

Transportation's Top Stories

Air Transport Updates

CANADA

WestJet brings more seats and increased flight frequencies to summer schedule

WestJet in March 6, 2023 announced significant increases to its summer schedule bringing more seats and additional flight frequencies to popular routes across its network. With nearly 600 daily departures during peak travel days, WestJet's summer schedule enhancements will bring more opportunities for Canadians to travel seamlessly across the airline's domestic, transborder and international network this summer.

WestJet brings more seats and increased flight frequencies to summer schedule, March 6, 2023, www.westjet.ca

US/WORLD

Lufthansa Cargo bullish on 2023 despite Ukraine war, economic slowdown

Deutsche Lufthansa's cargo subsidiary posted record adjusted operating income of 1.6 billion euros (\$1.7 billion) for 2022, but executives said a correction in demand and yields will continue this year, resulting in lower profits. Nonetheless, Lufthansa Cargo will be "significantly" more profitable than before the pandemic, executives said. The fourth quarter was a culmination of deteriorating market conditions, with adjusted earnings before interest and taxes down 10.4% to \$310 million as the normal peak season failed to materialize because of high inventories, slower consumer spending and easing of ocean freight bottlenecks. Full-year EBIT increased 7% year over year on a 22% gain in cargo revenue to \$4.9 billion, according to financial results issued on March 3, 2023. Freight ton kilometers, a key revenue metric that accounts for distance, were flat at 7.2 billion. Revenues were boosted by higher surcharges to cover inflation for fuel and space commitments on sister companies like Austrian Airlines, but those

higher costs also cut into margins, management said. Cargo's performance essentially kept the Lufthansa Group out of the red. Overall group results showed Lufthansa returning to profitability with \$808.1 million of net income. Cargo represented 14% of the company's total revenue of \$34.8 billion. Officials attributed the cargo division's ability to outperform the market to the addition of new aircraft, decades of airfreight expertise, efficiency gains through technology and a focus on specialized products that command higher prices.

Lufthansa Cargo bullish on 2023 despite Ukraine war, economic slowdown, March 6, 2023, <u>www.freithwaves.com</u>

▼ IATA Releases 2022 Airline Safety Performance



Source: IATA

The International Air Transport Association (IATA) released its 2022 Safety Report for global aviation. The report showed a reduction in the number of fatal accidents and the fatality risk, compared to 2021 and to the five year average (2018-2022). From this year, the <u>Safety Report</u> has been re-invented as an online interactive resource rather than in static PDF format. Report highlights include: 1. In 2022, there were five fatal accidents involving loss of life to passengers and crew. This is reduced from seven in 2021 and an improvement on the five year average (2018-2022) which was also seven. 2. The fatal accident rate improved to 0.16 per million sectors for 2022, from 0.27 per million sectors in 2021, and also was ahead of the five year fatal accident rate of 0.20. 3. The all accident rate was 1.21 per million sectors, a

reduction compared to the rate of 1.26 accidents for the five years 2018-2022, but an increase compared to 1.13 accidents per million sectors in 2021. 4. The fatality risk declined to 0.11 from 0.23 in 2021 and 0.13 for the five years, 2018-2022. 5. IATA member airlines experienced one fatal accident in 2022, with 19 fatalities.

IATA Releases 2022 Airline Safety Performance, March 7, 223, www.iata.org

JetBlue-Spirit air deal faces DOJ antitrust suit this week



Source: AJOT

The US Justice Department and Department of Transportation are expected to take action as soon as March 7, 2023 to block JetBlue Airways Corp.'s \$3.8 billion takeover of Spirit Airlines Inc., according to people familiar with the case. The Justice Department is expected to file an antitrust lawsuit in federal court, alleging that the elimination of Spirit would increase ticket prices and decrease options for travelers. according to the people, who spoke anonymously to discuss an ongoing case. The Department of Transportation is expected to begin a parallel proceeding to block the transfer of Spirit's airline operating certificate as incompatible with the public interest, the people said. The move by DOT is largely unprecedented in the modern era. The agency hasn't used its authority to block the transfer of a certificate, or the formal federal approval to operate aircraft and carry passengers, among major airlines since the industry was deregulated in 1978. The Justice Department's suit is expected to focus on what it sees as potential harm to flyers, including fewer choices in booking flights and higher prices on all tickets for routes where there is no budget airline. Having an airline like deep-discounter Spirit as an option serves to keep prices lower for passengers, even those that fly with other carriers, the people said.

JetBlue-Spirit air deal faces DOJ antitrust suit this week, March 6, 2023, www.ajot.com

USDOT statement on the justice department's lawsuit to block proposed Jetblue-spirit merger

The U.S. Department of Transportation (USDOT) fully supports the Justice Department's lawsuit under the Clayton Act to block the proposed JetBlue-Spirit merger. Robust airline competition makes it more it affordable to fly. Travelers depend on low-cost flight options to see the world, go home for the holidays, visit their family and friends. show up to help in an emergency, or travel at the last minute. The Justice Department found that the proposed merger violates the Clayton Act by eliminating the largest, most aggressive ultra-low-cost competitor, grounding Spirit's most cost-conscious customers, and substantially reducing competition on a significant number of concentrated, overlapping routes that carry millions of passengers. JetBlue and Spirit have filed a transfer application requesting that USDOT allow them to combine and operate their international routes under one certificate - the authorization required to provide air transportation. The two airlines also filed an exemption application asking USDOT to permit them to operate under common ownership prior to the requested transfer. In light of the Justice Department's pending litigation, USDOT plans to deny the exemption application. The Department will continue to separately investigate the transfer as part of its statutory public interest mandate and under its authority to enforce against unfair and deceptive practices and unfair methods of competition. The investigation will remain open for the duration of the proceeding.

USDOT statement on the justice department's lawsuit to block proposed Jetblue-spirit merger, March 7, 2023, www.dot.gov

Air Cargo Makes a Soft Start to 2023



Source: IATA

The International Air Transport Association (IATA) released data for January 2023 global air cargo markets showing that air cargo demand declined as economic headwinds persist. Global demand, measured in cargo tonne-kilometers (CTKs*), fell 14.9% compared to January 2022 (-16.2% for international operations). Capacity (measured in available cargo tonne-kilometers, ACTK) was up 3.9% compared to January 2022. This was the first year-on-year growth in capacity since October 2022. International cargo capacity increased 1.4% compared to January 2022. The uptick in ACTKs reflects the strong recovery of belly capacity in passenger airline markets offsetting a decline in international capacity offered by dedicated freighters.

Air Cargo Makes a Soft Start to 2023, March 7, 2023, www.iata.org

Passenger Demand Stays Strong in January



Source: IATA

The International Air Transport Association (IATA) announced that the recovery in air travel demand is continuing in 2023, based on January traffic results. Total traffic in January 2023 (measured in revenue passenger kilometers or RPKs) rose 67.0% compared to January 2022. Globally, traffic is now at 84.2% of January 2019 levels. Domestic traffic for January 2023 rose 32.7% compared to the yearago period, helped by the lifting of the zero-COVID policy in China. Total January 2023 domestic traffic was at 97.4% of the January 2019 level. International traffic climbed 104.0% versus January 2022 with all markets recording strong growth, led by carriers in the Asia-Pacific region. International RPKs reached 77.0% of January 2019 levels. "Air travel demand is off to a very healthy start in 2023. The rapid removal of COVID-19 restrictions for Chinese domestic and international travel bodes well for the continued strong industry recovery from the pandemic throughout the year. And, importantly, we have not seen the many economic and geopolitical uncertainties of the day dampening demand for travel," said Willie Walsh, IATA's Director General.

Passenger Demand Stays Strong in January, March 8, 2023, www.iata.org

Air Canada and CAE Name Eight Recipients of the 2023 Captain Judy Cameron Scholarship for Aspiring Women in Aviation

On March 8, 2023, on International Women's Day, Air Canada and CAE announced the recipients of the 2023 Captain Judy Cameron Scholarship, which provides financial assistance to Canadian women studying to become commercial pilots or aircraft maintenance engineers. This year, the two Montreal-based global aviation companies have joined forces to double the number of recipients, awarding scholarships to eight young women from across Canada. In addition to the \$5,000 scholarship, CAE's four recipients will become CAE Women in Flight – Air Canada Ambassadors and help inspire more women to become commercial pilots.

Air Canada and CAE Name Eight Recipients of the 2023 Captain Judy Cameron Scholarship for Aspiring Women in Aviation, March 8, 2023, www.aircanada.ca



Transportation's Top Stories

Rail Transport Updates

CANADA



Opinion: How not to unsnarl rail supply chains

One recommendation from latest task force would make problems worse

Canada's transportation supply chain has had a tough three years: COVID in 2020, devastating floods in B.C. in 2021 and then Russia's invasion of Ukraine in 2022, which disrupted the commodities trade and led to shortages of everything from containers to raw materials to food.

In response to these disruptions Minister of Transport Omar Alghabra created a "national supply chain task force," which has now reported. Its most significant conclusion is that Canada's supply chain requires massive investments — \$4.4 trillion by 2070 — to meet projected growth in population and GDP.

One proposed change relating to railways is peculiar, however. It wouldn't correct problems with the supply chain, it would amplify them. The most significant change to rail policy in decades, it could discourage investment and erode efficiencies in the movement of goods along Canada's supply chain.

The task force would have the government expand the current "interswitching radius." Inter-switching is the rail industry term for the transfer of freight from one rail company to another. One railway takes the shipper's freight partway to its destination but then hands it over to a competing company. The transfer, or switching, is done at an interchange — a place where the two companies' lines meet.

Right now, the freight transfer must take place within 30 kilometres of the interchange; and railways are required to ship at a rate set by Ottawa. The proposal would extend this distance, allowing the railway receiving the goods to carry the freight over greater distances and at a regulated rate. Railways are required to accept the rate, which can be uneconomic for these switches. The rates are set and regulated by the Canadian Transportation Agency (CTA), a federal regulator and tribunal. In setting rates, the CTA uses a formula that averages costs. It doesn't factor in market conditions, route density or the geography of the inter-switch.

Inter-switching is inefficient. It multiplies the number of times rail cars are passed between railways, adding complexities, headaches, and costs. Railways can't simply refuse to make the switch, however: federal law requires they do it. The law the government is contemplating pushing through would increase the number of switches and the distances railways are required to carry goods. This could generate bottlenecks and inefficiencies and worsen already serious traffic snarl-ups, particularly along the route to Vancouver's port, Canada's most important trade corridor.

The task force says expanding the inter-switching radius would "give shippers more rail options." But it was supposed to reduce inefficiencies and snarl-ups along the supply chain, not add to them.

To read the full article, visit: https://lnkd.in/gk7bSz_D

Opinion: How not to unsnarl rail supply chains, March 8, 2023, www.financialpost.com

Transport Resiliency

Canada Allocates C\$5.4MM for Rail



Source: Railway Age

Transport Canada is distributing up to C\$5.4 million to 20 infrastructure projects country-wide that it says will make railroads "more resilient to extreme weather risks." The Rail Climate Change Adaptation Program is funding "research, development and implementation of innovative technologies, tools, and approaches to better identify and reduce the increasing risks and impacts of climate change on Canada's rail sector," such as flooding, fires, permafrost degradation, and more extreme operational temperatures, Transport Canada reported March 2. The funding covers fiscal years 2022/2023-2023/2024.

Transport Canada Allocates C\$5.4MM for Rail Resiliency, March 3, 2023, www.railwayage.com



Unifor CN workers vote for strike



Source: Inside Logistics

Unifor members working at CN have voted overwhelmingly in support of strike action in votes taken during the week of February 20, 2023. Local 100 members voted 98 percent in favour, and Council 4000 members voted 97 percent for a strike. Unifor's national collective agreements with CN that cover about 3,000 workers, expired on December 31, 2022. Local 100 represents locomotive and freight-car

mechanics, electricians and apprentices. Council 4000 represents over 3,000 workers including workers at CN, Intermodal, CNTL and CN Savage Alberta Railway. CN and Unifor have been negotiating since October 2022. The bargaining committees and CN representatives are set to meet again during the week of March 13. "We are in the final stages of negotiations and if the employer is genuine about getting back to the table and securing a contract with Unifor members, they will remove their concessionary demands and start bargaining fairly with the union," Unifor said in a notice to members.

Unifor CN workers vote for strike, March 7, 2023, www.insidelogitics.ca



CP announces ratification of new collective agreement with BLET in U.S. Midwest

Canadian Pacific ("CP") announced on March 7, 2023 the ratification of a new collective agreement with the Brotherhood of Locomotive Engineers and Trainmen representing hundreds of CP and Kansas City Southern ("KCS") locomotive engineers and trainmen in U.S. Midwest locations, which will take effect upon the consummation of the proposed CP-KCS combination, which remains subject to receipt of regulatory approval by the U.S. Surface Transportation Board ("STB"). The new collective agreement includes CP employees on the Dakota, Minnesota & Eastern ("DM&E") South territory in Iowa, Illinois, Missouri and Minnesota, as well as KCS employees in Kansas and Missouri. This agreement, ratified by BLET members this month, provides higher pay and scheduled time off compared to national agreements on a majority of the other Class 1 railways.

CP announces ratification of new collective agreement with BLET in U.S., March 7, 2023, www.cpr.ca

US/WORLD



Second Norfolk Southern train derails in Ohio in a month



Source: AJOT

A Norfolk Southern Corp. train derailed in Springfield, Ohio, about a month after an earlier crash in the state that shone a spotlight on rail safety. Around 20 cars of a 212-car train derailed while traveling southbound near Springfield on March 4, 2023 evening, the company said in an emailed statement. No hazardous materials are involved and there were no reported injuries, it said. Norfolk Southern is grappling with the fallout from the East Palestine, Ohio, crash that left residents worried about contaminated air and water. While train derailments happen fairly regularly, the Feb. 3 incident drew special scrutiny after hazardous chemicals were spilled, forcing an evacuation of the community of about 4,700 people as authorities intentionally vented and burned tank cars to prevent an explosion. Clark County officials said on March 4 they are asking residents within 1,000 feet to shelter in place "out of an abundance of caution," but aren't currently issuing evacuation orders. More than 1,500 residents are without electricity because of downed power lines, officials said in a Facebook post. Second Norfolk Southern train derails in Ohio in a month, March 5, 2023, www.ajot.com

Norfolk Southern announces six-point safety plan



Source: AJOT

Norfolk Southern Corporation announced March 6, 2023 a six-point plan to immediately enhance the safety of its operations. The initiatives are based on the preliminary findings of the National Transportation Safety Board (NTSB) following the East Palestine, Ohio, derailment. NS said it will immediately begin the following initiatives: 1. Enhance the hot bearing detector network. 2. Pilot next-generation hot bearing detectors. 3. Work with industry on practices for hot bearing detectors. 4. Deploy more acoustic bearing detectors. 5. Accelerate the Digital Train Inspection program. 6. Support a strong safety culture. Norfolk Southern announces six-point safety plan, March 6, 2023, www.ajot.com; and Norfolk Southern Outlines New Six-Point Safety Plan, March 6, 2023, www.railwayage.com

☐ Train with 350 passengers collides with freight train in Greece, killing at least 36



Source: Transit Intelligence

In northern Greece, a head-on collision at high speed between a freight and passenger train killed at least 36 people and injured scores of others. Greek police have arrested the station manager in Larissa, about 20 miles south of the crash site. Later count indicates that 57 were dead and protest were staged in Athens. The stationmaster was charged with negligence.

Train with 350 passengers collides with freight train in Greece, killing at least 36, March 1, 2023, www.transitintelligence.com; and Greece train crash: 57 people confirmed dead as public anger grow, www.bbc.com



AAR Reports rail Traffic for week ending March 4, 2023



Source: Railway Age

For the week ending March 4, 2023, total U.S. weekly rail traffic was 474,191 carloads and intermodal units, down 6.3 percent compared with the same week last year. Total carloads for the week ending March 4 were 237,413 carloads, down 1.0 percent compared with the same week in 2022, while U.S. weekly intermodal volume was 236,778 containers and trailers, down 11.1 percent compared to 2022. Four of the 10 carload commodity groups posted an increase compared with the same week in 2022. Canadian railroads reported 80,825 carloads for the week, up 7.6 percent, and 57,978 intermodal units, down 12.2 percent compared with the same week in 2022. For the first nine weeks of 2023, Canadian railroads reported a cumulative rail traffic volume of 1,250,113 carloads, containers, and trailers, up 3.7 percent. AAR Reports rail Traffic for week ending March 4, 2023, March 8, 2023, www.ajot.com; and For Week 9, U.S. Carloads, Intermodal Down, March 8, 2023, www.railwayage.com



AAR Outlines Key Class I Safety Actions



Source: Railway Age

The <u>Association of American Railroads</u> (AAR) on March 8, 2023 reported seven initial steps the Class I railroads are taking "to drive toward a future with zero incidents and zero injuries—one where what happened in <u>East Palestine</u> never happens again." Those include the installation of approximately 1,000 new hot bearing detectors (HBD),

expanding support for first responders, and initiating actions based on a preliminary NTSB advisory. "Healthy railroads are essential to the U.S. economy, and consistently and reliably safe operations are essential to healthy railroads," AAR President and CEO Ian Jefferies said. "Our long history of voluntarily employing safety measures that go above and beyond federal requirements proves our belief in that principle. While we will continue to follow the National Transportation Safety Board's ongoing investigation in Ohio closely and recognize its deliberate, methodical, and fact-based approach, railroads are committed to taking appropriate steps now." Those seven steps are: 1. Detectors—Spacing: 2. Detectors—New Action Threshold: 3. Detectors—Shared Trending Analysis: 4. Confidential Close Call Reporting System. 5. Training: 6. AskRail: 7. Tank Car Improvement. AAR Outlines Key Class I Safety Actions, March 8, 2023, www.railwayage.com



Transportation's Top Stories

Marine Transport Updates

CANADA

Logistec buys Fednav terminals



Source: Inside Logistics

Logistec Stevedoring Inc. is buying the Canadian and U.S. marine terminal business of Fednay, including Federal Marine Terminals, Inc. and the logistics division, Fednav Direct (collectively, FMT). The deal is worth US\$105 million. FMT has operated terminal facilities at ports in Canada and the United States for more than 50 years. It provides stevedoring, handling and warehousing services for bulk, containerized, project cargo, and general cargo. FMT also offers valueadded on-carriage services, inventory management, and 24/7 inland cargo transportation in Canada and the United States. The addition of 11 terminals will be a major expansion of Logistec's network, bringing its total to 90 terminals in 60 ports across North America. FMT's terminals will give the company a foothold in the Great Lakes region and access to new locations in the U.S. Gulf and East Coast regions. Logistec buys Fednav terminals. March 2023. www.insidelogisitcs.ca

US/WORLD

Are MSC and COSCO poised to be ocean carrier growth leaders?



Source: AJOT

MSC and COSCO will be the growth leaders in container shipping as other carriers such as Maersk focus more on logistics, according to noted global container shipping analyst Lars Jensen, principal at Vespucci Maritime. Jensen observed, "MSC is going to grow phenomenally and so is COSCO. Maersk and Yang Ming are not going to grow much at all according to the (new shipbuilding) order books. This means that some carriers are going to be very aggressive in growth and they will need volume for these new vessels. The others are not into growth at all — they want to sell logistics products or increase their unit profitability. This is going to ramp up the pressure between the carriers." At TPM 2023 in Long Beach last week, Jensen noted that the large new shipbuilding "order book will manifest itself as very high nominal fleet growth in 2023-2024, especially seen in the light of the current demand collapse." However, he noted that "Market rumours from shipyards report that deliveries are being postponed. We are coming out of the pandemic period into a cyclical downturn."

Are MSC and COSCO poised to be ocean carrier growth leaders? March 8, 2023, <u>www.ajot.com</u>

MSC container ship loses 45 containers



Source: AJOT

The 64,989 DWT container ship MSC Shristi has lost at least 45 containers in rough weather 350 nautical miles east of Bermuda. The ship, which has a capacity of 4,738 containers, was en route from Boston to the Dominican Republic when the accident occurred. According to a report to local authorities in Bermuda, the ship dropped the empty containers in three separate incidents, the first of which occurred on March 3, 2023. The authorities have issued warnings to shipping to keep a sharp lookout when passing through the waters. After a stay in Caucedo, MSC Shristi is now on her way to Port Said. MSC container ship loses 45 containers, March 10, 2023, www.ajot.com

🖒 Maersk opens container route to Ukraine



Source: AJOT

Maersk has opened a container route to Ukraine via the Romanian port city of Constanta. In Constanta, the containers are transferred to barges, which bring the containers via the Danube Canal to the Ukrainian city of Reni, where they are transferred to trucks. The connection has a very limited capacity and takes just over 36 hours. Due to the increased risk of operating in the region, Maersk requires shippers to sign a 'Ukraine clause' when ordering cargo for the route. "Logistics operations in and around Ukraine remain challenging, but we

are pleased to inform you that Maersk is now able to offer direct bookings to Ukraine from all over the world", writes Maersk in an orientation to its customers. Ukraine's Black Sea ports have been closed since Russia launched its war on Ukraine a little over a year ago, with the only exception being the export of grain, which is done through an agreement brokered by the United Nations.

Maersk opens container route to Ukraine, March 10, 2023, www.ajot.com



Transportation's Top Stories

Road Transport Updates

CANADA



Carriers, railways and shippers tackling costs in a post-pandemic market



Source: Today's Trucking

Canadian carriers and shippers are applying tools as diverse as new technology and offshore labor in the face of inflationary pressures, labor shortages, and softening freight volumes. In other words, they are looking to address changing market dynamics in a post-pandemic world. E-commerce activity grew as much as fivefold at the height of the pandemic, Julian Osorio, DVP omni channel supply chain management and strategy at Hudson's Bay Company, observed during a panel discussion hosted by the Toronto Transportation Club. "It never went down all the way." The activity is back to volumes experienced in 2019, though. And that leaves opportunity to improve. "In Canada, we still have to move as much or more on the e-commerce side," he said, suggesting that other technological investments will play a key role in combatting recessionary pressures. The retailer is also applying pressure on carriers in the process. "We see it as a great opportunity to go test the market," Osorio told the crowd. "Transactional relationships will continue to be part of the equation." Then again, he also stressed the need to build stronger relationships

with carriers to improve productivity and limit bobtailing from one location to another.

Carriers, railways and shippers tackling costs in a post-pandemic market, March 3, 2023, www.todaystrucking.ca



Insurance, Liability Questions Still Hover Over Autonomous Truck Market



Source: Ontruck

There are still a lot of unknowns when it comes to operating autonomous trucks. While some things won't change when it comes to insurance and regulations, there are still many questions left to be answered, according to a panel discussion at the Technology & Maintenance Council's spring meeting. As Trucknews.com's James Menzies reports, some of the liability for collisions will come down to who owns the trucks.

Insurance, Liability Questions Still Hover Over Autonomous Truck Market, March 3, 2023, www.ontruck.ca



New truck orders stabilizing; Used Trucks Prices Dip



Source: Ontruck

February Class 8 orders were 22,800 units – a 13% increase from January and up 10% year over year, according to data from FTR. "Orders likely are below build rates for the month, and FTR would anticipate backlogs to slip slightly. However, backlogs remain at high levels and production slots are mainly filled through Q3 of this year. As such, the February performance is a good sign for the industry as fleets continue to order equipment," said Eric Starks, chairman of FTR. "Over the past year, total net orders reached 303,000 units. In any market, this is a strong number. However, given the uncertainty in the economy, this is an especially welcome sign that demand has not collapsed and that fleets still have access to capital."

New truck orders stabilizing; Used Trucks Prices Dip, March 3, 2023, www.ontruck.ca

Transport LFL buys JE Fortin



Source: Todays Trucking

Transport LFL has announced it has acquired JE Fortin, which celebrates its 100th anniversary this year. "It was after a long selection process with the Fortin family that we reached this agreement. Our values and our missions have facilitated the merger of our two family businesses," LFL wrote on its social media networks. JE Fortin will be a separate entity from Transport LFL. Drivers will keep their jobs with the company in Saint-Bernard-de-Lacolle, Que. Also, the corporate branding and colors will remain the same as now.

Rollout of ELD Mandates Continue Across Canada



Source: Ontruck

Enforcement of the federal ELD mandate and regulatory activity in many provinces has been underway since January 1, 2023. The information in this article and this ELD chart- 23MAR06-ProvELD Enforcement Chart public – is a compilation of the latest information on key items related to enforcement provided to the Canadian Trucking Alliance directly by its provincial association partners. As ELD implementation progresses, CTA will continue to issue this type of report to keep the membership informed of what is happening across the country.

Rollout of ELD Mandates Continue Across Canada, March 7, 2023, www.ontruck.org

Carriers urged to use downtime to prepare for upswing



Source: Todays Trucking

The time is perfect for trucking companies to prepare for the next upswing in the market – providing safety training for drivers, servicing and trading equipment, and improving fuel mileage, according to the chairman and CEO of Heartland Express. Just don't drop your rates, Mike Gerdin, warned during a panel discussion on hot industry topics at Truckload Carrier Association's (TCA) annual convention in Orlando,

Florida. The industry has been in a slowdown for the past nine months. But Gerdin stressed these conditions will not last forever, and that companies should press employees to concentrate on areas which can be improved.

Carriers urged to use downtime to prepare for upswing, March 7, 2023, www.todaystrucking.com

Canadian spot market softer in February



Source: Todays Trucking

Load volumes in Canada's spot market softened slightly in February 2023, according to the latest data from Loadlink Technologies. The company chalked the decline to fewer business days in February. So far this year, the spot market has shown "solid and consistent" volumes, Loadlink reported. Loads were down 9% from January 2023 levels, and 44% year over year, though Loadlink noted the YoY comparisons are exaggerated given record volumes seen a year ago. Outbound loads to the U.S. were down 1% from January 2023, while equipment postings dropped 8%. Loads from the U.S. to Canada dropped 22% from January levels with equipment postings down just 3%. Domestic loads rose 4% in February 2023 with equipment postings down 7%. There were 1.82 trucks posted per load, a 4% increase from January's 1.76 truck-to-load ratio. Year over year, the truck-to-load ratio was up 190% from the 0.63 ratio seen last February. Canadian spot market softer in February, March 9, 2023, www.todaystrucking.com

US/WORLD

January 2023 Freight Transportation Services Index (TSI)



Source: BTS

The Freight Transportation Services Index (TSI), which is based on the amount of freight carried by the for-hire transportation industry, fell 0.2% in January 2023 from December 2022, falling after a one-month increase, according to the U.S. Department of Transportation's Bureau of Transportation Statistics' (BTS). From January 2022 to January 2023 the index fell 0.7%.

January 2023 Freight Transportation Services Index (TSI), March 8, 2023, www.bts.gov



Transportation's Top Stories

Other Transport Updates

CANADA



Canadian Tourism Activity Tracker, December 2022



Source: Statcan

In December 2022, overall tourism activity in Canada had recovered more than nine-tenths of its 2019 pre-COVID-19 pandemic level, largely on the strength of domestic travel. Overall tourism activity in December 2022 reached 91.9% of the December 2019 level, before the pandemic. While domestic activity (i.e., from Canadian residents travelling within Canada) reached 96.0% of its pre-pandemic level, inbound activity (i.e., from international visitors) was less robust, at 80.6% of the December 2019 level. All provinces have recovered roughly 85% or more of their overall tourism activity levels from December 2019.

Canadian Tourism Activity Tracker, December 2022, March 6, 2023, www.statcan.gc.ca

▲To

Tourism Investment Module, 1981 to 2021



Source: Statcan

In 2021, tourism industries invested \$35.0 billion in non-residential capital assets, which accounted for 9.9% of all non-residential capital investment in Canada. This study isolates the investment in nonresidential capital assets undertaken by tourism industries at a detailed industry level. Tourism industries are a subset of all industries in Canada and include those related to transportation, accommodation, food and beverage services, recreation and entertainment, and travel services that are likely to cater directly to tourists. Although these industries also serve non-tourism activities, they are considered essential for tourism activities. As such, these estimates contain investments that benefit tourists and non-tourists. For some tourism industries (e.g., urban transit), these investments mostly benefit nontourists. Non-residential assets include four broad asset categories: non-residential buildings, non-residential engineering structures, machinery and equipment, and intellectual property products. The share of total non-residential investment by tourism industries has steadily increased from a low of 4.2% in 2011 to a high of 9.9% in 2021. These gains were primarily driven by investments in urban transit systems, which tripled in the last decade. In 2021, three industries accounted for 70% of total tourism investment; urban transit systems (\$16.8 billion), passenger car rental (\$4.0 billion) and scheduled air transportation (\$3.7 billion).

Tourism Investment Module, 1981 to 2021, March 7, 2023, www.statcan.gc.ca



Canadian international merchandise trade, January 2023



Source: Statistics Canada

In January 2023, Canada's merchandise exports increased 4.2%, while imports were up 3.1%. As a result, Canada's merchandise trade surplus with the world widened from a revised \$1.2 billion in December 2022 to \$1.9 billion in January 2023.

Canadian international merchandise trade, January 2023, March 8, 2023, <u>www.statca.gc.ca</u>

US/WORLD



A landmark UN treaty is poised to curb exploitation of the ocean



Source: AJOT

An agreement reached on the of night March 5, 2023 on the wording of a historic United Nations treaty to protect marine biodiversity could mark the end of the unregulated exploitation of the ocean, an increasingly urgent concern as climate impacts multiply. The ocean supplies half the planet's oxygen, absorbs more than a third of carbon dioxide emissions from the burning of fossil fuels and feeds billions of people. If ratified, the UN high seas biodiversity treaty could build in

new hurdles for corporations operating on the high seas — defined as the 60% of the ocean beyond any nation's jurisdiction — including for those companies proposing to remove carbon dioxide from the ocean. "I think that the end of the Wild West may be in sight, with real commitment to implement this treaty," said Susanna Fuller, a member of the steering committee of the High Seas Alliance, a coalition of more than 40 environmental groups. "We need to get it up and running soon to deal with those things," Fuller said, referring specifically to CO2 removal schemes. Delegates will reconvene at a later date to formally adopt the text of the treaty, which will then go to the UN General Assembly for approval.

A landmark UN treaty is poised to curb exploitation of the ocean, March 5, 2023, www.ajot.com



Reliable fuel supply to drive your business forward



Source: Todays Trucking

Switching to biodiesel today can help you lower your carbon emissions. To support the Canadian Government's commitment to achieve net-zero emissions by 2050, all industries and sectors are making changes and adapting new practices to their operations to lower their net emissions. Many businesses in the energy and fuel sector are already taking steps to lower their emissions, and the transition to net-zero will influence how companies chose to operate in the future. Canada's Clean Fuel Regulations and the Federal Greenhouse Gas Pollution Pricing Act have changed the standard for the carbon content of fuels and set a requirement to the fuel used by the trucking industry. These regulations have introduced new standards to be implemented across to the fuel industry, for example all diesel in the Ontario market require a 4% biodiesel blend, and the percentage of bio content is predicted to continue to rise in the future. Leveraging their international experience in renewables and biofuels. fuel supplier Greenergy are supporting their customers to navigate the

changing regulations and supporting the energy transition. Early adoption of lower carbon fuels ensures companies are at the forefront of environmental, social and governance mandates.

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