standard, FMVSS No. 127, will save at least 360 lives a year and prevent at least 24,000 injuries annually. AEB systems use sensors to detect when a vehicle is close to crashing into a vehicle or pedestrian in front and automatically applies the brakes if the driver has not. Pedestrian AEB technology will detect a pedestrian in both daylight and in darker conditions at night. This will significantly reduce injury or property damage and associated costs from these crashes.

### 2. Couriers and Messengers Services Price Index, March 2024

The Couriers and Messengers Services Price Index (2019=100) is now available for March. For March 2024 the index was 134.7 up from 134.1 from the previous month and from 134.1 in January 2024. The index was 127.6 in March 2023 and 133.4 in January 2023.

### 3. Highway 413 is a Game Changer: OTA

The Ontario government's announcement to move forward with building Highway 413 is welcomed by the Ontario Trucking Association, which looks forward to the project, which will provide a major boost to the provincial economy and bring relief to some of the most congested traffic arteries in North America. Stephen Laskowski, president of the Ontario Trucking Association and James Steed, president of Steed Standard Transport and OTA Chair, were on hand for the April 30<sup>th</sup>, 2024 announcement made by Premier Doug Ford and members of cabinet including the Hon. David Piccini, Minister of Labour, Immigration, Training and Skills Development and the Hon. Vijay Thanigasalam, Associate Minister of Transportation.

### 4. Pride Group's U.S. fleet Arnold Transportation ceases operations

Pride Group's U.S. fleet Arnold Transportation, which it purchased in 2022, has laid off its employees. An April 30, 2024 Worker Adjustment & Retraining Notification report with the Texas Workforce Commission, indicates there were 157 affected employees. The FMCSA reports Arnold had 402 power units and 341 drivers. Court filings indicate Arnold Transportation Group was still tightly interwoven with its parent company, Pride Group, which filed for bankruptcy protection in late March 2024. Arnold operated from a property leased from a Pride company and documents indicate Arnold hadn't been profitable since its 2022 acquisition. Arnold's trucks were also leased from a Pride Group business and it was financed with intercompany loans and factoring. Once cut off by factoring company Triumph Factoring Services, its only source of liquidity was intercompany advances or DIP (Debtor-in-Possession) financing; Pride secured a \$30 million DIP facility in early April in order to continue its operations.

### 5. Waabi opens purpose-built autonomous trucking site in Texas

Toronto-based autonomous driving firm Waabi has opened a flagship autonomous trucking terminal in the Dallas, Texas, suburb of Lancaster. The facility was purpose-built for autonomous trucking, and will support the company's partnership with Uber Freight, transporting loads between Dallas and Houston. "Texas is a critical location for us as it is the home to our first commercial operations and several important shipping corridors. By establishing our presence here, we are committed to creating more

## HIGHWAY TRANSPORTATION

### Canada

1. NHTSA Finalizes Key Safety Rule to Reduce Crashes and Save Lives, April 29, 2024, [www.dot.gov](http://www.dot.gov)
2. Couriers and Messengers Services Price Index, March 2024, April 30, 2024, [www.statcan.gc.ca](http://www.statcan.gc.ca)
3. Highway 413 is a Game Changer: OTA, April 30, 2024, [www.ontruck.ca](http://www.ontruck.ca)
4. Pride Group's U.S. fleet Arnold Transportation ceases operations, May 2, 2024, [www.insidelogistics.ca](http://www.insidelogistics.ca)
5. Waabi opens purpose-built autonomous trucking site in Texas, May 3, 2024, [www.todaystrucking.com](http://www.todaystrucking.com)
6. Daimler Truck North America and UAW ratify deal, May 6, 2024, [www.todaystrucking.ca](http://www.todaystrucking.ca)
7. April 2024 U.S. Transportation Sector Unemployment (4.7%) Rises Above the April 2023 Level (3.8%) And the Pre-Pandemic April 2019 Level (3.7%), May 3, 2024, [www.bts.gov](http://www.bts.gov)
8. CTA: RCC Opens Opportunity to Address Empty Trailer and In-transit Moves, May 7, 2024, [www.insidelogistics.ca](http://www.insidelogistics.ca)
9. Daimler to demonstrate autonomous electric truck, May 8, 2024, [www.todaystrucking.ca](http://www.todaystrucking.ca)
10. Mullen Group acquires B.C. logistics company, May 8, 2024, [www.insidelogistics.ca](http://www.insidelogistics.ca)
11. Lion Electric's loss widens in Q1 despite cost-cutting measures, May 8, 2024, [www.todaystrucking.ca](http://www.todaystrucking.ca)
12. Ontario Awards Contract for Bradford Bypass, May 9, 2024, [www.mto.gov.on.ca](http://www.mto.gov.on.ca)
13. Canada's fleets see 67% increase in EV adoption, Geotab finds, May 10, 2024, [www.todaystrucking.ca](http://www.todaystrucking.ca)
14. INVESTING IN AMERICA: Brent Spence Bridge Project Marks New Milestone as President Biden's Infrastructure, May 10, 2024, [www.dot.gov](http://www.dot.gov)
15. Cargo theft increased 46% in Q1: CargoNet, May 10, 2024, [www.todaystrucking.ca](http://www.todaystrucking.ca)
16. Safety, industry image remain top concerns among women: THRC, May 13, 2024, [www.todaystrucking.ca](http://www.todaystrucking.ca)
17. Ontario Introducing Stiff Penalties to Combat Auto Theft, May 14, 2024, [www.mto.gov.on.ca](http://www.mto.gov.on.ca)
18. Freight markets should improve in the second half, but it's 'status quo' for now, May 14, 2024, [www.todyastrucing.ca](http://www.todyastrucing.ca)
19. Urban public transit, March 2024, May 16, 2024, [www.statcan.gc.ca](http://www.statcan.gc.ca)
20. MTO Announces Proposed Enhancements to Roadside Enforcement and Truck Driver Training, May 16, 2024, [www.ontruck.ca](http://www.ontruck.ca)
21. Honda to demonstrate Class 8 hydrogen fuel cell truck, May 17, 2024, [www.todaystrucking.ca](http://www.todaystrucking.ca)
22. Biden-Harris Administration Selects 99 Communities for Grants Aimed at Making Local Roads Safer; Invites Applications for Future Rounds of Funding, May 17, 2024, [www.dot.gov](http://www.dot.gov)
23. FMCSA Continues Nationwide Crackdown on Fraudulent Household Goods Movers and Brokers, May 20, 2024, [www.dot.gov](http://www.dot.gov)
24. Electric truck maker Harbinger announces Canadian dealer, May 21, 2024, [www.todaystrucking.com](http://www.todaystrucking.com)
25. Used truck prices plunged from February to April, J.D. Power finds, May 21, 2024,

opportunities for autonomous trucking in the region,” said Raquel Urtasun, founder and CEO of Waabi. “We see this facility as a key player in not only Waabi’s future, but the future of autonomous trucking, as we use it to scale our operations to continue pushing the boundaries of this industry.”

#### **6. Daimler Truck North America and UAW ratify deal**

Daimler Truck North America (DTNA) and the United Auto Workers (UAW) have reached new collective bargaining agreements covering approximately 7,400 hourly employees at six manufacturing and component facilities in the U.S. UAW members at Daimler Truck ratified the new contracts by nearly 95%. The new collective bargaining agreements are effective immediately and run through March 3, 2028. “We are very pleased to have reached agreements with our bargaining partner, the UAW,” said John O’Leary, president and chief executive officer of Daimler Truck North America. “The new agreements demonstrate the value we place on our employees as our most important resource.”

#### **7. April 2024 U.S. Transportation Sector Unemployment (4.7%) Rises Above the April 2023 Level (3.8%) And the Pre-Pandemic April 2019 Level (3.7%)**

The unemployment rate in the U.S. transportation sector was 4.7% (not seasonally adjusted) in April 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 April 2024, the transportation sector unemployment rate rose 0.9 percentage points from 3.8% in April 2023 and was above the pre-pandemic April 2019 level of 3.7%. Unemployment in the transportation sector reached its highest level during the COVID-19 pandemic (15.7%) in May 2020 and July 2020.

#### **8. CTA: RCC Opens Opportunity to Address Empty Trailer and In-transit Moves**

The Honourable Anita Anand, president of the Treasury Board, is leading a revival of the Canada-United States Regulatory Cooperation Council (RCC) to help the Canadian private sector discuss regulatory barriers to cross-border trade and investment and identify opportunities for alignment and cooperation. In-transit movements through the U.S. remain restricted, whereas they continue to be allowed through Canada. As such, CTA is asking the RCC process to recommend that the Canada Border Services

[www.freightwaves.com](http://www.freightwaves.com)

26. Truckload carriers hopeful but not calling cycle turn yet, May 22, 2024, [www.coc.com](http://www.coc.com)

27. CTA offers suggestions to improve supply chain, May 22, 2024, [www.insidelogistics.ca](http://www.insidelogistics.ca)

28. Volvo announces plans to build hydrogen-fueled internal combustion engine, May 23, 2024, [www.insidelogistics.ca](http://www.insidelogistics.ca)

29. Ontario Introducing Online Booking to Exchange Driver’s Licences, May 23, 2024, [www.mto.gov.on.ca](http://www.mto.gov.on.ca)

30. Electrification of heavy-duty vehicles: How can efficiency be improved under challenging climatic conditions?, May 23, 2024, [www.itf-oecd.org](http://www.itf-oecd.org)

31. CTA to Senate Committee: Govt Too Slow and Passive in Fighting Driver Inc, May 24, 2024, [www.ontruck.ca](http://www.ontruck.ca)

32. OTA Launches New Website to Better Serve Members and Drive Industry Growth, May 24, 2024, [www.ontruck.ca](http://www.ontruck.ca)

33. CIB, HTEC launch \$337M initiative to accelerate hydrogen network in Western Canada, May 24, 2024, [www.todaystrucking.ca](http://www.todaystrucking.ca)

34. Western Canadian hydrogen refuelling network receives funding, May 28, 2024, [www.insidelogistics.ca](http://www.insidelogistics.ca)

35. Docked Bikeshare Ridership Increase in 2023 on Most but Not All Systems, May 17, 2024, [www.bts.gov](http://www.bts.gov)

36. North American Transborder Freight down 5.6% in March 2024 from March 2023, May 22, 2024, [www.bts.gov](http://www.bts.gov)

37. Shippers, carriers working together toward sustainability targets, May 28, 2024, [www.todaystrucking.ca](http://www.todaystrucking.ca)

38. Minister of Transport announces construction of new laboratory at Transport Canada’s Motor Vehicle Test Centre, May 29, 2024, [www.tc.gc.ca](http://www.tc.gc.ca); and [Transport Canada building commercial vehicle test lab, May 29, 2024, www.todaystrucking.ca](#)

39. Einride places Peterbilt’s largest-ever order of electric trucks, May 29, 2024, [www.todaystrucking.ca](http://www.todaystrucking.ca)

Agency (CBSA) invest in the technology required to migrate A8B documentation requirements from paper to an electronic format and that the U.S. recognize this process. This change, as well as U.S.-Canada political support, should be sufficient to restore simplified in-transit options for Canadian trucking fleets. Regarding empty trailer movements, CTA is asking that each government recognize, through policy, that a truck driver can reposition an empty trailer in a foreign country, a notion which both the [Canadian and U.S. trucking industry remain aligned on](#). Currently, it is illegal for a U.S. driver to reposition an empty trailer in Canada and the same applies to a Canadian driver in the U.S., which contributes to the duplication of miles, unproductive time delays, and increased costs that significantly hamper supply chain efficiency.

#### **9. Daimler to demonstrate autonomous electric truck**

Daimler Truck has announced it will blend its autonomous trucking technologies with its electric truck capabilities to demonstrate its first-ever battery-electric autonomous truck. A Freightliner eCascadia will serve as the base platform, upon which autonomous technologies will be layered. Its goal is to commercially roll out autonomous vehicles by 2027. The truck maker held a conference call with trade press this week to discuss the initiative, claiming it will not only result in a zero-emission heavy truck, but also one that’s safer. “By combining zero-emission and autonomous technologies in one product, we are testing solutions for challenges our customers are likely to face in the future,” John O’Leary, president and CEO of Daimler Truck North America (DTNA), said in a related release. “We want to give them choices that allow them to do what they do best: keep the world moving today and well into the future. That takes

a lot of foresight, questioning, testing, learning, improving and co-creating with our customers years in advance to ultimately find the right solution. This truck is a great example of the beginning of that development process.”

#### **10. Mullen Group acquires B.C. logistics company**

Mullen Group Ltd., announced the closing of the previously announced acquisition of ContainerWorld Forwarding Services Inc. and its operating subsidiaries effective May 1, 2024. Based in Richmond, B.C., ContainerWorld was founded in 1993 and is a Canadian logistics company that offers integrated supply chain solutions to the alcoholic beverage and hospitality industries.

#### **11. Lion Electric’s loss widens in Q1 despite cost-cutting measures**

The company reported in its earnings that it has orders for 211 trucks and 1,793 buses on the books, representing a value of \$475 million. That’s in addition to orders for 350 charging stations worth about \$8 million. The company says its initial deliveries of Lion5 trucks delivered with Lion battery packs will take place in the first quarter. Lion announced on April 18, 2024 that it shed about 120 workers and took other cost-cutting measures, to align its cost structure with current market dynamics. Marc Bedard, CEO and founder of Lion said “Despite a challenging first quarter marked by turbulence in the electric vehicle sector, our commitment to long-term growth remains unwavering. This drove us to make the tough decision to streamline our workforce and implement cost-saving measures. While difficult, this move was essential to fortify our liquidity in the face of market volatility, ensuring sustainability without compromising production capacity.” Lion Electric’s loss widened in the first quarter to \$21.7 million (all figures US), up from \$15.6 million in the same period of 2023 as the company looks to cut costs. Revenue of \$55.5 million in the quarter was up \$800,000 versus the same quarter last year. The company delivered 196 vehicles, 24 fewer than Q1 2023. But it now has more than 2,000 vehicles on the road with more than 25 million miles (40 million km) driven.

#### **12. Ontario Awards Contract for Bradford Bypass**

The Ontario government is awarding a contract for the detail design of the western section of the Bradford Bypass, marking an important milestone in the province’s plan to build the new four-lane, 16-kilometre highway that will relieve gridlock, save commuters time and keep goods moving across the Greater Golden Horseshoe.

#### **13. Canada’s fleets see 67% increase in EV adoption, Geotab finds**

There has been a 67% increase in EV adoption among Canadian commercial fleets year-over-year, concluded [Geotab’s recent global report on the state of commercial transportation in Q1, 2024](#). This edition of the report highlighted key trends, challenges, and potential within the industry. While the report found that fleets using proactive safety features through Geotab – including predictive data intelligence – saw a 40% reduction in collision rates globally, it has also recorded Canadian fleets’ achievements in enhancing operations and moving towards achieving their sustainability goals.

#### **14. INVESTING IN AMERICA: Brent Spence Bridge Project Marks New Milestone as President Biden’s Infrastructure**

In a major milestone for the Brent Spence Bridge project between Cincinnati, Ohio, and Covington, Kentucky, the U.S. Department of Transportation announced that the project’s sponsors have cleared the comprehensive environmental review, setting the stage for a groundbreaking in the coming months. The Biden-Harris Administration has invested \$1.6 billion from the Bipartisan Infrastructure Law toward the Brent Spence Bridge, a major transportation corridor that sees over \$1 billion in freight move across it every day. The project will upgrade the existing bridge and build a new additional bridge dedicated to interstate drivers to improve traffic along a critical freight route that runs from Canada to Florida.

#### **15. Cargo theft increased 46% in Q1: CargoNet**

Criminal activities impacting the logistics and transportation industry reached new highs in Q1, 2024, Verisk’s CargoNet reports. This year, the organization documented 925 incidents, a 46% increase compared to the same time last year, and a 10% rise from Q4, 2023. On average, the stolen shipment value in Q1 was \$281,757, while the declared total value was \$76 million. By extrapolating the average shipment value across events without a declared value, CargoNet estimates that a total of \$154.6 million worth of goods were stolen during this period. Illinois and California showed the highest spike in cargo thefts.

#### **16. Safety, industry image remain top concerns among women: THRC**

One in four career-seeking women would consider a job in the trucking and logistics sector, according to Trucking HR Canada’s survey report. Of those women who would consider a career in trucking and logistics, the majority would prefer office jobs over driving a truck. While the industry has made significant progress in attracting female talent to the industry, there is much more work to be done. The trucking industry employed 26,235 more women in 2021 than in 2016, and the number of female truck drivers increased by 43% in these five years, reaching 14,270. However, women still make up around 4% of the Canadian truck driving force. Last year, trucking HR Canada (THRC) surveyed 1,500 Canadian women — who were either active job-seekers or represented the current industry’s workforce as an employer or employee — to better understand the barriers to entry women experience in the trucking industry.

### **17. Ontario Introducing Stiff Penalties to Combat Auto Theft**

The Ontario government is cracking down on auto theft by introducing legislation that, if passed, would suspend driver's licences for people convicted of the crime. With auto thefts and carjackings on the rise across the province, the legislation would help deter potential thieves and make it more challenging for criminals to re-offend. "Car theft is a cowardly and often violent crime that can traumatize victims and communities who experience it," said Prabmeet Sarkaria, Minister of Transportation. "Under the leadership of Premier Ford, our government is sending a clear message to those who commit these crimes and using every tool in our toolbox to keep them off our streets."

### **18. Freight markets should improve in the second half, but it's 'status quo' for now**

Overall truck loadings have been flat through last year and this year, but there's reason to believe they'll begin to improve in the third quarter. That's the word from Avery Vise, FTR's vice-president of trucking, who was speaking on a recent State of Freight webinar. But he tempered expectations by adding "I would say it's not going to be overall particularly robust growth." At this point of a long-running freight recession, fleets can be forgiven for grabbing onto any positive projections. And most positive movement for truckers in terms of volumes and rates will come as a result of capacity exiting the market. This process began in 2022, and later that year the carrier base began to decline consistently on a net basis, Vise explained. "We've had some volatility in this trend, especially recently. But in general, more carriers are still failing than are entering the market." Still, today there are roughly 92,000 more authorized for-hire carriers in the U.S. than existed pre-pandemic, though most of them are one- and two-truck operations. This stemmed from an influx of new entrants beginning in July 2020 as truckers got into business for themselves to chase surging spot market prices. That resulted in an increase of the carrier base to the tune of about 42%, Vise said.

### **19. Urban public transit, March 2024**

In March 2024, the number of urban transit passenger trips in Canada reached 134.3 million, representing over four-fifths (81.5%) of the March 2019 ridership, before the COVID-19 pandemic. This represents an increase of 6.8% (+8.5 million trips) from March 2023, marking three consecutive years of monthly year-over-year growth since April 2021. However, despite this continued growth, there were over 30 million fewer passenger trips in March 2024 compared with the same month in 2019. In March 2024, transit agency operating revenue (excluding subsidies) reached \$317.4 million, an increase of 11.6% (+\$32.9 million) from March 2023. However, this was still \$23.7 million lower than in March 2019, before the pandemic.

### **20. MTO Announces Proposed Enhancements to Roadside Enforcement and Truck Driver Training**

Ontario's Minister of Transportation Prabmeet Sarkaria introduced *The Safer Roads and Communities Act* on May 16, 2024 – a bill that provides additional powers to MTO enforcement officers and initiates a comprehensive review of commercial driver training. "This bill is paving the way by ensuring that enforcement officers have all the necessary powers to keep our roads safe and that our province has the best qualified commercial drivers operating to meet the growing demands of the Ontario supply chain," said Stephen Laskowski, President of the Ontario Trucking Association. "We applaud the government for these changes and for launching industry discussions to identify gaps and meaningful improvements to keep Ontario's roads safe for everyone." Under Chair James Steed, OTA's Board has emphasized the need to raise the bar for commercial driver training and licensing.

### **21. Honda to demonstrate Class 8 hydrogen fuel cell truck**

Honda is bringing a Class 8 hydrogen fuel-cell-electric concept truck to ACT Expo next week, in a bid to find fleet partners for demonstrations in the North American market. "Commercial vehicles, including Class 8 trucks, where fuel cells offer the best zero-emission replacement for existing diesel applications, are a key part of Honda's broad hydrogen business strategy," said Ryan Harty, assistant vice-president, sustainability and business development, American Honda Motor Co. "Honda is actively seeking business collaborations and customers to help bring these hydrogen fuel cell solutions to market here in North America." The truck is powered by three new Honda fuel cell systems that are in mass production at Fuel Cell System Manufacturing, a joint venture with GM. The fuel cells were co-developed by the two automakers, and Honda claims the Honda FC system doubles durability while reducing costs by two-thirds compared to previous generation systems.

### **22. Biden-Harris Administration Selects 99 Communities for Grants Aimed at Making Local Roads Safer; Invites Applications for Future Rounds of Funding**

On May 17, 2024, National Bike to Work Day, the U.S. Department of Transportation announced over \$63 million in grants from President Biden's Bipartisan Infrastructure Law for the Safe Streets and Roads for All (SS4A) program. The funding will go directly to 99 local, regional, and Tribal communities to improve road safety and help prevent deaths and serious injuries on their roads, including safety for bicyclists. The investments come at a key moment for road safety in America. While road fatalities have decreased over the past seven quarters, approximately 40,000 people die on U.S. roads each year and a growing share of those lives lost are outside of motor vehicle such as by bicyclists.

### **23. FMCSA Continues Nationwide Crackdown on Fraudulent Household Goods Movers and Brokers**

On May 20, 2024, the Federal Motor Carrier Safety Administration (FMCSA) announced the launch of Operation Protect Your Move, the agency's nationwide crackdown on scam interstate household goods (HHG) movers and brokers. This enforcement initiative will address complaints about HHG moving company and broker compliance with federal safety and consumer protection regulations and statutes.

#### **24. Electric truck maker Harbinger announces Canadian dealer**

Electric truck maker Harbinger announced US\$400 million in customer orders at ACT Expo, and named its Canadian dealer partner. The company says it has more than 4,000 binding pre-orders for trucks, including from customers such as Grupo Bimbo, the world's largest baking company. "While other new entrants struggle to fill their order pipelines, we have extensive pre-orders and backed-up demand for our medium-duty electric vehicles," said John Harris, CEO, Harbinger. "We are laser focused on the medium-duty vehicle segment, where there is a huge variety of vehicles built on chassis like ours including walk-in vans, box trucks, recreational vehicles, delivery vans, school buses, emergency and disaster response vehicles and more. Today, most manufacturers are adapting gasoline or diesel vehicles to electrification, rather than building a ground-up electric platform. This compromised approach leads to concerns with vehicle safety and durability as well as higher production costs, which is why we chose to start fresh with a clean sheet design." Safetek Specialty Vehicles will be representing Harbinger in the Canadian market. Most of its vehicles will be produced for walk-in van applications such as package delivery, ranging from Classes 4 through 6.

#### **25. Used truck prices plunged from February to April, J.D. Power finds**

Prices for most vehicles in April 2024 at both the retail and auction level were down only slightly from March 2024. But they were down far more from February 2024. For example, midyear 2022 Class 8 tractors sold at an average retail price in April of \$95,365, according to the report. That was 5.4% less than in March, a decline of \$5,379. But the drop from February was far more pronounced. The price that month for Class 8 used 2022 tractors sold at retail was \$128,768. The April price reflects a decline of almost 26% in two months. J.D. Power said it did not release figures for sales of 2022 vehicles sold at auction "due to very low volume of trucks sold, which resulted in swings in the averages that were not reflective of the market."

#### **26. Truckload carriers hopeful but not calling cycle turn yet**

"I don't think that you'll need to see spot supersede contract to see it become meaningfully obvious that this market has turned," said Derek Leathers, Chairman and CEO of Werner Enterprises, at Wolfe Research's annual transportation and industrials conference on Wednesday, May 22, 2024. Following dismal first-quarter results, heads of two of the nation's largest truckload fleets provided constructive market commentary at a investor conference. That said, the long slog back to market equilibrium continues as the industry slowly purges the excess capacity added during the freight boom. "By no means am I here saying I think we're at a turning point or an inflection point, but I do believe, just like it took a long time to get this low and we stayed this low for this long, it's taken us awhile to maybe pick up on some of the signals that are out there in front of us that seem to be more positive," said Derek Leathers, chairman and CEO of Werner Enterprises, at Wolfe Research's annual transportation and industrials conference in New York.

#### **27. CTA offers suggestions to improve supply chain**

The Canadian Trucking Alliance (CTA) joined five other organizations appearing before the House of Commons Standing Committee on International Trade, which is focused on the state of the international and domestic supply chain and matters that could be addressed to improve these systems. CTA used the opportunity to provide a brief overview of its supply chain submission, which offered suggestions of how the Government of Canada and the United States could improve transportation policy to improve and bolster the trucking supply chain.

#### **28. Volvo announces plans to build hydrogen-fueled internal combustion engine**

Volvo Trucks has announced plans to build trucks with internal combustion engines that run on hydrogen, with testing set to begin in 2026. The commercial launch will follow later this decade, the company announced. "Trucks where the traditional internal combustion engine remains but runs on hydrogen will have the same performance and reliability as our diesel trucks, but with the added benefit of very low CO<sub>2</sub> emissions. They will be a valuable complement to our battery electric trucks, which have been on the market for several years," says Jan Hjelmgren, head of product management and quality, Volvo Trucks. Not only will hydrogen internal combustion engines produce practically no tailpipe emissions, they'll also be capable of fuelling in times comparable to diesel. Volvo says it is already testing the technology.

#### **29. Ontario Introducing Online Booking to Exchange Driver's Licences**

The Ontario government is making it easier and more convenient for newcomers to exchange out-of-province and international driver's licences. Appointments can now be made online at 15 DriveTest locations across the province. Prabmeet Sarkaria, Minister of Transportation said "Ontario is proud to welcome more than 200,000 new residents each year, coming from near and far. That is why our government is working to make their transition as seamless as possible by making it easier than ever to exchange a driver's licence, while also reducing wait times and line-ups at DriveTest locations." Newcomers to Ontario have 60 days to exchange an out-of-province or international licence

### **30. Electrification of heavy-duty vehicles: How can efficiency be improved under challenging climatic conditions?**

The movement of goods by trucks makes up one-quarter of all transport-related emissions. Breaking heavy-duty road freight's strong reliance on fossil fuels is a crucial element in the race to drop emissions and mitigate the effects of the climate crisis. Spanish researcher Albert Alonso-Villar receives the 2024 Young Researcher of the Year Award on May 23, 2024 for his research on the effects of cold climates on heavy-duty vehicles powered by batteries. Alonso-Villar, a graduate of Universitat Autònoma de Barcelona and Aalborg Universitet, received the prestigious award from the International Transport Forum's (ITF) Secretary-General Young Tae Kim during the ITF's 2024 Summit on "Greening Transport: Keeping focus in times of crisis" in Leipzig, Germany.

### **31. CTA to Senate Committee: Govt Too Slow and Passive in Fighting Driver Inc**

The trucking industry is increasingly frustrated with the federal government's slow pace to combat the underground economy, fueling the labour misclassification scheme known as Driver Inc. Addressing the Standing Senate Committee on Social Affairs, Science and Technology on elements of Bill C-69 – An Act to implement certain provisions of the budget, –Canadian Trucking Alliance President Stephen Laskowski, and Jon Blackham, Director of Public Affairs, spoke on key topics related to the Canada Labour Code and proposed changes in the budget. The message was simple: the Government of Canada needs to do much more to fight against companies and operators abusing the Labour and Tax Codes at the expense of workers.

### **32. OTA Launches New Website to Better Serve Members and Drive Industry Growth**

The Ontario Trucking Association (OTA), the leading voice of the trucking industry in Ontario, is proud to announce the launch of its redesigned website, ontruck.org. The new website is designed to be a one-stop shop for everything related to Ontario's trucking industry. Users will have access to a wealth of resources, including: 1. A central hub for the latest industry news and updates; 2. Intuitive member and buyer directories; 3. Educational materials and training courses; and 4. Advocacy initiatives and government relations updates

### **33. CIB, HTEC launch \$337M initiative to accelerate hydrogen network in Western Canada**

The Canada Infrastructure Bank (CIB) has partnered with HTEC, a Vancouver-based hydrogen supplier, investing \$337 million towards hydrogen production and refueling stations in Western Canada, the companies announced in a May 25, 2025 joint news release. The \$337 million loan will expedite and expand HTEC's operations in British Columbia and Alberta, enabling HTEC's H2 Gateway program, an estimated \$900-million initiative aimed at building hydrogen infrastructure ecosystems at targeted regional hubs. The investment will bring up to 20 hydrogen refueling stations to British Columbia and Alberta, more than doubling the amount of refueling stations in Canada and supporting the transportation sector in adopting hydrogen-fueled vehicles.

### **34. Western Canadian hydrogen refuelling network receives funding**

The Canada Infrastructure Bank (CIB), along with HTEC, a Vancouver-based designer, builder, owner and operator of hydrogen supply solutions, are partnering to bring a hydrogen production and refuelling network to Western Canada. CIB will invest \$337 million towards the project, a loan that will expedite and expand HTEC's operations in British Columbia and Alberta. The investment will contribute to the implementation of HTEC's full-service, sustainable fuel supply chain focused on reducing emissions in the transportation sector, called H2 Gateway.

### **35. Docked Bikeshare Ridership Increase in 2023 on Most but Not All Systems**

Most but not all docked bikeshare systems experienced an increase in ridership in 2023. In 2023, ridership declined 10% on Indego (serving Philadelphia, PA), 5% on BlueBikes (serving the Boston, MA metro area) and Bay Wheels (serving the San Francisco, CA area), and 1% on Divvy (serving Chicago, IL). With the exception of Bay Wheels, growth in years prior to 2023 more than offset the declines these four systems experienced during 2020, when COVID-19 significantly reduced ridership on nearly all systems. Ridership on BayWheels, on the other hand, was 4% percentage points below the 2019 level in 2023.

### **36. North American Transborder Freight down 5.6% in March 2024 from March 2023**

Transborder freight between the U.S. and North American countries Canada and Mexico in March 2024 was as follows: 1. Total transborder freight: \$133.5 billion of transborder freight moved by all modes of transportation, down 5.6% compared to March 2023; 2. Freight between the U.S. and Canada: \$65.1 billion, down 6.2% from March 2023; 3. Freight between the U.S. and Mexico: \$68.5 billion, down 5.0% from March 2023 (Mexico continued to lead Canada in freight dollar value for the last thirteen months - since February 2023); 4. Trucks moved \$86.1 billion of freight, down 4.5% compared to March 2023; 5. Railways moved \$18.5 billion of freight, down 0.4% compared to March 2023; 6. Vessels moved \$10.2 billion of freight, down 5.4% compared to March 2023; 7. Pipelines moved \$8.6 billion of freight, down 15.4% compared to March 2023; 8. Air moved \$4.4 billion of freight, down 14.0% compared to March 2023. US-Canada trade (both directions) were as follows: truck \$37.0b; pipeline \$8.2b; rail \$9.9b; vessel \$2.9b; and air \$2.7b.

### **37. Shippers, carriers working together toward sustainability targets**

IKEA is a big-time, global shipper and with that comes big-time responsibilities to manage its carbon footprint. But since it doesn't run a fleet of its own, IKEA is leaning heavily on its transportation providers to help it achieve its emissions targets. Speaking on a panel of shippers and carriers at ACT Expo, Elisabeth Munck af Rosenchold, global sustainability manager for IKEA, said the company makes 1.7 million shipments a year, emitting about 1 million tons of greenhouse gases. "That of course gives us a big responsibility, but also the opportunity to positively influence [transportation providers]," she said. By 2040, the company plans to use only zero emissions trucks for its road transport and vessels for ocean shipments. By 2030, it plans to have slashed its emissions per shipment by 70% compared to a 2017 baseline. It's already achieved a 25% reduction.

### **38. Minister of Transport announces construction of new laboratory at Transport Canada's Motor Vehicle Test Centre**

On May 29, 2024, the Minister of Transport and Quebec Lieutenant, Pablo Rodriguez, announced that a new \$29 million laboratory is being built to expand the Motor Vehicle Test Centre's capacity. Transport Canada conducts testing at the Motor Vehicle Test Centre to validate that new vehicles and child restraint systems manufactured or imported for sale in Canada meet Canadian standards. The facility's services, including technical expertise and state-of-art technologies, are also available for private sector use. The new 'Commercial Vehicle Laboratory' has been designed to accommodate larger vehicles, like electric buses and heavy trucks, making it easier to conduct safety testing for these types of vehicles. It will add more than 4,400 square metres of space to the existing 11,300 square metres of laboratory space at the existing facility.

### **39. Einride places Peterbilt's largest-ever order of electric trucks**

Autonomous truck maker Einride has placed an order for 150 Peterbilt Model 579EVs, representing Peterbilt's largest order of electric trucks to date. "We are proud to announce this partnership with Peterbilt and Rush Peterbilt Truck Centers as we combine our technology platform with their premium hardware to provide a market leading offering as we collaborate on the future of electric freight," said Niklas Reinedahl, general manager, North America, at Einride. "Bringing new technology to market is imperative to enabling the switch to electric freight operations and we look forward to seeing this further scale Einride's footprint in the market."

## **GENERAL TRANSPORTATION**

### **Canada**

#### **1. OTA Joins Regional Roundtable on Trade/Regulatory Issues**

OTA staff recently took part in a regional roundtable discussion in Windsor, Ont. with president of the Treasury Board of Canada, Anita Anand. The discussion focused on opportunities to advance regulatory cooperation between Canada and the U.S., and providing input into the newly revitalized Regulatory Cooperation Council (RCC) between both countries. Originally formed in 2011, the RCC is a bilateral Canada-U.S. forum organized for regulators and stakeholders to discuss regulatory barriers to cross-border trade and investment and to identify opportunities for regulatory alignment between our countries.

#### **2. U.S. Department of Transportation Announces Closing of First Loan to Support Transit-Oriented Development**

U.S. Department of Transportation (DOT) on May 1, 2024 announced that its Build America Bureau has approved its first Transit-Oriented Development (TOD) TIFIA loan for up to \$26.8 million for the Mt. Vernon Library Commons Project in Washington state. The project includes a multi-use building with a public library, community center, meeting rooms, commercial kitchen, parking garage, public restrooms, STEM center, computing space, and numerous electric vehicle (EV) chargers. The project, slated to be completed this summer, encompasses half a city block in downtown Mount Vernon, WA, and will be a short walk from Skagit Station, Skagit County's multi-modal transportation center.

#### **3. Canadian international merchandise trade, March 2024**

In March 2024, Canada's merchandise exports declined 5.3%, while imports were down 1.2%. As a result, Canada's merchandise trade

## **GENERAL TRANSPORTATION**

### **Canada**

1. OTA Joins Regional Roundtable on Trade/Regulatory Issues, May 1, 2024, [www.ontruck.ca](http://www.ontruck.ca)
2. U.S. Department of Transportation Announces Closing of First Loan to Support Transit-Oriented Development, May 1, 2024, [www.dot.gov](http://www.dot.gov)
3. Canadian international merchandise trade, March 2024, May 2, 2024, [www.statcan.gc.ca](http://www.statcan.gc.ca)
4. Canadian international trade in services, March 2024, May 2, 2024, [www.statcan.gc.ca](http://www.statcan.gc.ca)
5. Food storage and logistics company expands into southern Alta., May 3, 2024, [www.insidelogistics.ca](http://www.insidelogistics.ca)
6. U.S. Department of Transportation Announces \$3 Million in 'Quick Release' Emergency Relief Funding for I-95 Repairs After Truck Fire in Norwalk, Connecticut, May 6, 2024, [www.dot.gov](http://www.dot.gov)
7. USDOT Launches DOT Connect to Capital Initiative, Linking Small Businesses to Private Capital Investors, May 7, 2024, [www.dot.gov](http://www.dot.gov)
8. Floating LNG-export project in B.C. attracts interest from second fuel buyer, May 8, 2024, [www.financialpost.ca](http://www.financialpost.ca)
9. Canadian international merchandise trade: Annual review 2023, May 9, 2024, [www.statcan.gc.ca](http://www.statcan.gc.ca)
10. Leading indicator of international arrivals to Canada, April 2024, May 10, 2024, [www.statcan.gc.ca](http://www.statcan.gc.ca)
11. CTA Appears Before Standing Committee on International Trade, May 10, 2024, [www.ontruck.ca](http://www.ontruck.ca)
12. Biden-Harris Administration Announces Third Year of SMART Grants, Funding Transportation Technology and Innovation, May 13, 2024, [www.dot.gov](http://www.dot.gov)
13. Global supply chains operating near maximum

balance with the world went from a surplus of \$476 million in February 2024 to a deficit of \$2.3 billion in March 2024. This represents the largest trade deficit since June 2023.

#### **4. Canadian international trade in services, March 2024**

Canada's monthly international trade in services deficit widened from \$0.9 billion in February 2024 to \$1.0 billion in March 2024. Overall, exports of services decreased 2.0% to \$16.9 billion, and imports of services were down 1.4% to \$17.9 billion.

#### **5. Food storage and logistics company expands into southern Alberta**

Automated warehouse and cold chain logistics company NewCold announced plans to invest \$222 million and create more than 50 new jobs in Alberta's agri-food sector. With support from Invest Alberta and a grant from the Government of Alberta, NewCold will expand into the southern Alberta community of Coaldale. NewCold identified southern Alberta as an ideal location to support the growing food processing industry in the region with its highly automated cold store. The facility will create infrastructure to supply food across Canada, further enhancing the region's growth as an agri-food corridor. NewCold will also invest in improving Canadian Pacific Kansas City (CPKC) rail connectivity to give businesses ready access to export their products with ease and security. The investment will go into municipal rail lines to develop Coaldale into an export hub.

#### **6. U.S. Department of Transportation Announces \$3 Million in 'Quick Release' Emergency Relief Funding for I-95 Repairs After Truck Fire in Norwalk, Connecticut**

The U.S. Department of Transportation's Federal Highway Administration (FHWA) on May 6, 2024 announced the immediate availability of \$3 million in "quick release" Emergency Relief (ER) funds for the Connecticut Department of Transportation (CTDOT). "I-95 is a critical highway—for both the people of Connecticut and our nation's transportation network—and the Biden-Harris Administration focused immediately on helping Governor Lamont quickly restore travel," said U.S. Transportation Secretary Pete Buttigieg. "These emergency funds helped Connecticut DOT safely repair and reopen the road in less than 80 hours and can now help with costs associated with rebuilding the bridge."

#### **7. USDOT Launches DOT Connect to Capital Initiative, Linking Small Businesses to Private Capital Investors**

The U.S. Department of Transportation's Office of Small and Disadvantaged Business Utilization (OSDBU) has launched U.S. DOT Connect to Capital as a component of a new comprehensive Access to Capital Initiative to help small businesses increase access to private equity capital investors. U.S. DOT Connect to Capital is an online portal that serves as a database of Small Disadvantaged Businesses (SDBs), Disadvantaged Business Enterprises (DBEs) and capital investors licensed by the SBA Small Business Investment Company (SBIC) program, which allows investors to connect with small businesses seeking to attract private investments.

#### **8. Floating LNG-export project in B.C. attracts interest from second fuel buyer**

Japanese trading house Itochu Corp. is in talks for a long-term contract to buy liquefied natural gas (LNG) from the proposed Ksi Lisims project on Canada's northwest coast, part of a wider push by Asian importers to secure fuel. The deal, which could span decades, would be the second for the project, according to people familiar with the matter who asked not to be named because they're not authorized to talk to the media. Shell PLC signed a long-term contract in January to buy LNG from the floating export facility for 20 years. The project would export 12 million metric tons a year.

#### **9. Canadian international merchandise trade: Annual review 2023**

In 2023, the value of Canada's annual merchandise exports decreased 1.4% to \$768.2 billion, while the value of annual imports rose 1.4% to \$770.2 billion. As a result, Canada's merchandise trade balance with the world went from a surplus of \$19.7 billion in 2022 to a slight deficit of \$1.9 billion in 2023. Compared with the total trade value (imports and exports combined totalled \$1.54 trillion), the trade deficit represented approximately 0.1% of total trade in 2023. Therefore, Canada's merchandise trade for 2023 was essentially in a balanced position.

capacity, May 14, 2024, [www.insidelogistics.ca](http://www.insidelogistics.ca)

14. Trade by exporter and importer characteristics: Goods, 2023, May 16, 2024, [www.statcan.gc.ca](http://www.statcan.gc.ca)

15. Canada is exploring higher tariffs on Chinese EVs, trade minister says, May 19, 2024, [www.financialpost.ca](http://www.financialpost.ca)

16. Supply chain salaries up by eight percent, May 21, 2024, [www.insidelogistics.ca](http://www.insidelogistics.ca)

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

18. UK urges Canada to ratify its entry into Pacific trade pact, May 23, 2024, [www.ajot.com](http://www.ajot.com)

19. Biden-Harris Administration Announces Nearly \$10.5 Million Funding Opportunity to Plan Housing Near Transit, May 23, 2024, [www.dot.gov](http://www.dot.gov)

20. EU gives go-ahead to use profits from frozen Russian assets for Ukraine's benefit, May 24, 2024, [www.europa.eu](http://www.europa.eu)

21. National Travel Survey, fourth quarter 2023, March 25, 2024, [www.statcan.gc.ca](http://www.statcan.gc.ca)

22. Visitor Travel Survey, fourth quarter 2023, March 25, 2024, [www.statcan.gc.ca](http://www.statcan.gc.ca)

23. TransBorder Freight Annual Report 2023, May 21, 2024, [www.bts.gov](http://www.bts.gov)

24. Biden to end tariff exclusions on hundreds of Chinese products, May 27, 2024, [www.ajot.com](http://www.ajot.com)

25. National AccessAbility Week – Message from the Chair, May 28, 2024, [www.cta-otc.gc.ca](http://www.cta-otc.gc.ca)

26. Accessibility in Canada: Results from the 2022 Canadian Survey on Disability, May 28, 2024, [www.cta-otc.gc.ca](http://www.cta-otc.gc.ca)

27. CBSA strike potentially looms in June, May 28, 2024, [www.todaystrucking.ca](http://www.todaystrucking.ca)

#### **10. Leading indicator of international arrivals to Canada, April 2024**

In April 2024, the preliminary number of international arrivals to Canada by air and automobile increased 8.9% from April 2023. By air, the number of non-resident arrivals in Canada totalled 640,000 in April 2024, up 12.1% year over year. Meanwhile, the number of Canadian-resident return trips from abroad reached 1.9 million, a 7.5% increase from April 2023. By automobile, US residents took 918,800 trips to Canada in April 2024, up 10.1% from the same month in 2023. The number of Canadian-resident return trips from the United States also rose, up 8.7% year over year to 1.9 million trips in April 2024.

#### **11. CTA Appears Before Standing Committee on International Trade**

The Canadian Trucking Alliance (CTA) joined five other organizations in appearing before the House of Commons Standing Committee on International Trade, which is focused on the state of the international and domestic supply chain and matters that could be addressed to improve these systems. CTA used the opportunity to provide a brief overview of its supply chain submission, which provided suggestions of how the Government of Canada and the United States could improve transportation policy to improve and bolster the trucking supply chain. The committee members showed interest in trucking issues like the need to provide the Canada Border Services Agency (CBSA) with support to maintain and increase the presence of sufferance warehouses, address hours of operation at the border for food/ag inspections, the Peace Bridge pre-arrival readiness evaluation (PARE), importance of Gordie Howe bridge investment, truck/driver rest areas and aligning winter road maintenance standards.

#### **12. Biden-Harris Administration Announces Third Year of SMART Grants, Funding Transportation Technology and Innovation**

The U.S. Department of Transportation (USDOT) announced on May 13, 2024 that it is accepting applications for the third year of its **Strengthening Mobility and Revolutionizing Transportation (SMART) Grants Program**. The SMART Grants Program was made possible by the Bipartisan Infrastructure Law, signed by President Biden on November 15, 2021. As part of the President's Investing in America agenda, the program will fund up to \$500 million in grants over five years to conduct demonstration projects focused on advanced smart community technologies and systems that improve transportation safety and efficiency. In the first two rounds of SMART Grants, USDOT selected 93 projects in 39 states, plus the District of Columbia and Puerto Rico, totaling \$148 million.

#### **13. Global supply chains operating near maximum capacity**

After four years of wild swings that included shortages and glut, global supply chains are now operating at near capacity according to the most recent GEP Global Supply Chain Volatility Index. The GEP Global Supply Chain Volatility Index — an indicator tracking demand conditions, shortages, transportation costs, inventories, and backlogs based on a monthly survey of 27,000 businesses — rose in April to -0.18, from -0.32 in March, which signals that global supply chains are operating at close to full capacity.

#### **14. Trade by exporter and importer characteristics: Goods, 2023**

The number of enterprises exporting goods rose by 1.4% to 48,718 in 2023, the highest level since 2005. Meanwhile, the number of enterprises importing goods increased by 2.3% to 163,881. Large enterprises had the highest year-over-year growth for exporters (+5.6%) and importers (+6.2%). The value of goods exported by large enterprises rose by 3.0% to \$420.8 billion in 2023. Conversely, the value of goods exported by small and medium-sized enterprises (SMEs) decreased by 8.6% to \$282.5 billion, primarily among medium-sized enterprises, which have 100 to 499 employees. A similar pattern was observed for goods imports in 2023; large enterprises (+6.7%) increased their import value, while SMEs (-1.9%) decreased theirs.

#### **15. Canada is exploring higher tariffs on Chinese EVs, trade minister says**

Canada is examining whether it needs to raise tariffs on Chinese-made electric vehicles after the White House announced major new levies on them, Trade Minister Mary Ng said. “We are looking at this very carefully and we have an open dialogue with our American partners,” Ng said in a phone interview from Peru, where she's attending meetings of the Asia-Pacific Economic Cooperation forum. The Biden administration announced sweeping new tariffs against China this week, targeting semiconductors, solar cells and other products. The new United States tariff on Chinese-manufactured electric vehicles will take effect this year, with a final tariff rate of 102.5 per cent, up from 27.5 per cent.

#### **16. Supply chain salaries up by eight percent**

Average supply chain salaries increased by eight percent this year. The Association for Supply Chain Management (ASCM) has released the findings of its 2024 Supply Chain Salary and Career Report. The annual report found that supply chain professionals continue to benefit from a solid job market, reflected in another year of significant salary increases. “It's encouraging to see salaries in the supply chain sector continue their upward trend,” said ASCM CEO Abe Eshkenazi. The report found that the median compensation for supply chain professionals reached a major milestone, hitting a record-breaking US\$103,000. Additionally, supply chain professionals with degrees reported a

significant salary premium of \$25,000 above the national average, and individuals with at least one supply chain credential earned a median salary 10 percent higher than their non-credentialed colleagues.

#### **17. Travel between Canada and other countries, March 2024**

In March 2024, the number of non-resident visitors to Canada accounted for 93.3% of the number observed in March 2019, before the COVID-19 pandemic. US residents took 1.3 million trips to Canada in March 2024 and residents of overseas countries embarked on 346,900 trips. The number of returning Canadian residents reached 92.0% of the level recorded in March 2019 as Canadian residents returned from 5.0 million trips abroad in March 2024. Using seasonally adjusted data, both the number of non-resident arrivals to Canada and returning Canadian-resident arrivals decreased 1.3% in March from February.

#### **18. UK urges Canada to ratify its entry into Pacific trade pact**

A British trade official called on Prime Minister Justin Trudeau's government to ratify the UK's entry into a Pacific trade deal by the end of the year, despite opposition from some Canadian agriculture groups. The two countries are at an impasse in their bilateral free trade talks, which may also be delaying Canadian action to help the UK join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, known by the acronym CPTPP. The UK signed onto the latter accord last July, and its Parliament formally ratified the deal last week. But before it can start enjoying the benefits, the UK needs six of the CPTPP's 11 members to ratify its accession — and so far only Singapore, Japan, and Chile have done so. Canadian Trade Minister Mary Ng has yet to introduce a ratification bill in the country's House of Commons. Jennifer Fagan, head of economics and trade at the UK High Commission in Canada, said her country is especially keen to have Canada's support, given their close ties as allies and Canada's status as chair of the CPTPP Commission this year. "We understand that it's a busy parliamentary season for Canada, but we're hoping that it'll be imminent that Canada will put that legislation forward," Fagan said in an interview.

#### **19. Biden-Harris Administration Announces Nearly \$10.5 Million Funding Opportunity to Plan Housing Near Transit**

The U.S. Department of Transportation's Federal Transit Administration (FTA) on May 23, 2024 announced the availability of nearly \$10.5 million in competitive grant funds for agencies to plan transit-adjacent development. FTA's Pilot Program for Transit-Oriented Development (TOD) Planning supports local planning and investment near transit hubs to promote sustainable, livable, and equitable communities, with a focus on projects that plan for affordable housing.

#### **20. EU gives go-ahead to use profits from frozen Russian assets for Ukraine's benefit**

The EU has given the green light to use windfall profits from frozen Russian assets to support Ukraine's self-defence and reconstruction. The profits will be used both to provide further military support to Ukraine and support the country's reconstruction needs with EU programmes.

#### **21. National Travel Survey, fourth quarter 2023**

For the first time since the onset of the COVID-19 pandemic, both Canadian-resident trips and expenses exceeded those recorded in 2019. During the fourth quarter of 2023, Canadian residents took 74.6 million trips, up 7.1 million from the same quarter of 2022 (67.6 million). Most (88.3%) of the fourth quarter of 2023 trips were domestic. Canadian residents spent \$14.6 billion on domestic travel and \$11.1 billion on travel outside the country. In the fourth quarter, Canadian residents took 65.9 million domestic trips, up 8.1% from the fourth quarter of 2022 (60.9 million) and exceeding such trips recorded in the same quarter in 2019 (62.6 million), before the pandemic, by 5.3%. The number of domestic overnight trips was 20.6 million in the fourth quarter of 2023, while same-day trips totalled 45.3 million. From October to December, Canadian residents spent \$14.6 billion on domestic travel, up 0.8% from the fourth quarter of 2022 (\$14.5 billion) and increasing 26.1% from the same period in 2019 (\$11.6 billion)

#### **22. Visitor Travel Survey, fourth quarter 2023**

In the fourth quarter, visitors from the United States and overseas countries made 5.7 million trips to Canada, representing 88.3% of the number of trips taken in the same quarter of 2019, before the COVID-19 pandemic. From October to December 2023, more than three-quarters (77.4%) of these trips were made by US residents. In the last quarter of 2023, spending by non-resident travellers to Canada totalled \$4.4 billion, up 11.7% from the fourth quarter of 2019. Spending by US residents accounted for 52.6% of total visitor spending from October to December 2023.

#### **23. TransBorder Freight Annual Report 2023**

U.S. land borders with Canada and Mexico consistently facilitate over \$1 trillion in cross-border trade annually. To put things in perspective, in 2023 the value of total U.S.-international trade was \$5.1 trillion, of which U.S. trade with Canada and Mexico comprised 30.8 percent. In 2023, U.S. freight flows with Canada and Mexico equalled \$1.57 trillion dollars. The total weight of that trade was 2,484.7 million tons. While the weight of freight increased 8.8% from 2022, the dollar value of North American freight in 2023 remained unchanged. Surface modes of transportation (truck + rail) lead North American commerce, together accounting for 80.3% of all freight flows by dollar value in 2023.

Trucking continued to be the dominant form of freight transportation in North America, accounting for 60.1% of total flows in Canada and 72.2% in Mexico. Rail was second place with 15.7% with Canada and 12.3% with Mexico.

#### **24. Biden to end tariff exclusions on hundreds of Chinese products**

President Joe Biden plans to extend tariff exemptions on hundreds of products from China for two weeks as a transition period before reimposing duties on some of them, and will continue exclusions for some others until the middle of next year, the office of the US Trade Representative said. The exemptions were set to expire at the end of this month. The move comes after the administration said it would quadruple tariffs on electric vehicles imported from China and raise levies on imports including semiconductors, batteries, solar cells, and critical minerals due to the nation's alleged intellectual property theft. The tariffs were first imposed under President Donald Trump starting in 2018.

#### **25. National AccessAbility Week – Message from the Chair**

The Canadian Transportation Agency recognizes National AccessAbility Week, which takes place May 26 to June 1, 2024, as an opportunity to highlight the fundamental human right of persons with disabilities to an accessible transportation system and the CTA's contributions to achieving a barrier-free Canada by 2040. We have a strong regulatory foundation in Canada, and there is no doubt that over the past decades the accessibility of the transportation system has improved. We also recognize that a lot remains to be done and that to make real progress we must all work together and most importantly directly with persons with disabilities. Earlier this month, on May 9th, France Pégeot, Chair of CTA participated in the National Aviation Accessibility Summit. He also participated on May 22nd in a panel during the International Civil Aviation Organization's Facilitation 2024 Global Summit that focussed on accessibility across national borders. Accessibility is a human right and should be a priority and a commitment for everyone.

#### **26. Accessibility in Canada: Results from the 2022 Canadian Survey on Disability**

In support of National AccessAbility week, Statistics Canada is releasing "A demographic, employment and income profile of persons with disabilities aged 15 years and over in Canada, 2022." The report provides a comprehensive overview of disability characteristics among Canadians, as well as key information on unmet needs for disability supports. Its findings are: 1. Persons with mild disabilities are more likely to be employed than those with very severe disabilities; 2. More than 741,000 persons with disabilities have potential for paid employment in an inclusive labour market; 3. Persons with disabilities are more likely to live in poverty than those without disabilities; and 4. Visualizing data on barriers to accessibility initial results indicated 72% indicated barriers.

#### **27. CBSA strike potentially looms in June**

Members of the Public Service Alliance of Canada (PSAC) who work for Canada Border Services Agency (CBSA), have voted overwhelmingly to strike as early as June 2024. Ninety-six per cent of members voted in favor of job action during votes held April 10 to May 23, the union announced. "Taking job action is always a last resort, but this strong strike mandate underscores that our members are prepared do what it takes to secure a fair contract," said Chris Aylward, PSAC national president. "Unless they want a repeat of 2021, Treasury Board and CBSA must be prepared to come to the table with a fair offer that addresses our key issues." In 2021, job action by CBSA nearly brought commercial cross-border traffic to a halt before a 35-hour bargaining session resulted in an agreement. PSAC says its workers have been without a contract for more than two years.